



**SAN JOSE DOWNTOWN  
ASSOCIATION**

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**FOR IMMEDIATE RELEASE**

**City incentives provide FREE and discounted parking, waive fees on business licenses making downtown more attractive for business**

SAN JOSE, CA – City Council members approved new incentives for attracting and retaining businesses on March 16, including free and discounted downtown parking.

“This is a great message about San Jose's pro-business attitude,” said Mark Ritchie, owner of Ritchie Commercial.

A majority of the council supported temporarily suspending business license taxes for the first 1,000 businesses in San Jose with 35 or fewer employees that renew or sign a lease between Jan. 1 and June 30. The council will decide whether to extend the incentives into next fiscal year when it reviews the city budget in June.

Businesses that ink new leases downtown will receive free parking, while current businesses extending leases will get half-price parking for a maximum of two years. Details include:

- FREE parking in City garages and lots for new businesses that enter into a lease in a downtown office or commercial retail building, for up to two years.
- FREE parking for downtown businesses that are extending leases and planning to relocate cars from a privately owned garage or lot into a City parking facility.
- 50 percent discount for businesses located downtown parking in City facilities and extending their existing leases. Normal \$100 rate discounted to \$50 per month.
- FREE and discounted parking will be provided for half the term of a new lease or half the extended period of a new lease. A maximum of 50 parking permits per business.

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In passing the incentives, the City Council placed a 500-space total on existing businesses wanting to take advantage of the parking deal, with no limitation to the total number for new businesses and leases.

Applications for the parking incentives and more information will be available on [SJDowntownParking.com](http://SJDowntownParking.com). Interested businesses should contact Elias Khoury with the City's Department of Transportation at [elias.khoury@sanjoseca.gov](mailto:elias.khoury@sanjoseca.gov) or 975-3707.

Downtown property and business owners said the parking incentives would make a difference.

“Several of the potential tenants we are talking to indicated the cost of parking would play a factor in their decision to locate downtown or look for office space elsewhere,” said Kevin Fitzpatrick of Legacy Partners.

Downtown-based software company deCarta, Inc., and its 60-plus employees decided to stay put after hearing about the incentives, said Mike Seifert, CFO. “Other sites outside downtown have lower occupancy costs, but none of them offer the amenities, vibrancy, and public transportation advantages found in downtown San Jose,” he said. “Waiving public parking fees is icing on the cake.”

Spearheaded by Mayor Chuck Reed and Councilmembers Sam Liccardo, Rose Herrera and Nancy Pyle, the proposal passed 6-3 on March 16. Though Pyle was absent, Councilmembers Pierluigi Oliverio, Madison Nguyen and Judy Chirco joined the authors voting for the proposal. Councilmember Pete Constant was also absent.

Councilmembers Nora Campos, Kansen Chu and Ash Kalra voted against the incentives, stating concerns about the city's \$116 million budget deficit in 2010-11.

But downtown real estate experts suggested paying heed to long-term benefits. “On a macro basis, the city should do anything it can to recruit and maintain businesses,” said Sal Saglimbeni, associate vice president at Marcus & Millchap. “While short-term income would be potentially beneficial, losing any new or existing business eliminates the income completely. At minimum, free parking for new leases in downtown is a no-brainer.”

Downtown landlords were especially appreciative of the incentives. “It will take time in the current market for a program like this to build momentum and make a difference in relation to downtown office vacancy,” said Jasmine Kaiser, who leases Community Towers for the Feece Real Estate Group. “It would be short-sighted to do anything less in this desperate market.”

San Jose Downtown Association is a non-profit group of business and property owners working to improve the vitality and livability of downtown San Jose.