

Minutes of Regular Meeting  
**Board of Directors**  
**San Jose Downtown Property Owners' Association**  
March 27, 2018

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 Oracle, 488 S. Almaden Boulevard, 2<sup>nd</sup> Floor.

Board members present: Bartl, Hammers, Kline, Lambert, Messinger, Ortbal and Zelalich.

Members absent: Freise, Musarra, Ryan and Schneider.

Executive Director Scott Knies, Director of Policy and Operations Derrick Seaver, Operations Manager Chloe Verrey, Street Life Project Manager Jason Su, Business Development Manager Nate LeBlanc, Semu One Bear from Block by Block, Eric Hon Division Manager for DOT and David Tran from Councilmember Peralez's Office.

Hammers called the meeting to order at 8:38 a.m.

The minutes for the January 30 meeting were distributed to the board prior to the meeting and were unanimously approved.

**President's Report:**

- **FY 16-17 990 Draft:** Hammers asked the board to review the 990 and share any questions or concerns with staff. This is an IRS filing requirement, and is available for the public to view.
- **Baseline Services Memo:** PBID staff submitted a memo to the City Manager requesting a three percent annual baseline increase for the remainder of the current PBID term. This has spurred ongoing discussions on additional asks made to the PBID, including the DOT parking garage proposal. Knies indicated that the board should decouple garage proposal from the requested baseline increase.

Bartl shared that the 2<sup>nd</sup> floor is available for parking at Oracle as an in-kind donation. Hon reminded the board that a CPI increase to baseline was given each year for the first five years of the PBID. Ortbal shared that the baseline increase went away because of general fund deficit. In lieu of fee cleaning services are still an option for use of the Third Street garage spaces used by Groundwerx.

**New Business:**

- **FY 2018-19 Budget and Assessment Rates:** Staff recommends a five percent increase to the assessment rates for FY 18-19 – due to the increased asks of the PBID and living wage increases. The budget presented assumes that the City Manager approves the request for the three percent baseline increase. Other items of note: grant revenue goes down with the completion of San Pedro Squared; the Clean and Safe contract will need a readjustment mid-fiscal year due to new contract completion with Clean and Safe vendor.

Messinger asked about the possibility of adding tiered rates, and boundary changes. Currently, rates are tiered based on location (premium

versus basic) and building type (commercial versus residential). To change the boundaries of the district would require changing the management plan, and this is likely best to do when we consider district renewal in three years. Zones were originally based on demand for services – changes to those zones would need to reflect increased demand.

Lambert asked about the impact to service levels during BART construction. It's anticipated VTA will have increased fee-for-service contract for cleaning and safety during construction. Additionally, Ortbal and Citystaff working on a master cooperative agreement for BART construction to handle specific concerns including: management of construction, outreach, cleaning and notifications. Seaver shared that staff is already working on possible impacts to PBID services, including increased Groundwerx services and a business interruption fund.

Ortbal asked how staff came to the recommended five percent increase. The PBID is being asked to do more management of the public realm, additionally there is a concern over asking for a large increase when it is likely the district will be up for renewal in the midst of BART construction. This increase would also positively impact the Street life budget, allowing the PBID to consider another large scale project, like the Almaden median redesign.

Zelalich asked if the median redesign is selected, will private donors would be approached to contribute. Knies shared that all adjacent property owners will be asked to participate directly with the project.

Kline asked staff to come with a proposal for the Almaden median redesign, including possible contributions from adjacent property owners. Kline also indicated that this proposal can be separate from the budget and assessment increase proposed today.

Kline motioned to accept the staff's recommendation of a five percent increase to the assessment rates and approve the FY 18-19 budget, Messinger seconded. The board unanimously approved the motion.

- San Pedro Squared:

Parklet funding was appropriated at the previous meeting and \$50,000 from the Knight Foundation has been received. On-going negotiations with SJMADE has moved the opening to May 18. Staff is collaborating with the District 3 office, CSJ DOT AND SJMADE on closing San Pedro Street for the weekend.

SJMADE has proposed branding the project Moment at San Pedro Squared, which will appear on marketing and social media accounts. Tenants for the shops are still unconfirmed, but will be in place for the opening on May 18.

Staff Reports:

- Operations Report: Chloe Verrey presented highlights from the Operations Report on pages 9-12 in the agenda packet.

One Bear left room during the Clean and Safe RFP discussion.

- Streetlife Report: Jason Su presented highlights from the Streetlife Report on pages 13-15 in the agenda packet.

- Business Development Report: Nate LeBlanc presented highlights from the Business Development Report on pages 17-19 in the agenda packet.

The meeting was adjourned at 9:42 a.m.