

Stabilization Plan: One year later

Clean and safe services essential to recovery

San Jose Downtown Association (SJDA) completed a Stabilization Plan at the onset of the pandemic that laid out a handful of initiatives to help the organization and downtown community best navigate the crisis.

Completed in August 2020, SJDA spent the past year following the recommendations in the Stabilization Plan and working to get on the other side of the pandemic and into economic recovery. How did SJDA do? Revisiting the plan on its one-year anniversary during an Aug. 13 public meeting, SJDA gave a progress report on the plan's six key directions:

- ◆ Clean and safe services are essential
- ◆ Nurture a vibrant downtown storefront economy
- ◆ Reposition SJDA marketing, events and promotions
- ◆ Renew the Property-Based Improvement District (PBID) and Groundwerx
- ◆ Update SJDA's business model
- ◆ Embed diversity, equity and inclusion principles

Since 2007, downtown property owners have invested in downtown through the PBID. The signature program has been Groundwerx clean-and-safe services, which continued throughout the pandemic providing pan-and-broom cleansing, power-washing, graffiti removal, street fixture sanitizing and "hot spot" service calls requiring immediate attention from businesses and residents. In the past year, Groundwerx was in contact with businesses more than 1,600 times.

Safety ambassadors continue to work with social service providers to connect the downtown's unsheltered population to the services they need. The June 2021 decision by the County Board of Supervisors to have their Behavioral Health staff join coordinated efforts by implementing an Assisted Outpatient Treatment program for the most vulnerable individuals living on the streets was a milestone achievement, said **Chloe Shipp**, Director of Public Space Operations.

The PBID has also supported Secondary Enforcement Units comprised of San Jose Police officers to add another element of safety to downtown streets; tree-trimming and -planting services; beautification efforts like maintaining baskets, planters and lighting; business development assistance; and capital projects such as the new SoFA Pocket Park.

The PBID was renewed for 10 years in 2012. PBID services are mostly



Groundwerx pressure-washer Adam Stanislawek details and sanitizes Paseo de San Antonio benches.

funded by an annual assessment on land and buildings in downtown San Jose paid by property owners via their property tax bill. Currently, an 11-member board has oversight of the PBID which provides services to 700 property owners and 1,800 businesses downtown.

With the current district deadline set to expire at the end of 2022, the renewal of the PBID is under way.

The process to extend PBID services includes a review of all the eligible programs and services, said **Nathan Ullsh**, Director of Policy and Operations. The process also includes a review of the frequency of the services, cost of the services and boundaries where the services will be provided.

The PBID is looking at several expansion areas as downtown continues to grow and add density, especially on the westside of the district. All of this will be vetted in public outreach meetings and meetings with property owners. The feedback will be gathered into a management plan that will be distributed to every property owner in the district who will then have a chance to sign a petition to form the district, then a ballot vote to ratify the district. The district election is expected to be in Spring 2022.

To identify where SJDA should focus its human and fiscal capital, the organization will incorporate quantifiable data into its planning and implementation, utilizing funding from the Knight Foundation and partnering with the Mayor's Office of Technology and Innovation.

Besides Groundwerx and property owners' efforts to keeping downtown clean, safe and fit for business, SJDA's Business Development team continues to work from the trenches to nurture downtown's storefront economy. Though vaccinations are available, recovery from the pandemic has been slow and awkward, leaving many businesses downtown worried about financial security, said Business Development Manager **Nate LeBlanc**.

LeBlanc and newly hired Business Resiliency Manager **Omar Torres** (see story on Back Page) will help businesses to rebound as quickly as possible. In the past 18 months, LeBlanc has focused on Al Fresco outdoor dining; access to capital; connections to grants and loans; consulting on marketing, communications and e-commerce; and generally tracking openings, closings and dormant businesses.

"Listening mattered," LeBlanc said.

"Meeting people where they were. I spent a lot of time listening and learning how things were affecting businesses on an instance-by-instance basis."

The Stabilization Plan calls for the business development team to be more aggressive in filling vacant storefronts and assisting the districts to the east and south of downtown. LeBlanc and Torres are also shopping for space to open a storefront business support center where business owners can drop in for assistance.

"We want it to be a place where we can switch up our approach and be more proactive," LeBlanc said.

Likewise, marketing made major pivots throughout the pandemic by keeping downtown visible and increasing

communications to members despite wholesale

cancellations of events and the shutdown of many downtown business activities, especially in the hospitality sector.

SJDA promoted those downtown businesses that remained open, reopened and shifted operations as county mandates allowed, and the arts groups that moved programming online. Internally, communications focused on getting businesses the information they needed to cope and comply with ever-changing protocols with a weekly email of updates usually sent on Thursdays that will continue post-pandemic.

Another shift occurred in June, when SJDA created a virtual job board in June 2021 in which businesses can submit their openings and posts are shared in the weekly Downtowner, social media and sjdowntown.com.

On the marketing and promotions side, SJDA introduced the #DTSJ Open campaign. Instead of going dark downtown during the holidays, SJDA created Light the Holiday Nights lighting in Plaza de Cesar Chavez and followed up with promotions for Valentine's Day, St. Patrick's Day and the end of the state's tier system.

Dine Downtown was delayed until October and then continued for six weeks as patrons returned downtown for Al Fresco dining. And to accommodate Al Fresco dining in San Pedro Square without logistical restrictions, SJDA moved the Friday Farmers' Market – identified as an essential business – to the SoFA District.

However, major events Music in the Park and Downtown Ice were shut down in 2020 and SJDA's earned income plummeted, forcing SJDA to reconsider its business model. The new plan called for diversification of revenue sources and a shift away from being a major event producer – a fundamental change in how SJDA has operated for 33 years.

The plan reorganized SJDA into two complementary and mutually supportive activity centers – Environment for cleaning, landscaping, capital projects and safety services, and Experience for marketing, communications and activation. Three key management principles centered around equity and inclusion; innovation; and action through implementation; are embedded in everything the organization does.

SJDA pulled off one Music in the Park show this summer – the Aug. 27 concert with **J Boog** and **Jordan T**. But it is handing off production of Downtown Ice to an experienced rink operator this holiday season. The Association intends to keep its iconic legacy events such as Downtown Ice and Music in the Park at a high-quality level while freeing up resources to focus on implementing other core activities to benefit downtown.

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PBID Renewal Timeline

February 2021 – Renewal effort begins with formation of Steering Committee

March 2021 – Initial outreach and meetings; outreach ongoing

August–October 2021 – Assess possible extended boundaries, changes in service zones and frequencies

October–December 2021 – Review service and district options with property owners

December 2021 – Finalize Management Plan and Engineers Report

December 2021 – Final review with Steering Committee

January–March 2022 – Property owners review and sign petition with management plan, including boundaries, services and costs. Requires petitions from property representing a majority of assessments to be paid to proceed to ballot

Spring 2022 – Ballots are mailed to property owners to approve assessments. Must receive support from votes weighted by the amount of assessments to be paid

Late Spring 2022 – City Council ratifies district renewal

July 2022 – Launch district for 10 years starting July 1, 2022

Downtown News

Affordable housing project gets off the ground: Satellite Affordable Housing Associates (SAHA) broke ground Aug. 12 on an eight-story, 87-unit affordable housing project in the former parking lot at 500 Almaden Blvd., at Balbach Street next to Kukar's House of Pizza.

The development known as Arya will feature 19 units for extremely low-income people at 30 percent of the area median income (AMI), 37 units at 50 percent (very low income) and 30 units at 60 percent AMI (low income). If two people were to occupy each unit, the income limits would be \$39,800 at 30 percent, \$66,300 at 50 percent and \$79,560 at 60 percent. Nineteen of the new units will be studios, 54 will be one-bedrooms and 14 will be two-bedrooms.

Building amenities will include resident artist studios and classroom, gallery or performance area for residents or the nearby SoFA neighborhood, common space and community room with kitchen.

The City of San Jose, which donated the land and contributed \$15 million, SAHA – funded through a Chase Bank tax-exempt construction bond – VTA and other regional agencies make up the Arya partnership. VTA's involvement through a grant will result in two electric buses, lighting and greening in the area, wayfinding signs for pedestrians and bikes, and VTA passes and bikeshare passes for tenants for up to three years.

The application process for prospective tenants is expected to begin in summer 2022 at sahahomes.org/apply.

New lighting for arch: The lights on the San Pedro Square arch received a high-tech boost in August. A PBID street life project, Holiday Lights Bay Area lighting wizard **Mike Matsis** removed the old static white lights and replaced them with new programmable lights that can now change colors and move in patterns. The installation occurred over a week in mid-August and then remained dark for another week while engineers added remote access programming equipment. The new lighting feature of almost 200 bulbs was scheduled to debut Aug. 31.

Two more City Dance San Jose events: Put on your dancing shoes and join City Dance for free Salsa lessons Sept. 3 and Cumbia lessons Oct. 1 in the Circle of Palms.

Starting 6 p.m., participate in an hour of instructor-led dance lessons followed by two hours of live music and dancing. Grab a bite to eat and a drink at the El Cafecito by Mezcal. It's also a free First Friday thanks to Facebook, so you can also dance through the new exhibits at the San Jose Museum of Art.

State COVID-19 protocols and guidelines will be in place to keep everyone safe while enjoying the event. Masks are required to enter the museum.

CityDance is presented by San Jose Office of Cultural Affairs, in partnership with the Museum of Art.

BOB comes to life: Portions of four streets in Downtown West changed names to **Barack Obama Boulevard** in honor of the 44th U.S. president's service, leadership and legacy as the first African American to hold the esteemed office.

Signs between West St. John Street and Auzerais Avenue along Bird Avenue, South Montgomery Street, South Autumn Street and North Autumn Street with the new Obama Boulevard name were put in place Aug. 16 and a dedication ceremony Aug. 21 made it official.

Much of the new Obama Boulevard is lined by the SAP Center, Los Gatos Creek, Diridon Station and properties owned by Google in the center of that company's proposed mixed-use village.

For the affected addresses, including those on Bird Avenue, street address numbers will remain the same. City staff will alert Santa Clara County, United States Postal Service, Google maps and Apple maps of the changes. USPS will continue delivering to the old and new addresses. New signs on the freeways and city street signs associated with the freeways will need to be changed out.

SJDA Annual Meeting is Oct. 8

Save the date: SJDA's annual meeting will be Oct. 8 starting at 8:15 a.m. The meeting includes the State of Downtown address, election of new Board members and official financial business. Register at tinyurl.com/oct08mtg.

Business News

Rec Room San Jose: The Rec Room has opened at 1 W. San Fernando St. DJs spin at night and at Sunday brunch. The Rec Room has taken over the adjacent patio formerly occupied by Gorden Biersch. Otherwise, most of the action – the music, sports on TV, signature cocktails and snacks – is found on the second floor of **Marco-Antonio Flores'** business.



Kick back and relax at the Rec Room.

Truffle fries, crispy pork skins, grilled cheese sandwiches, house burger and elote fritters (cornbread in a ball form) have already become customer favorites. Check Rec Room San Jose on Facebook.

WIS helps financial pros with independence: Western International Securities (WIS), a subsidiary of Atria Wealth Solutions, has opened a "turnkey" branch at 10 Almaden Blvd.

"The turnkey offering empowers them to take control of and build equity in their business while fulfilling their real estate, support and infrastructure needs so they can focus on best serving their clients," said **Doug Ketterer**, CEO and founding partner of Atria. More info at atriawealth.com.

Health care in the core: Carbon Health, 28 N. Almaden Ave, Suite 10, is available to do coronavirus testing, COVID-19 Travel Clearance Testing and urgent care.

Urgent care services include: Virtual visits, care on your schedule, and in-house labs and X-rays. Twelve different health care insurers are linked to Carbon Health, and the clinics have affordable pricing for those not insured. The insurers and a pricing menu are posted at carbonhealth.com/san-jose-ca/modera-san-pedro-square.

Carbon Health clinics have popped up all over the Bay Area, including 10 in the South Bay.

Groundwerx / PBID News

New Business Resiliency Manager position: San Jose Downtown Association has hired **Omar Torres** to serve as the organization's Business Resiliency Manager, assigned to assist with economic recovery in three commercial districts heavily impacted by the COVID-19 pandemic.



Omar Torres

also assist those areas with their plans to establish formal business assessment districts.

Torres has extensive experience with local public service and community organizations, including most recently serving as San Jose City Councilmember **Magdalena Carrasco's** Deputy Chief of Staff. He also served as executive director of Santa Maria Urban Ministry, community coordinator for the City of San Jose's Strong Neighborhoods Initiative and on the boards of the Franklin-McKinley School District and San Jose-Evergreen Community College. He has a bachelor's degree in political science from San Jose State University.

Torres will work closely with SJDA Business Development Manager **Nate LeBlanc**, City Small Business Allies **Juan Borelli** and **Xuan Ha**, and **Blage Zelalich**, the City's Downtown Manager. His position is funded by a two-year grant from the Federal Economic Development Administration secured through the City Office of Economic Development. The grant is part of the San Jose Small Business and Manufacturing Recovery Initiative, which aims to help businesses and workers most impacted by the pandemic to survive and thrive.

One-year later

From Front Page

One key innovation for SJDA to use in deploying its resources is DTSJ by the Numbers, an effort funded by Knight Foundation, where the Association collects and analyzes data to help employ best practices in program and service design. Other new grants with the Economic Development Association (EDA) and Abierto will allow SJDA to mentor and strengthen downtown partners and immediate frame areas to downtown's south and east.

"We're going to share what we have learned with the Monterey Corridor and Alum Rock business areas," said **Katia McClain**, SJDA Board President. "It's one more step in creating meaningful connections."

Added **Scott Knies**, SJDA Executive Director: "Downtown is the center city neighborhood for all of San Jose."

McClain noted that diversity, equity and inclusion (DEI) practices have continued throughout the pandemic and the organization recognizes DEI as a building block toward creating a more vibrant city. "Diversity is a fact. Inclusion is a behavior," McClain said.

As examples, she cited the murals and artworks that celebrate diversity and inclusion, presenting information in multiple languages, helping create Qmunity – an



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affirmed place for the LBGTQ+ on Post Street, promoting the City's new Office of Racial Equity, and building an executive board with a majority of women.

"At the end of the day, no matter what the plan or new business model says, we are in the people business," Knies said. "That still means knocking on doors and being out on the streets – pandemic or not. Our staff, volunteers and board members understand we have to be nimble and change with the conditions on the ground. This last year certainly proved that. We are listening to you, and grateful for your trust and support during these tumultuous times."

Downtown Facts

SJDA communications circulation

Downtown Dimension monthly newsletter:
2404 digital + 1964 print = 4368

Downtowner Online weekly email: 6586

Thursday email of business need-to-knows: 2857

Facebook @sjdowntown: 16,625 followers

Twitter, SJ_Downtown: 13,500

Instagram @sjdowntown: 11,900

Source: SJDA

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From the Archives

10 years ago – September 2011 – Customers were treated to a preview of San Pedro Square Market's grand opening scheduled for October. More than 20 food, drink and goods businesses were part of the original lineup.

15 years ago – September 2006 – 1stACT (the ACT stands for Arts, Creativity, Technology) premiered a vision for downtown as the center city of Silicon Valley under the premise that arts and culture play an important role in economic growth and vitality.

20 years ago – September 2001 – SoFA Street Fair celebrated a decade as the center of the South Bay's alternative scene featuring all-day lineups of alternative rock and urban dance music at indoor and outdoor venues. The "10th and Final" festival was postponed a week because of impacts from the 9/11 events.

25 years ago – September 1996 – SJDA restructured its bylaws to make all businesses within the Business Improvement District (BID) automatic members receiving full membership benefits of the Downtown Association.

DOWNTOWN DIMENSION

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