



Meeting
of the
San José
Community & Economic Development Committee
January 28, 2008 at 1:30 P.M.

Roll Call: Chair Nancy Pyle, Vice-Chair Nora Campos, Sam Liccardo, Member, Pete Constant, Member, Paul Krutko, Ed Moran, Ru Weerakoon, John Weis

Staff: Joe Horwedel, Frank Kirkbride, Ed Nelson, David Vossbrink, Kim Walesh, Jeff Ruster, Elizabeth Kaylor

Guests: Jody Hansen, Eric Shoennauer, Eduardo Rallo

Today's meeting started at: 1:32 PM.

Note: Councilmember Liccardo joined the meeting at 2:03 PM.

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

Paul Krutko, Chief Development Officer, City Manager's Office, reviewed today's agenda and outlined the following:

- Request for deferral of report, "Downtown Obstruction/Building Heights" to the March committee agenda;
- Rules added item #7 [01-16-08] to the agenda, "Public/Private Strategy to Attract Air Service";
- Request for deferral of report, "Sister City's Update" to the February committee agenda;
- Request for deferral of report, "Review of Performance Measures" to the February committee agenda;

Upon motion by Vice-Chair Campos, seconded by Councilmember Constant the committee accepted these changes for today's agenda.

January 28, 2008

Subject: Community & Economic Development Report

Page 2 of 5

Review and discussion of future committee workplan items.

February changes would reflect:

- Planning staff requested, "Update on City Surplus Property" be moved from the May agenda to February.
- Update on Sister Cities was deferred from January 28, 2008 and will be heard as a full report.
- Economic Development staff requests, "Soccer Stadium, Airport West and iSTAR Development "Cost Benefit Analysis" be moved from the March agenda to February.

Councilmember Constant requested staff to confirm the amount of time required for the committee to meet in February. If necessary either extend the length of the meeting or determine a second date to meet.

Discussion of the March agenda included:

- Soccer would be dropped, having reported out the previous month.
- Downtown Obstruction/Building Heights was deferred from January 28, 2008 and will report out.

Vice-Chair Campos requested to add the Berryessa Flea Market as an update to the committee workplan. Chair Pyle requested to add the "Revolving Loan Fund Program". Staff responded that any additions to the workplan would require Rules approval and that staff would move forward both of these requests. Staff will also ensure an amended workplan is posted to the committee website to reflect the changes discussed during this meeting.

Discussion of the May agenda included:

- "Update on Sign Ordinance" was deferred by Rules [12-19-07] to the May committee agenda.

Upon motion by Vice-Chair Campos, seconded by Councilmember Constant the committee accepted staff recommendations and committee members suggestions for revisions to this committees' workplan.

2. Review of Performance Measuring Reporting (Housing) [REQUEST FOR DEFERRAL-FEBRUARY]

The committee accepted staff's request to defer this item.

3. Downtown Obstruction/Building Heights (Airport, Redevelopment Agency, Planning, Building and Code Enforcement, Office of Economic Development) [REQUEST FOR DEFERRAL-MARCH]

The committee accepted staff's request to defer this item.

4. Panel Discussion – Efforts to Streamline the Permitting Process Phase 1 (Developer's Roundtable, Redevelopment Agency, Planning, Building, and Code Enforcement)

Joe Horwedel, Director, Planning, Building & Code Enforcement, Eric Schoennauer, Developer, and Jody Hansen, San Jose Chamber of Commerce, partnered to present this staff report. In recent efforts to streamline the permitting process, City staff from the Development Service Partners (Planning, Building & Code Enforcement, Public Works, and Fire Departments), have been working with members of the development community on a Phase 1 list of improvements. Some improvements already completed:

- Implemented 3 day contact/14 day meeting with applicants;
- Updated Title 21 to reduce environmental review process by 4-6 weeks;
- Added processing targets for Project Conformance Review;
- Scheduling same inspector for all major projects, and;
- Assigned Field Coordinators to resolve consistency issues between building inspectors.

Vice-Chair Campos requested staff to provide information on how improved streamlining generated additional revenue and what positive economic impacts it has had.

Upon motion by Vice-Chair Campos, seconded by Councilmember Liccardo the committee accepted this report.

5. Catalyst Program (Economic Development) [Council Referral 06-16-07-4.4]

Jeff Ruster, Deputy Director, Economic Development/work2future, Elizabeth Kaylor, Senior Analyst, work2future, and Eduardo Rallo, Pacific Community

January 28, 2008

Subject: Community & Economic Development Report

Page 4 of 5

Ventures, presented this staff report. Two current deals that occurred during the inaugural year of the program were with BenteK and Kimomex. Both of these companies were provided the financial opportunity to develop and grow their businesses, providing full-time jobs with benefits. w2f will assist in connecting workers from their program into these new openings.

Upon motion by Councilmember Constant, seconded by Vice-Chair Campos, the committee accepted this report.

6. Sister City's Update (Economic Development) [REQUEST FOR DEFERRAL-FEBRUARY]

The committee accepted staff's request to defer this item.

7. Public/Private Strategy to Attract Air Service (Airport, Economic Development) [RULES ADD 01-16-08]

Ed Nelson, Director of Air Service Development, Airport, David Vossbrink, Director of Communications, Airport, and Frank Kirkbride, Assistant Director, Airport, provided this staff report.

Challenges:

- Airlines reducing their growth plans
- Rising fuel prices
- Flight restrictions in New York will make it difficult to add SJS-JFK flights
- All airports are competing to attract more airlines/flights
- San Jose lacks international name recognition as destination

San Jose is aggressively pursuing new flights but requires long-term patience with a deliberate strategy. Decisions for new and expanded air service are made by individual airlines. San Jose is maintaining active outreach to airlines meeting with dozens of carriers to present the opportunities for successful new air service in San Jose, involving City staff (Airport, Economic Development, Redevelopment Agency) as well as community partners (San Jose Convention and Visitors Bureau, San Jose/Silicon Valley Chamber of Commerce, Silicon Valley Leadership Group, 1st ACT Silicon Valley, Silicon Valley Leadership Group and culturally specific business networks. Working with community partners staff is creating increased awareness, interest, and active engagement among the leaders of Silicon Valley companies grow San Jose Airport.

January 28, 2008

Subject: Community & Economic Development Report

Page 5 of 5

Widespread feedback from airlines and international communities outside of San Jose has been the necessity for San Jose to establish a worldwide image in order to attract the leisure business which comprises ½ of the airport guests.

Upon motion by Councilmember Constant, seconded by Vice-Chair Campos, the committee accepted this report.

8. Oral Petitions

None

9. Adjournment

Meeting adjourned at 3:07 PM.

By:

A handwritten signature in cursive script, appearing to read "Nancy Pyle", is written over a horizontal line.

Chair Nancy Pyle
Community & Economic Development
Committee

Please note that this 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.