

Minutes of Regular Meeting

Board of Directors

San Jose Downtown Property Owners' Association

April 28, 2009

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 the SJDA office, 28 N. First St., Suite 1000, San Jose, CA 95113.

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

Board Members absent: Gallagher, Burnell, Isnard, Ryan.

Also present were Executive Director Scott Knies, Deputy Director Blage Zelalich, Operations Manager Eric Hon, Erika Justus from 1st Act, Tom Ferguson from Department of Transportation and Tim Downs, Groundwerx Program Director.

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

Minutes

- The February 17, 2009 meeting minutes emailed in advance to the board were unanimously approved.

President's Report

- Hammers began the meeting by reviewing the board packet materials. The board discussed briefly the San Jose Mercury News article about the arrest of the "Toon Goons" tagging crew.
- Hammers updated the board on the results of the 2009 PBID member survey. The results were very positive and the response rate was dramatically higher than the original baseline survey conducted in 2007.
- Knies replied that the questions were the same. Mattson said that it is important to promote the success of the enhanced services at every opportunity using the Sparkler newsletter and other avenues.
- Hammers informed the board that the POA was denied its application for a credit card and line of credit, so these policies will be deferred until a later time. The procurement policy is being finalized and will be ready for review at the June board meeting.
- Hammers asked for an update on the Hwy 87 clean up project. Hon informed the board that the initial vegetation control and litter pick up was completed. The supplemental litter pick up will begin in May. Hon added that he has before and after pictures and described the areas that were addressed. Ortbal suggested using these pictures to further promote the PBID, along with Groundwerx clean team and ambassador photos. Other board members agreed that it is very important to highlight at every opportunity. Knies said in addition to the Sparkler, SJDA's Downtown Dimension newsletter and the SJDA/Groundwerx website are also good sources of information pertaining to the PBID.
- Hon stated the agreement for the City's matching \$25,000 has been signed and SJDA is waiting for the release of the funds.

FY 2009-10 assessment

- Hammers pointed out the draft budget includes the five percent increase, as previously discussed by the board.
- Knies reminded the board of the process from the previous year where after much deliberation, the board decided to pursue the five percent increase on assessments.
- Knies then went through the proposed FY 09-10 budget and the process used to create the budget. Knies said the budget estimates a one percent growth in assessments and the baseline revenue from the City includes a Cost of Living Adjustment (COLA).
- Ferguson said the City Council must approve the cost of living adjustment for the baseline funding to go into effect. The three percent annual increase for FY 08-09 has not been received and the increase for FY 09-10 will go to council with the PBID annual report. Ortbal said he and Ferguson would follow up.
- Hammers said the board's rationale for last year is still pertinent, given the living wage/prevaling wage increases are mandated on the expense side with SGI at three percent each year. Given this expense increase coupled with the ongoing maintenance of the beautification project and the upcoming SoFA improvements, Hammers said the five percent increase makes sense.
- Mattson said she supports the five percent because it is essential that we maintain our beautification projects. Berg also supports the full increase, but added that we must clearly explain the rationale.
- Ortbal said he supports the five percent because this is the best way to leverage funds. The SoFA project is a great example

because the PBID did not have to generate the capital; the PBID only needs to maintain the project after it has been completed.

- The board voted and unanimously approved the FY 09-10 budget, which included increasing assessments by five percent for FY 09-10.

Plastic bag reduction

- Hammers said the guest speaker from Environmental Services will be deferred to the next board meeting.

Next streetscape beautification project

- Utic provided an update from the March beautification subcommittee meeting. The committee recommends another project on South First Street between San Fernando and San Carlos to connect the demonstration project with the SoFA improvements.
- Utic added that much was learned from the demonstration project and this experience will be essential when moving forward with the next project.
- Zelalich said that if the board approves this recommendation, the subcommittee would meet and identify a project budget, along with the various elements the committee selects.
- Based on previous committee meetings, the direction from the committee was to try different planter sizes, colors and plantings. Each project area can have its own distinct qualities, but the overall feel should be consistent.
- The group discussed some potential elements for the project and the corresponding costs, which are budgeted at \$225,000.

- The board unanimously approved the selection of South First Street between San Fernando and San Carlos as the next beautification project.
- The committee will give a report at the next board meeting.

SoFA maintenance

- Zelalich presented the board with updates on the SoFA project. She said installation is underway for the sidewalk extensions and planters. Zelalich and Hon have been working with the RDA and 1stACT to identify all the maintenance needs for this project.
- Mattson asked if this included changing the plantings? Zelalich said that is part of the maintenance. Hon added that the plant changes should be minimal given the types of plants used.
- Knies added that the success of the SoFA improvements is a direct result of the extraordinary effort put forth by all the collaborative partners, specifically RDA and 1stACT. SJDA is thrilled about the excellence of this project.
- Justus addressed the board and said that 1stACT was designed to be a catalyst for change. 1stACT recognizes the need for partnerships and has used the PBID's experience with the historic district demonstration project last year to guide their efforts in SoFA.
- Mattson supports the PBID involvement in SoFA but cautioned against taking on all non-PBID projects without clearly identifying the impact and needs of each individual project.
- Knies pointed out the maintenance line item in the FY 09-10 budget includes SoFA.
- The board unanimously approved the maintenance of the SoFA project.

PBID operations report

- The PBID operations report was emailed to the board prior to the meeting. Hon went over a few highlights, including his efforts in providing supplemental training for the ambassadors. This direction is in response to PBID members, who clearly identified working with the downtown homeless population as a priority in the member survey.
- Hon also added that he is working on a new strategy to further augment the fight against graffiti. He is working with the RDA on a new deterrent program within the district.

Meeting adjourned at 10:10 a.m.