

Minutes of Regular Meeting  
**Board of Directors**  
**San Jose Downtown Property Owners' Association**  
January 30, 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 the San Jose Downtown Association, 28 N. First Street, 10<sup>th</sup> Floor.

Board members present: Bartl, Freise, Hammers, Lambert, Musarra, Ortbal, Ryan Schneider and Zelalich.

Members absent: Kline and Messinger

Director of Policy and Operations Derrick Seaver, Operations Manager Chloe Verrey, Street Life Project Manager Jason Su, Business Development Manager Nate LeBlanc, and Semu One Bear from Block by Block.

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

The minutes for the November 14 meeting were distributed to the board prior to the meeting and were unanimously approved.

**President's Report:**

Welcome Jeff Lambert, Senior VP of Construction from Essex Property Trust as new commercial owner board member.

Welcome to Derrick Seaver, new SJDA Director of Policy and Operations Derrick Seaver. Seaver comes to SJDA from the Silicon Valley Organization.

The PBID is celebrating 10 years of service in January 2018. The PBID/Groundwerx celebration was on January 25 at Local Color. SJDA staff has produced a 10 Year Report, to be distributed to PBID members, stakeholders and partners. This report highlights services delivered and the programs added over time. An electronic copy is available for distribution as well.

Block by Block provided sponsorship funding to cover a portion of the 10 Year Report as well as the 10 Year Celebration on January 25.

Conflict of interest forms were distributed to board members.

**New Business:**

- **Clean and Safe Contract Bid Process:** In preparation for the PBID's final contract amendment with Block by Block expiring on January 14, 2019, PBID staff is preparing to re-bid our clean and safe services through a public bid process. A public bidding process is required for our clean and safe contract as a condition of our baseline services agreement with the city. Staff will be working with the city's Office of Equality Assurance on necessary language for the request for proposal (RFP). Staff recommends a three (3) year contract with three (3) one year options, and which would carry the PBID through currently scheduled district renewal.

As a part of the RFP process, the board must establish a selection committee - Bartl, Hon and Kline were selected. The selection committee will meet three times: to set the scope of services for the RFP, to review the draft RFP and to interview the finalists.

- **Third Street Parking Garage Use Proposal:** Parking staff from the Department of Transportation have proposed charging for the deployment space utilized by Groundwerx in the city owned Third Street garage. Groundwerx has used this space (equivalent of 12 parking spaces) since 2008. DOT staff has proposed an annual agreement for Groundwerx's exclusive use for \$28,800, either in a cash payment or in-lieu services. DOT has indicated the two large locked cages currently used by Groundwerx will not be charged a fee.

Hammers said if the \$28,800 is absorbed into the contract with Block by Block there is a concern with the amount of services the PBID has already taken on without an additional increase to the City's baseline. Hammers also asked if baseline increase is possible. Ortbal shared that the baseline services contribution comes from the City's general fund and a \$20-25 million general fund shortfall is projected for the next fiscal year.

The board gave direction to staff is to prepare a counter-proposal for the parking garage. Board member Schneider indicated his seat on the Downtown Parking Board requires him to abstain on this matter.

- **San Pedro Squared:** Construction for San Pedro Squared started on January 8 and construction is expected to be completed by the beginning of March. Following construction completion, San Jose Made will be conducting tenant improvements. Staff is finalizing the lease agreement terms with San Jose Made. Retail units are expected to open by the end of May. The City project use and grant agreements were signed and returned to the City on December 20, 2017.

The current scope of the project remains the four retail units, hallway, and façade improvements. Staff requested direction from the board on adding the parklet back into the scope, with an additional \$50,000 contribution from the PBID budget, while seeking an additional \$50,000 from the Knight Foundation to add the parklet back into the project. The project currently has a budget of \$375,000 in PBID funds. The original renderings of the project include a 100 foot parklet, that extends past the retail stalls.

Friese asked for clarification on the estimated parklet costs, and whether the estimate is firm. Friese indicated this estimated cost is much less than what he's previously researched for his projects downtown. Knies reminded the board that this estimate is for a paired down parklet, and expensive items have been swapped for comparable cost-effective alternatives, like switching from wood to trex.

Zelalich asked what construction of the parklet would be like. This parklet would be modular, with some assembly on-site. The vendor we are considering specializes in modular stalls and booths in arenas. Modular construction does reduce cost – including lower labor costs. The board requested renderings or an example of this kind of work in other downtowns be provided.

Zelalich shared that City staff is still interested in turning this section of San Pedro Street into a pedestrian plaza. This portion of the project should consider the long-term needs of the street.

The board unanimously approved an additional \$50,000 in funding, with the caveat that staff will bring back a project scope, rendering and examples to designated board members Lambert, Hammers and Friese when the details are back from the vendor. If more than \$75,000 is needed from the PBID, staff would have to come back to the board for approval.

#### Staff Reports:

- Operations Report: Chloe Verrey presented highlights from the Operations Report on pages 8-11 in the agenda packet.
- Streetlife Report: Jason Su presented highlights from the Streetlife Report on pages 12-14 in the agenda packet.

Hammers asked how the beautification committee should function once the next fiscal year begins. With San Pedro Squared construction complete, there will be more funds available for street life. The committee is currently an ad hoc committee of the board, but there is interest from design and architecture community to participate. There are several large-scale public activation projects on the horizon for the PBID and the City including the Almaden Medians and the Paseo to Park Avenue project.

Zelalich suggested having the committee meet to set direction in February, and invite others that may be interested in committee services as well.

Clarification on how the PBID has previously chosen large-scale projects. First, there was a 5 year beautification plan which led to the Highway 87 Illuminations project. Later, the CMG Street Life Plan identified additional projects.

The suggestion was made to explore the Almaden property owners appetite to fund a portion of the Almaden Median work. Matching funds from property owners, city and PBID could allow for a larger project.

- Business Development Report: Nate LeBlanc presented highlights from the Business Development Report on pages 15-18 in the agenda packet.

#### Old Business:

- Please attend the SJDA Public Meeting on BART Phase 2 on February, 9 at 8 a.m. at the San Jose Improv.

The meeting was adjourned at 10:07 a.m.