

TO: Sunshine Task Force  
FROM: Bob Brownstein  
SUBJECT: Public Subsidies Definition  
DATE: April 27, 2007

The language below is a proposed definition of public subsidies for use in the Sunshine Ordinance:

“A public subsidy is an expenditure by the City or the RDA to a private entity for purposes beneficial to the public, such as the operation of a business or event within San Jose, but for which the City or RDA do not directly receive goods or services in return for that expenditure.

Forms of public subsidies include:

- Cash payments

- Loans at below market interest rates or loan guarantees

- Land or buildings at prices below market value or access to land or buildings at prices below market value

- Waiver or reduction of fees or taxes

- Capital improvements to a public facility operated by the private entity from which the private entity secures revenue”