

Minutes of Regular Meeting

Board of Directors San Jose Downtown Property Owners' Association

March 23, 2023

A regular meeting of the Board of Directors of the San Jose Downtown Property Owners' Association (POA), a non-profit California corporation, was held in person and via Zoom conference call.

Board members present: de la Riva, Freise, McMahan, Phan, Ristow, Southwell, Zelalich

Members absent: Egge, Kline, Schneider

Also present were SJDA and Block by Block staff: Chief Executive Officer Alex Stettinksi, Deputy Director Chloe Shipp, Street Life Project Manager Sarah Billings, Operations Manager Chris Arkley, Business Development Manager Nate LeBlanc, Business Resiliency Coordinator Brenda Zendejas, Community Engagement Manager Juan Carlos Aguirrue, PBID Project Coordinator Dennis Yu, Block by Block Program Director Chris Kendrix, and DOT Division Manager Eric Hon.

Freise called the meeting to order at 8:31 a.m.

McMahon motioned to approve the meeting minutes, Phan seconded, and all were in favor. No public comments were made.

President's Report:

- McMahon motioned to start the meeting with Billing's lighting plan discussion, all were in favor.
- Board Vacancy Election: Julia Garcia has stepped forward to fill in the board vacancy. She oversees all physical assets of Jay Paul and is located here in downtown. Freise would like more board members to attend in person. Chuck Hammers has also expressed interest in joining the board, but the board would have to change bylaws to create a seat for him. McMahon suggested Daniel Glaessl, who formerly worked at Gensler, would also be a good fit, for the role of a commercial property owner representative. Schneider's seat is also up for reelection for the residential representative seat. McMahon motioned to accept Garcia, Phan seconded, and all were in favor.

New Business:

- Approval of FY 23-24 Budget and Assessment Rate: Freise and Shipp reviewed three different budget scenarios. All three budget scenarios would run a deficit. Groundwerx will see a significant increase in labor expenses. Landscaping will see an increase for adding an additional landscaper to have two year round landscapers, up from one full time and a part time landscaper. McMahon expressed the universal financial stress that commercial property

owners and the City are going through. Stettinski suggested ways to expand communication services to make sure constituents know about services PBID is providing. The Social Impact Team will start this year and staff awarded Block By Block the contract.

Freise supported the two percent increase scenario. McMahon agreed the two percent scenario makes sense. Phan motioned to pass the two percent scenario, McMahon seconded, and were all in favor. McMahon motioned to increase the landscaping budget by \$17,000, and were all in favor.

Old Business:

- Selection of Three Comprehensive Lighting Plan Projects: Billings presented three lighting options with different cost tiers.

Concept 1 (\$35k-\$55k) - Diffused colorful interior lighting

Concept 2 (\$350k-\$600k) - Catenary lighting

Concept 3 (\$40k-\$80k) - Illuminated art pieces

- The board discussed areas around Santa Clara St that would benefit the most from lighting. Based on budget alone, the board would prioritize the concepts in this order: 1, 3, 2. This would make moving the lighting fixtures easy. Most of these projects will require PBID to go seek outside sources of funding. Stettinski shared Adobe's two million dollar commitment to downtown nonprofits and is willing to allocate up to \$450,000. The mayor may also potentially provide seed money for lighting projects.

City board members discussed that the San Pedro St construction timeline would start in 2025 if approved. The artistic catenary lighting system would have to be timed with the construction timeline, and was something that was requested from the community. Also noted was a big lighting project on the San Pedro St garage.

Connecting small corridors should be the highest priority for the first lighting projects, especially darker parts of Santa Clara St where pedestrians are. Stettinski added the Paseo as another location, with the Farmer's Market potentially being there in the future. The vacancies across from Philz on the Paseo can also host six to eight pop-ups.

The board agreed to start with lighting all four corners of 1st and Santa Clara St as the first project. Property owners on the intersection can also pitch in. PBID staff would need to price out lighting projects for 1st St, 2nd St, and Fountain Alley. Freise would like to pull in some free resources from the downtown design committee, possibly Gensler for help.

- VTA Transit Mall Fee for Service Contract and RFP Update: Freise would like the board to think about whether to continue VTA Transit Mall fee for service contract. Shipp expressed challenges of working with VTA regarding increases in prevailing wages, communication issues, and the time it takes to deliver a contract. Shipp warned about the risk of being fined due to violations of prevailing wages. VTA put out an RFP for

Transit Mall maintenance, but will still need to pay prevailing wages. VTA does not pay a PBID assessment, so PBID is not required to maintain the Transit Mall. There is a public perception challenge if PBID does not provide this work. The state could potentially fine PBID and VTA for contract violations. Zelalich and Ristow can connect Shipp with an audit specialist. Southwell pointed out this could be a public relations issue too if PBID gets fined.

Staff Reports:

- Operations Report: Arkley highlighted the 60 day plan for onboarding the Social Impact Team.
- Business Development Report: LeBlanc updated the board on the opening of a wine bar on Fountain Alley, relocation of Erik's Deli, and attempting to relocate Angelou's Taqueria.
- Street life Report: The Street Life Report was distributed prior to the meeting.

Other Matters:

The meeting was adjourned at 9:58 a.m.