

“State of the Downtown” speech by Scott Knies

October 8, 2021

San Jose Downtown Association Annual Meeting

Title: Digging out and looking up

Good morning. If you told me a year ago we would be doing consecutive Annual Meetings on Zoom I'd have replied: “Inconceivable!” The San Jose Downtown Association is a place-making organization and that means we have to be fully connected to the place we're making – that only happens if we are here and now in downtown San Jose. While we are excited to host our first in-person/live stream hybrid public meeting in December, we also understand many of our members have benefited from the flexibility virtual meetings provide, and in fact our public meeting attendance has increased over the last 18 months. We see the hybrid format sticking around in our future work. It is yet another example of how Covid has forced adjustments in our operations like so many of you have also faced. In the meantime, here we are again on screen which now feels routine but is no replacement for being together in community, enjoying the comradery and collaboration with each other in this place we are making.

Currently this pent-up demand to be together downtown is most prevalent on weekend nights. Last Friday the energy was everywhere – alfresco diners overflowing into parklets, paseos and patios on a gorgeous October evening; musicians and dancers performing throughout the center city – the Circle of Palms, San Pedro Market, MLK library plaza, Fountain Alley; and of course, it being a First Friday, art galleries and museums open and free with the Street Market filling the SoFA District. Downtown was positively bustling.

How can we extend these episodic bolts of energy to the rest of the week and lift our collective community spirit higher? Many of our businesses have confronted the adversity of the past year-and-a-half with remarkable creativity: figuring ways to keep customers and employees safe and the doors open; following ever-changing compliance protocols; shifting operations to take-out, on-line, outdoors; adjusting hours and days they are open; delaying expansion and development plans and wondering when – after functioning so long on surviving – they get to focus again on thriving.

The recovery hinges on the return of people – to our offices, hotels, theaters, convention facilities and schools. At the beginning of the pandemic when everything was shutdown, it was the people who lived here that

sustained the downtown. Business support became hyper local as people stayed close to where they resided.

It underscored how important residents are for downtown's economic health – and also why we built another dog park earlier this year. SJDA continues to fiercely advocate for more residential and commercial development, greater density, higher buildings and all types of housing downtown – in suitable locations. The action of the City Council on Tuesday to consider placing 72 units of permanent homeless housing right in the heart of the SoFA District, for instance, is *not* a suitable location.

Our resident base has always been vital, it just became clearer during the pandemic, just like in the last month and a half with the return of students downtown. Sometimes the best way to fully appreciate what you have is to have it taken away. What a boost to have San Jose State University back this semester because it's obvious the students do not just stay on campus. And we have more than college students downtown, too. Shout-out to Notre Dame High School. Welcome back to all the students, faculty and staff. May we never have to shutter our schools for an entire year ever again.

Since downtown San Jose does not yet possess critical mass in any one sector in order for us to be a truly vibrant urban center we have to fire on

all cylinders with residents, employees, students, conventioners and visitors each present and accounted for, which Covid has denied.

What has really hurt our recovery lately is the tentative return to the office that keeps getting pushed with every new uncertainty around vaccination mandates, hybrid work rules and new variants. The urban service economy, crushed by the pandemic and remote work, is more fragile than ever and bracing for even more change as business travel, convention meetings, hotel occupancy and office caterings ever so slowly rebound.

There is some measure of optimism here as many employees are eager to return to the office for both the social engagement and advancement opportunities while many employers recognize the productivity gains of having workers together in person – at least a few days each week. With greater pressure on the value of the office environment, place matters more than ever.

People need reasons to work in downtown San Jose. Where their jobs are located must be clean, safe, attractive and fun. Of course, the same with where they live. There needs to be vivid public spaces with interesting storefronts offering diverse choices for strolling, eating, drinking and recreating. Our creative entrepreneurs and small business owners are mostly fulfilling their part of this urban pact – despite the pandemic – with excellent

coffee, art galleries, performances, unique bars and clubs, and the many cafes, bistros and restaurants that make downtown San Jose a regional dining destination. However, we have lots more to prove on clean, safe and great public spaces.

The highly regarded services of Groundwerx have been essential from the beginning of Covid – pressure washing, hot spot cleaning, disinfecting public furniture, picking up garbage. While there has been less people overall downtown during the pandemic, the unhoused population increased. With every passing day, more of the work performed by Groundwerx staff entails cleaning up after the homeless.

Some of this is to be expected. Think about the amount of trash each of us accumulate and throw away or recycle in a day, or the number of times we use the restroom. Those living on the street are generating trash and relieving themselves, too, and many without access to proper facilities. In the downtown core, who do you think collects the garbage and human waste and then washes the sidewalk? When a dumpster diver strews trash all over the street who picks it up? Who is making contact with our rough sleepers each morning, seven days a week, in the foyers of downtown and asking them if they are okay and willing to be connected with social services? The Groundwerx staff does all this, and more, and yet it is markedly not enough.

San Jose took a step backwards during the pandemic when we stopped abating encampments and relinquished many public spaces – parks, sidewalks, creeks, freeways – to fall into squalid, disgraceful condition. Without sanitation, garbage cans or toilets, the camps are often rampant with feces, urine, needles, trash and rats. Even right in the middle of San Jose’s central park during the last holiday season when SJDA installed decorations in Plaza Park we maneuvered with difficulty around tents, filth and fires being set. It wasn’t until this spring – thank you Deputy Chief Stan McFadden and Beautify San Jose – that the Plaza Park tents were finally cleared. Yet these obvious health and safety hazards persist and multiply in parks, trails, underpasses, vacant lots and many other locations across the city.

The priority efforts aimed at “solving” homelessness are rightly centered on providing housing – a practical approach for those who want to be housed. What is clear to all of us in the trenches, however, is a failure to provide workable solutions for the significant homeless population deemed “service resistant.” These individuals, whether they suffer from psychosis, substance abuse, or preferring their lifestyle as “urban outdoorsmen,” do not fit easily into the community plan to “end homelessness.” There undeniably needs to be another plan.

In the meantime, while we wait for more housing and services to be created and for our public agencies and nonprofit partners to figure how to deal more effectively with the mentally ill, the addicted and the outdoorsmen, we have to clean up after them.

In recognition of this pervasive need, the County of Santa Clara and City of San Jose should establish a Clean Community Fee that sets aside 10 percent of every homeless contract they fund. This fee needs to be established immediately before the current infusion of federal American Rescue Plan money runs out. To continue these extra resources now being used to help counter the detrimental impacts on our public spaces a consistent funding source – such as a local Clean Community Fee – will be necessary.

The homeless are not the only victims of our unhoused crisis. Those of us who regularly encounter the suffering and messes are exhausted by its never ending/never-seems-to-get-better nature. Just as the homeless crisis has accelerated during the pandemic, so has the tension between our frustration and compassion. San Jose Downtown Association will always be part of the solution, so our Groundwerx teams, comprised of multiple staff with lived homelessness experience, continue their daily commitment to cleaning up and checking in. For those few areas in the county where

special assessment districts like the PBID provide enhanced cleaning services, perhaps a new Clean Community Fee could fund additional services or help repair storefronts when service resistant individuals – usually captured on camera – break windows, burn doorways, vandalize planters or other property – real costs for our members.

We know the frustration has grown exponentially around this issue because as we plan for another 10 years of Groundwerx and the PBID, property owners are offering to pay for more services. Why? Because as a community we have allowed untreated public mental illness and no one else seems to want to deal with the half-naked man screaming uncontrollably on the corner of Santa Clara Street. Some people are simply incapable of taking care of themselves and are a threat to themselves and others. The streets of downtown are not a safe place for them.

Although we are not a human services agency, our members trust us to be accountable with a new program proposed through the PBID that would add specialized social impact skills to our staff. This program would tackle the persistent street-level needs and better connect, and measure, how our most vulnerable unsheltered individuals are receiving care, including coordination with new initiatives such as the city's encampment program called SOAR (for Services, Outreach, Assistance and Resources), the San

Jose Police Department's Mobile Crisis Assistance Team, the county's pilot Community Mobile Response program and especially the county's new behavioral health mandate for Assisted Outpatient Treatment.

Our promise is downtown will be cleaner and safer. The renewal of the PBID is crucial as services are expanded and we collaborate and leverage resources with our public, private and third-sector partners.

Downtown is bursting with development plans including multiple intriguing projects and millions of square feet of buildings from Urban Catalyst, Jay Paul, Westbank/Urban Community and Google's Downtown West.

Urban Confluence Silicon Valley together with the San Jose City Council selected the Breeze of Innovation as the winning design for their stunning landmark project in Arena Green. Several major downtown public sector transportation investments are progressing, including the BART subway that would tunnel beneath Santa Clara Street with one station at Market Street and another across from the SAP Center. Perhaps the most innovative transit project under consideration is a transport link between Diridon Station and the airport where the City is seeing interest for pod cars, electric autonomous vehicles, vacuum tube hyperloops and a tunnel with driverless Teslas from Elon Musk's The Boring Co. Maybe these Personal

Rapid Transit vehicles will one day augment the light rail system and free up Transit Mall space along First and Second Streets for next generation uses.

The faith in DTSJ's future is strong. People are hard-wired for connections with each other – this has always been a primary attribute of center cities. The San Jose Downtown Association is working everyday to manifest recovery and push downtown to enter our Roarin' 2020s. We are going to renew the PBID for the next decade; refresh and restate our SJDA brand value proposition; reprise the Downtown Ice rink; launch a new five-year initiative to better link our districts and activity centers; and continue to reliably promote the businesses, events and experiences that define downtown San Jose. We do this work together. And there's nobody better to tell you about it than the 15 community members, all volunteers, who will present next. As you listen to their reports, you join in the collective joy of people engaged to better their community.

Thank you for participating with us this morning. Please enjoy the rest of the meeting.