

Minutes of Regular Meeting

Board of Directors

San Jose Downtown Property Owners' Association

April 15, 2008

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

Board members present: Hammers, Isnard, Knox, Munro, Ortbal, Mattson, Ryan, Berg, Shadman and Utic.

Board members absent: Gallagher

Also present were SJDA Deputy Director Blage Zelalich and Operations Manager Eric Hon.

Hammers called the meeting to order at 8:35 a.m.

Minutes

- The minutes of the March 18, 2008 meeting distributed via email were approved.

President's Report

- Hammers reported that a representative of Universal Maintenance made a public records request for contracts, memos, work product and checks between the City of San Jose, Redevelopment Agency or Downtown Association and PUMA Consulting or Service Group Incorporated (SGI) during the formation of the PBID. Berg added that there might still be the potential for legal action, but concurred that a public records request is not necessarily indicative of any imminent legal action.
- Munro raised the issue of the proliferation of cigarette butts on downtown sidewalks, particularly on Santa Clara St. Munro asked if the PBID would be willing to address this issue by installing stand-alone, commercial grade

ashtrays on the sidewalks. Munro suggested that the PBID might be able to implement such a program more expeditiously than any city department. Isnard proposed the consideration of an ashtray attachment to existing trash cans in order to prevent additional sidewalk clutter. Ortbal recommended identifying a test strip of sidewalk to gauge the effectiveness of the idea. Board members agreed this matter warranted further consideration and investigation. Munro offered to research potential project costs and ashtray alternatives for the board's future consideration.

Contract Status (SGI, SJDA)

- Zelalich reported that SJDA had recently received feedback on the proposed contract from SGI. SGI's main point of contention revolved around the inclusion of liquidated damages for performance standard breaches. The board was asked to provide direction on whether or not to include the liquidated damages provision in the contract. Board members agreed that there was no reason to remove this provision because if SGI performs up to the level of expectations, liquidated damages will not be an issue. Staff agreed to relay the board's sentiments to SGI and to finalize the contract as soon as possible.
- Zelalich stated that SJDA staff is working with the draft PBID/SJDA agreement provided by Ortbal in March. As soon as the SGI contract is finalized, the PBID/SJDA agreement will be completed. Knox asked whether SJDA could enter into any agreement(s) related to PBID services without first having completed a written agreement between SJDA and the PBID.

Capital Improvements/Beautification Project(s)

- Zelalich reported that Capital Beautification Improvement Plan Request For Qualifications (RFQ) was ready for subcommittee review. The committee will be asked to provide feedback on the document by April 21. The RFQ is available for any other board members who wishes to review it. Staff is compiling a list of potential consultants who might want to respond, including contacts provided by the city. The RFQ will be e-mailed out to potential consultants and accessible through the SJDA website and the BidLine page on the city's website.

Berg asked if the RFQ specifically outlined downtown locations for implementation of a demonstration project. Zelalich explained that the RFQ was merely a request for qualifications and once a qualified consultant(s) was chosen it would be up to the consultant(s) to make a recommendation on possible demonstration locations.

- Discussion ensued about the coordination of PBID beautification efforts with those that the City, Redevelopment Agency or other private property owners already have planned in order to create a consistent look throughout the core. Zelalich responded that one of the benefits of having the Downtown Association manage the efforts of the PBID is that staff already monitors streetscape modification proposals made by the City and Agency and can ensure that any natural connections are made at the appropriate time.
- Board members considered approaches the PBID should employ with respect to its beautification program. One approach would be to first gather broad community support for a specific vision, integrating all of the existing streetscape improvement plans, and then working on the implementation of this vision. Another approach would be to forge ahead and come up with a beautification plan that is endorsed by the PBID board of directors, acting on behalf of property owners who pay the district assessments, and then promoting the plan to other downtown stakeholder groups that will be key in the implementation of the plan. Munro advocated the latter approach, citing the fact that it would yield quicker results. Ortbal concurred, suggesting that the PBID create its own beautification improvement plan, while remaining mindful of the city's efforts and those of other downtown stakeholders.
- Mattson reiterated the urgency of producing some visible improvements as property owner assessments have been collected but no beautification projects have been implemented to date. There was some discussion as to whether or not an expansion of the downtown tree lighting program might be a good interim step and Zelalich agreed to pull together some additional information on this issue for the board's beautification subcommittee to consider.

- The board agreed to continue moving forward developing its own district beautification plan while remaining cognizant of other improvement efforts, tapping into potential partnerships and looking for ways to leverage funding.

Operations Manager Report (included in Board packet)

- The operations report was emailed to the board prior to the meeting. Hon gave an overview of the current state of downtown cleanliness. The past few weeks have yielded noticeable improvement in certain areas. The sidewalks have been cleaner and more graffiti has been removed. The upswing was attributed to having all cleaning resources (equipment and products) available concurrently, better understanding of the district and continued support from SGI's corporate office.
- Groundwerx crews still have areas that need improvement and maintaining a consistent level of service delivery continues to be a challenge. Hon mentioned pressure washing as an example of one of the areas needing improvement. A comprehensive schedule must be developed and followed regularly to ensure adequate coverage of the district.
- Hon showed a power point presentation depicting Groundwerx's efforts since the end of January. The presentation identified areas of success, including several before and after photos of painted street light poles, graffiti, dirty trashcans and sidewalks and debris. Hon also showed photos of the more challenging stains and spills encountered by the Groundwerx crew and discussed the different mechanisms being employed to clean them. As part of the presentation, Hon informed the board of Groundwerx's "special project" days. Special project days are designed to specifically focus on cleaning, maintenance or repair project to create an immediate and pronounced effect. The first special project day was spent painting the light poles along the Transit Mall on First Street between St. John and Santa Clara Street.

Other matters

- Board members were reminded that PBID law and the district management plan allow for an annual assessment increase of up to 5%. Per the owners' association/city agreement, any increase in district assessments must be proposed in a report to the city due in May. As a result, the board must vote on any assessment increases at its May meeting. Staff was asked to prepare an FY 08-09 budget and to investigate changes in the consumer price index over the last three years. The owners' association agreement with the city also calls for an automatic increase in PBID contract services based on the consumer price index on the anniversary date of each year of the contract. Members of the board's finance committee agreed to meet prior to the next board meeting to review the FY 08-09 budget and prepare a recommendation for the entire board to consider.
- Mattson informed the board of a discussion she had with the head of Stanford's Mechanical Engineering department about engaging their Design Group (graduate mechanical engineering students) in a project that would make newsracks a welcome addition to the downtown streetscape rather than a continued eyesore. She suggested that there might be a similar group of graduate students at San Jose State University that would be interested in a project of this nature. For a relatively small stipend, the group's task would be to bring downtown newsracks into the 21st century with a modern design and up-to-date technology. Munro stated that a team at the Agency is already working on this issue and that he would be happy to shop Mattson's idea to them. Mattson agreed to forward Munro additional specifics on this concept for the Agency's consideration.

Meeting adjourned at 10 a.m.