



Meeting
of the
San José
Community & Economic Development Committee
August 27, 2007 at 1:30 P.M.

Roll Call: Chair Nancy Pyle, Vice-Chair Campos, Pete Constant, Member, Sam Liccardo, Member, Ru Weerakoon, Paul Krutko, Bill Hughes, Harry Mavrogenes, John Weis

Absent: Ed Moran

Staff: Christine Velasquez, Anne Stedler, Hope Shapiro, Angela Kelley, Liz Nunez, Tiffany Chew, Kim Walesh, Bill Ekern, John Lang, Betsy Shotwell, Melissa Whatley, Kay Winer, Irene Ray, Lawrence Thoo, Nanci Klein

Guests: Rich Braugh, Erika Justis, Scott Knies, Sharon Gustafson

This meeting began at 1:30 P.M.

a. Review of Today's Agenda and the Fall Committee Workplan

Review of the committee workplan brought forth suggested actions to split up the October agenda into two meetings. In addition, the Berryessa Flea Market issue has been referred by Council to report out to this committee. This issue may require substantive time for public input and the use of the Council Chambers to allow for sufficient public seating. Staff will work with the committee members to identify dates to bring forward a second October meeting and special meeting time for the Berryessa Flea Market item.

b. Downtown Retail/Office Business Strategy (Redevelopment Agency)

Harry Mavrogenes, Executive Director, introduced Angela Kelley, Downtown Specialist 1, Christine Velasquez, Senior Development Officer, Anne Stedler, Senior Development Officer, Hope Shapiro, Development Specialist 1, and Liz Nunez, Development Specialist 1. An overview of downtown office vacancy rates, profiles of prospective tenants, incentives used to encourage downtown relocation and support materials used to target tenants was provided to the committee. Fourteen new retailers are coming soon and close to 60,000 s.f. of future and activated retail bringing 300 new jobs, are anticipated. The activity of the retail cabinet focuses on removing, reducing, shortening permitting time and

August 27, 2007

Subject: Community & Economic Development Report

Page 2 of 4

pro-actively assisting the small business owner. The façade improvement program assists business and building owners to improve facades, create new signage, encourage permitting of sidewalk cafes and vendors.

Upon motion by Councilmember Constant, seconded by Councilmember Liccardo, the committee accepted this report.

c. “Small Wonders” Workplan to Enhance the Public Realm and Pedestrian Experience Downtown, and Advance the 1st ACT Vision (Economic Development, Redevelopment Agency)

Kim Walesh, Assistant Director of Economic and Cultural Development, Office of Economic Development, Bill Ekern, Director, Redevelopment Agency, Scott Knies, Executive Director, Downtown Association, Rich Braugh and Erika Justis from 1st ACT, presented this staff report. The Small Wonders workplan has identified more than 20 projects to implement in the next 12-18 months to improve the sidewalk-level environment and public realm in downtown San Jose. Small Wonders are the smaller-scale projects providing attractive gathering places, and lively street life which “fill in” between the major buildings and destinations located downtown and keep people returning to downtown as a special place. The City is collaborating with 1st ACT Silicon Valley which is a network of business, civic, and cultural leaders whose mission is to inspire leadership, participation, and investment at the intersection of Arts, Creativity, and Technology. Staff requests that this item be cross referenced to the October 2nd Council meeting, following approval of the RDA budget. Vice-Chair Campos requested that a time-line accompany future workplan reports. Councilmember Liccardo requested that quarterly updates be part of the committee workplan for this item.

Upon motion by Councilmember Liccardo, seconded by Councilmember Constant, the committee accepted this report.

d. Economic Indicators (Economic Development)

Kim Walesh, Assistant Director of Economic and Cultural Development, and John Lang, Economic Development Officer, presented this staff report. Core economic indicators reviewed the return of job growth, changes and growth in the San Jose population, and where San Jose is leading in certain national rankings. Hotel occupancy continues to rise but airport passenger levels have remained the same since 2003. Vice-Chair Campos requested comparison data for smaller shopping centers like Market Center that are not the size of Valley Fair and Oakridge.

Vice-Chair Campos left the meeting during this item. (3:15 P.M.)

August 27, 2007

Subject: Community & Economic Development Report

Page 3 of 4

Upon motion by Councilmember Liccardo, seconded by Councilmember Constant, the committee accepted this report.

e. Status Report on Secondary Units Pilot Program (Housing) [REQUEST FOR DEFERRAL SEPTEMBER 2007]

f. Proposition 1C Housing and Emergency Shelter Trust Fund (Housing) [REQUEST FOR DEFERRAL SEPTEMBER 2007]

g. Report on Key Legislative Items (City Manager's Office)

Betsy Shotwell, Intergovernmental Relations, presented this staff report which provided an overview of bills that were introduced into the 2007-2008 State Legislature. Chair Pyle asked which bills were of priority to the City. Staff responded that SB 375 (Steinberg) is being closely monitored. Councilmember Liccardo asked for the status of SB 2 (Cedillo) regarding emergency shelters. Melissa Whatley, Policy Director, Housing Department responded that staff has opposed this bill and has submitted changes to the bill. They anticipate a response this week which will be included in their next status report.

Upon motion by Councilmember Liccardo, seconded by Councilmember Constant, the committee accepted this report.

h. Arts Stabilization Loan Fund (Economic Development) [DEFERRED FROM JUNE 25, 2007]

Kim Walesh introduced Irene Ray, Division Manager, and Lawrence Thoo, Arts Program Director from the office of Cultural Affairs, Sharon Gustafson, Chair of the Arts Commission and Kay Winer, Assistant Deputy City Manager, from the City Manager's Office. Staff reported on the Arts Commission's recommended guidelines about the use of the Arts Stabilization fund as directed by Council. In addition to its recommendations on the loan fund, the Commission recommended using a limited amount of resources to help the City to identify and help avert potential crises among local art organizations. Staff is asking the committee also allow for this item to be cross-referenced at the September 11, 2007 Council meeting. Chair Pyle suggested the idea to set out a clear definition of the process the arts community would have to follow when seeking financial assistance from the City.

Upon motion by Councilmember Constant, seconded by Councilmember Liccardo, the committee accepted this report.

August 27, 2007

Subject: Community & Economic Development Report

Page 4 of 4

i. Status Report on Proposed Soccer Stadium (Economic Development)

Paul Krutko, Chief Development Officer, City Manager's Office, presented this update verbally. The Major League Soccer organization approved Lew Wolfe and John Fischer request to purchase the franchise and anticipate the return of the

Earthquakes by 2008. Evaluation of the land adjacent to the Airport is underway as well as ongoing land negotiations which align with the revised Airport Master plan. Preliminary Title report is complete and an appraisal will be ordered. Staff will return to the committee in October with preliminary agreements.

Upon motion by Councilmember Constant, seconded by Councilmember Liccardo, the committee accepted this report.

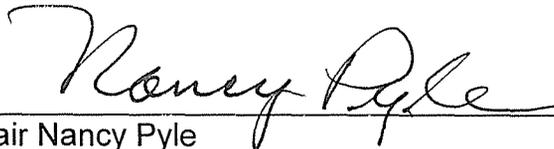
j. Oral Petitions

None

k. Adjournment

Meeting adjourned at 4:22 P.M. P.M.

By:



Chair Nancy Pyle
Community & Economic Development
Committee

Please note that his meeting can be viewed in its entirety on the City's website, www.sanjoseca.gov and click on the link to view meeting broadcast, you can find all Committee meetings as well as Council meetings.