

Minutes of Regular Meeting  
**Board of Directors**  
**San Jose Downtown Property Owners' Association**

September 1, 2015

A regular meeting of the Board of Directors of the San Jose Downtown Property Owners' Association (POA), a non-profit California corporation, was held at SJDA office, 28 N. First St., Suite 1000, San Jose, CA 95113.

Board members present: Hammers, Ortbal, Cosgrove, Mattson, Kline, Bartl, Schneider and Ryan.

Members absent: Utic, Berg, and Wilcox.

Also present were Executive Director Scott Knies, Operations Manager Eric Hon, Business Development Manager Nate Echeverria and Jason Su, PBID Street Life Project Manager. The City of San Jose's new Downtown Manager, Teri Killgore was present. David Tran from Councilmember Peralez's office, Kevin O'Connor and Rick Scott from the City's Department of Transportation and Semu One Bear from Block by Block also attended the meeting.

Hammers called the meeting to order at 8:34 a.m.

President's Report

- Hammers welcomed new PBID board member Doug Bartl from Oracle. Bartl introduced himself to the group and spoke about his background in property management and his interest in the downtown.
- Hammers then informed the board that Cosgrove will be leaving the board as she relocates to another Fairmont Hotel location. Cosgrove said today's meeting will be her last. The Fairmont will be announcing a new General Manager in a few weeks, but that individual will not likely arrive in San Jose until November. Cosgrove said she would recommend bringing on the new General Manager to the board upon their arrival.
- Hammers then welcomed Teri Killgore, who was recently appointed as the new Downtown Manager. Killgore will replace Lee Wilcox, who has transitioned to the Mayor's office. Killgore said an official appointment letter from the City Manager would be submitted to the PBID.
- At the previous meeting, the board asked staff to review the district's property ownership to ensure the composition of the board was still representative of its members. Hon shared his findings, based on FY 15-16 assessments, which showed commercial properties still remain the largest rate payers. The number of residents has increased since 2007, but they still represent less than 10 percent of the total PBID assessments. The board determined that its current configuration remains appropriate.

Minutes

- The minutes from June 23 were distributed to the board prior to the meeting. The minutes were approved by majority vote.

Operations Report

- Hon reviewed the operations report with the board. He informed the board that the International Downtown Association (IDA) has awarded the Groundwerx Homeless Job Training program with a merit award.
- Hon said the new downtown homeless outreach service provider, PATH, will begin their outreach services by October 1. Hon has met with their staff and is eager to begin working cooperatively to help connect downtown homeless individuals with available services. PATH has worked with a

number of southern California improvement districts and has had success in getting homeless individuals into housing and services.

- Groundwerx received a new paint sprayer and portable generator through the generosity of the Block by Block corporate office. Groundwerx intends to use this equipment to apply a "splash-back" coating designed to deter public urination. The coating, however, is expensive. If a property owner wants to have the coating applied, they can purchase the coating and Groundwerx will apply it for a modest service charge. Hon asked the board if the PBID could purchase a couple of gallons to have on hand if a property owner makes the request.
- The board was supportive of this idea and approved the purchase.
- Hon provided the board with some other Groundwerx updates, including upcoming volunteer days with the Children's Discovery Museum/Ernst & Young in September and with San Jose State University in October.
- Hon also provided the PBID board with a number of street life updates. He said the Sharks Foundation and SAP have indicated their plans to support the Almaden Boulevard Exercise loop with grants.
- Staff is currently working on designing the loop and conducting community outreach.
- SJDA will also reach out to the commercial properties located on Almaden Blvd. because some elements of the course may need to be located on their properties.
- Hon said the Philips lighting project at the Circle of Palms has been slow to develop. Philips has indicated the costs of the equipment is more expensive than they originally intended. Hon is working with Philips to identify the exact cost of the equipment, but it seems likely that the PBID will need to cover some of those costs. The PBID board directed staff to complete the project and authorized additional spending up to \$30K.
- The Hwy 87 Illuminations project is ready for installation at Santa Clara and San Fernando Streets. City staff is also beginning preliminary plans for a kickoff event.
- The San Pedro Squared project is a priority Street Life project and both the PBID and City staff have been trying to determine if it will be possible to complete the project in time for the Super Bowl in February. The determination has not been made, but several challenges have been identified, such as the lack of utilities. Not having power and water would limit the types of retailers for the space. Street Life Project Manager, Jason Su, has been working with Eaton Hall Architecture on options for the utilities.
- Another project that is moving forward is the mural corner, which is planned for the parking lot on Second and San Carlos streets. The City's planning department is working on zoning amendments to allow for this type of art display structure. Su anticipates construction beginning in December.
- The Fountain Alley mural at the Lido building is moving forward. The District Attorney's office has contributed \$5K to the project and the property owner is currently reviewing the design. Once a design is selected, the mural will be completed by the end of October.
- Hon said Phase 2 of the Paseo De San Antonio art crosswalks is pending DOT's schedule for realigning the crosswalks on Third and Fourth streets. The contractor can come in right after the crosswalk construction is completed and install the thermal plastic street print. This project can be completed in time for the holidays.

- Knies said the materials for the crosswalks are very expensive. Hammers asked if there are alternative products, such as the coloring for the bike lanes?
- Hon said the bike lanes are installed with a process called slurry sealing. It's a single color treatment that is primarily used for resurfacing streets. The slurry has to be squeegeed on and patterns cannot be used. Slurry is much less expensive however.
- The advantage of the thermal plastic is that it is durable and can withstand the rigors of downtown and has an expected life expectancy of seven to 10 years. Thermal plastic is also the recommended product for these types of applications per the state of California.
- Hon said both SoFA and San Pedro districts are moving forward with crosswalk art as well. Su will attend the respective district meetings and outline the artist selection process.
- Hon said the sidewalk repair work at the Tech museum involves taking out the existing treatment and replacing with decomposed granite (DG). This would dramatically reduce costs and allows for more trees to be addressed.
- Hon said the PBID received the second half of the assessments in August. The Successor Agency to the Redevelopment Agency remains the largest uncollected assessments at \$32K.
- Hon also noted that the City's Finance department increased the City's administrative fee for the second half of FY 14-15 from \$5,000 to \$6,250. The PBID was not informed of the change ahead of time.

#### Business Development Report

- Echeverria has been working with Camera 12 operators for permits and approvals for two retail spaces along the Paseo de San Antonio. The project envisions two new retail spaces in the former box-office and adjacent spaces and will include pedestrian activation related elements.
- Echeverria also mentioned the upcoming broker and developer reception on September 9. The event is hosted by the Office of Economic Development and will be held at the Hotel De Anza.
- Three National Football League (NFL) approved merchandisers are searching for downtown "pop-up retail" opportunities. Echeverria is identifying potential retail locations for the week leading up to the Super Bowl.
- Echeverria also provided updates on current downtown projects, such as the Vanity SJ lounge. The operator has been working with the Historic District neighborhood to address questions and concerns about the project.

The meeting was adjourned at 9:55 a.m. and members shared a "going-away" fruit tart with Cosgrove.