

Minutes of the Meeting  
**Board of Directors**  
**San Jose Downtown Association**

April 10, 2020

A meeting of the Board of Directors of the San Jose Downtown Association, a non-profit California organization, was held via teleconference.

The following directors were present at the meeting: Bates, Bartl, Burroughs, Calais, Cirone, Clack, Corbett, De Bernardo, Goddard, Jenkins, Lambert, McClain, Mahood, Neale, Nguyen, Nichols, Perez, Pulcrano, Serpa, Summers, Tabatabaie, Truong, Vuckovich and Wong.

The following directors were absent from the meeting: Gilbert, Lituchy, Matsushima, O'Rourke, Osuka, Ramirez, Randall, Rewkiewicz.

Also present were City Councilmember Raul Peralez, guest Nathan Ulsh and SJDA staff: Julie Carlson, Corinna Dixon, Dori Gao, Rick Jensen, Scott Knies, Nate LeBlanc, Marie Millares, Chloe Shipp, Bree von Faith, Jessica Vuong, and Dennis Yu.

President McClain called the meeting to order at 8:32 a.m.

Minutes of the February 20 Board meetings were unanimously approved as distributed to Board members.

Downtown response to COVID-19

McClain led discussion on SJDA's internal and external response to the COVID-19 pandemic.

a) SJDA impacts to events, staffing, budget

Knies reported that SJDA is mirroring the effects of COVID-19 shelter-in-place on our members with immediate and dramatic impacts. A large part of SJDA's business model relies upon large gatherings and we have postponed both Music in the Park and Downtown Ice for 2019-20 season. This impacts a large portion of annual earned income in the budget.

The roles associated with supporting such large events have been laid off including the Partnership Manager and the Events and Promotions Manager. A 20 percent reduction in salary for all remaining exempt staff positions was also implemented.

SJDA is reviewing current FY 19-20 budget and cash-flow incorporating the work force and operational reductions. FY 20-21 budget is also under review. City contract services and BID assessment fees are expected to decrease. SJDA is looking into available opportunities for grants and loans. SJDA's status as a 501c6 non-profit affects eligibility for some programs. An application for a Federal loan under the Payroll Protection Program (PPP)/ Small Business Assistance program, has been submitted as well as a non-profit grant request from the Silicon Valley Strong Fund.

Shipp reported that Groundwerx continues to focus on cleaning and disinfecting downtown on a limited work schedule of 6 a.m.-6 p.m. The team has always followed OSHA safety protocols and is also being extra

mindful of reducing staff time together. Members are encouraged to contact Groundwerx dispatch via phone or the "Groundwerx Anywhere" app for assistance.

Von Faith reviewed the current three-pronged strategy to realign SJDA's work to best support our members.

### 1. Communications

SJDA's front webpage has been updated as "Support Downtown Businesses" highlighting resources available from downtown businesses. Outreach via Downtown Dimension newsletter, social media and direct email communication has also been enhanced with Downtowner Online distribution on Wednesdays and Message to Members distribution on Thursdays.

### 2. Advocacy - Small Business Support

LeBlanc reviewed that the team is gaining an understanding of the different segments of the economy and industry affected, synthesizing the information and filtering it up and down the support chain for small businesses. By participating on multiple committee levels, they are able to advocate for policies to support the small business community.

Mayor Liccardo has requested SJDA, in partnership with The SVO, compile a suite of policy ideas for the various phases of the recovery process.

### 3. Recovery campaign

SJDA will continue to focus upon small business support; marketing efforts; and activations such as Farmers Market (opening in June), a "small" Downtown Doors program, a month-long Dine Downtown event, holding virtual concerts/events like the April 26 SoFA Street Fair, and holiday activation (other than Downtown Ice) at Circle of Palms.

### b) Conversation with Downtown Councilman Raul Peralez

President McClain moderated a Q & A session with Peralez regarding the City's response to COVID-19.

Q. How do you envision the "new normal" / steps for small business upon reopening?

A. Encourages small businesses to take advantage of opportunities and resources such as the stimulus package; adherence to safety with "best practices;" and a conscious staged approach to reopening.

Q. What can be done to keep/get construction underway?

A. Decision and directive come from County Health Dept. which the City is not challenging.

Q. Can you ensure that construction projects, currently in the approval process, move forward this year?

A. The City is continuing to do back-end planning work and follow through with timelines.

- Q. What is the City doing towards community building and small business support?
- A. As reported by Budget Director Jim Shannon, the City is estimating a \$45M deficit for FY 2019-20 and \$65M for FY 2020-21. Income from taxes such as Sales, TOT, Business and Utility will be reduced. In response, the City expects to implement layoff, pay cuts and hiring freezes; budget reduction of 17.65% across all departments (except Police and Fire); and evaluate use of reserves.

Encouraged to see downtown businesses working together to provide supportive resources. (Ex. 10<sup>th</sup> Street Distillery and Gordon Biersh producing hand sanitizer)

- Q. Might the Convention Center tent continue to be utilized for homeless housing?

A. No. Utilization was in response to emergency situation

- Q. Might the use of virtual Council meetings continue?

A. There may be an opportunity to continue with community participation at virtual level.

- Q. What conditions do you see businesses facing in the months ahead?

A. Envision preparing now with an understanding of "best practices;" a phased approach to businesses reopening; building a community of consciousness and confidence; and changes to our "traditional" way of life.

- Q. What has been your biggest leadership lesson from this?

A. The response to the flood was a sort of "planned" crisis. This has enforced an ability to shift -- to retool the team and work plan to determine the best role to continue to support the community.

President McClain adjourned the meeting at 9:32 a.m.