

Minutes of Regular Meeting
Board of Directors
San Jose Downtown Property Owners' Association

December 13, 2011

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

Board members present: Berg, Souza, Hammers, Nardi, Knox, Mattson, Keit, Ortbal, Ryan, Burnell and Utic.

Also present were Executive Director Scott Knies, Deputy Director Blage Zelalich, Operations Manager Eric Hon, Eric Klein, Adobe Systems, Brad Segal, Progressive Urban Management Associates, Kristin Lowell Schubert, KLI Finance, Inc. and Jan Schneider, downtown resident, business and property owner and board member-elect

Hammers called the meeting to order at 8:34 a.m.

Minutes

- The meeting minutes from November 15 were emailed to the board prior to the meeting and were unanimously approved.

President's Report

- Hammers announced this was Burnell's last meeting and thanked him for his participation on the board. Hammers also said this would be Knox's last meeting. Knox introduced Eric Klein and recommended that Klein be his replacement on the board.
- Knies reminded the board that it could make appointments to fill vacancies. Knox was re-elected in 2011 and his seat will next be up for election in 2014.

Old Business: Services and Renewal

- Segal gave an update on the renewal campaign. He said he has joined staff at the focus group meetings and thus far the feedback has been positive in terms of the proposed new services.
- Segal said not much has changed in the draft management plan. The plan features two main categories, creating more flexibility, which is what the board had asked for. The two categories are environment and economy. Environment includes cleaning, enhanced maintenance, ambassador and tree trimming. The other budget category, economy, consists of beautification (installation) and business growth and retention.
- Segal reminded the board that business growth and retention is a common service found among other PBIDs. He said staff has worked with the City's planning department who support the proposed new program to address vacancies, tenant improvements and specifically the expeditor service for processing permits and inspections.
- Segal added that there was some hesitance for the proposed 11% increase, but it is important to properly fund the services, especially the new ones.
- Segal asked if staff has reached out to the Chamber of Commerce regarding the business growth and retention proposal. Knies said he has met with the Chamber's president/CEO, Matthew Mahood. The chamber is looking at a broader economic development initiative and the proposed PBID work is complimentary.
- Segal said its really good to have the support from the chamber. He also mentioned that Sacramento has this type of program and their

budget is \$200K. He reminded the board that they could reallocate the funds if they are not satisfied with the results or if it the services need to be beefed up. Members reiterated the need for specific measurements.

- Ortbal asked about the status of the meetings with the police department. Knies said he is meeting with the police chief on December 19, who has thus far seemed open to exploring ways to leverage resources, such as the Santa Cruz model, where the district funds the police department who hires and manages a private security team, as well as looking at the PBID hiring off-duty officers.
- Knies said there are still some considerations to the off-duty model; such as how the officers are selected, the number of officers, their deployment assignments and what type of enforcement role they will play. The current City/PBID agreement would also have to be amended to allow this.
- Ortbal said that he has informed the City attorney about the PBID's interest in hiring off duty police officers.
- Knies said staff has been reviewing the draft management plan with commercial property owners individually and with focus groups. Staff will also meet downtown residents through their HOA meetings.
- Hammers said staff should also continue to reach out to small property owners as well.
- Hammers asked if the board needed to approve the draft management plan or wait until it is finalized. Segal said the plan is ready and can still be revised based on member feedback over the next few months.
- Knies said the official kickoff to the PBID renewal campaign will be at the January 13 joint meeting with SJDA.
- Ortbal said that he's comfortable with the overall draft management plan, but the ambassador/safety language still needs to be refined.
- Berg said he's on board with the business retention service, but advises caution for the security service. He said off-duty cops didn't have the intended impact for the nightclubs and he prefers the Santa Cruz model.
- Mattson also favored the Santa Cruz model. Mattson then asked how the off duty officers are selected. Zelalich said there's a group to choose from and added that there's more structure to hiring off-duty officers now because of the secondary employment unit.
- Knies said that staff will work with the police department to identify the officers who really understand downtown.
- Ortbal said the police department has worked well with civilian partners, like his parking garage program and at the airport. He said it's not always the same officers but there is a cadre of officers led by a sergeant. Ortbal pointed out that the City can't hire secondary employment officers, but instead hires officers at the higher over time rate.
- Knies said this is a good opportunity to try something new for the district. Hammers agreed that the timing is good.
- Scheider said that as a business and property owner, she's pleased that the PBID is even entertaining the idea.
- Knies added the PBID will not be able to brand the off-duty officers, with any Groundwerx logos since they will be in standard SJPD uniforms.
- Segal commended the PBID board for doing a really good job of developing the services and drafting the management plan. He said the

board asked all the right questions and things should progress smoothly.

- Hon reviewed the proposal from Bill FitzGibbons on the Hwy 87 light project. He said the cost of \$130K on this proposal is much lower than previous projections.
- Zelalich said the City's public art department would like to consider all six downtown underpasses. The Office of Cultural Affairs is taking the lead on putting together a complete scope of work for all the underpasses, but their efforts will not slow down this project.
- Utic cautioned that replicating too many installations might diminish the impact. He suggested doing something a little different and unique at each location.
- Hammers said he believes there is potential for corporate sponsorship of this project. Knox said that it is tough to during these economic times.
- Hon said that staff would continue to look at ways to include sponsorship opportunities. He said FitzGibbons has done that in his other projects and can customize the light program.
- The board engaged in some discussion over the different possibilities. Some members liked the idea of doing multiple projects more than others. Overall, there was consensus to have the PBID continue to move forward with the Hwy 87/Santa Clara, recognizing that the installation of such a project will take some time and effort. The PBID will seek collaborative opportunities as appropriate.

Operations Report

- Hon gave a brief review of the operations report, which was sent to the board prior to the meeting.
- Hon said staff has been working with the police department to address the vagrancy issues, particular on N. First St. Capt. Porter has committed to directing supplemental patrol cars to the area under the direction of Sgt. Kotto. These patrol cars have been active since the end of November.
- Hon said tree lights would be installed on the Santa Clara trees (from Market to Fourth streets) by the end of December.
- The tree-trimming program will resume in January, following a brief hiatus in December. The contractor has been busy coordinating their training and permits with VTA.
- Lastly, proposals to maintain Paseo 1 and 4 have been submitted from Groundwerx. The proposal has been accepted for Paseo 1 and staff is working on identifying a starting date. The Paseo 4 property owner is still reviewing their proposal and has not given a definitive date for their decision.

Meeting adjourned at 11:05 a.m.