

CITY OF SANTA CLARA
CITY COUNCIL ECONOMIC DEVELOPMENT COMMITTEE
“Mission City 21”
Minutes for May 1, 2006 Meeting

Attendance: Council Member Pat Kolstad, Chair
Council Member Dominic Caserta
Council Member Jamie McLeod
Jennifer Sparacino, City Manager
Ron Garratt, Assistant City Manager
Larry Owens, Electric Utility Division Manager
Kevin Riley, Director of Planning & Inspection
Steve Yoshino, Director of Public Works
Larry Wolfe, Director of Parks & Recreation
Pam Morrison, Administrative Analyst
Tim Walsh, American Golf
Steve Van Dorn, President & General Manager, Santa Clara Chamber of Commerce and
Convention-Visitors Bureau
Guests: Alex Hull, Silicon Valley Korean-American Chamber of Commerce
Tak S. Chang, Silicon Valley Korean-American Chamber of Commerce

Matters for Council Action: Refer to City Manager to prepare a timeline and process for review of policy initiatives regarding large (“big box”) retail proposals.

- I. The Chair called the meeting to order at 5:40 p.m. Introductions were made.
- II. Silicon Valley Korean America Chamber of Commerce. Alex Hull of the Silicon Valley Korean-American Chamber of Commerce gave a presentation about the Chamber. The Chamber started with 107 members, and it has grown to over 400 business members (as of December 2005). The Chamber wants to explore opportunities about how the City and the Chamber can help each other. Chamber members generate sales tax revenue, and large numbers of Korean tourists come to Santa Clara on their way to Southern California. The Chamber is interested in making this area more of a destination location for Korean Americans. One of the ways they would like to do this is by exploring the possibility of signage on Highway 280 and Highway 101 to facilitate visitors to the area. They are contacting CalTRANS to propose this signage. The Chamber has approached the Korean government on various ideas, and they are enthusiastic and willing to provide some funding. In addition, the Chamber is holding a diversity festival to reach out to the community, and a disaster preparedness forum in English and Korean. It was suggested that Chamber representatives come to a City Council meeting and present these ideas to the full Council. It was also suggested that the City Clerk’s Office should notify Mr. Hull of any openings on City Commissions. The Committee thanked Mr. Hull for his presentation and his desire to explore closer ties with the City.

III. Economic Development Efforts 2005-06 through 2006-07

- A. Update on Convention Center Ballroom. The architect for the project has been selected. The design should be completed in June 2007, and it will take approximately one year to construct.
- B. Update on Convention Center Parking Garage. This project has been funded at \$42 million. The parking garage will be 5-6 stories high, with 1800 parking spaces. Council previously asked about the feasibility of having a restaurant on the top level. The initial results from the study are in and will be presented to Council later this month. The City has now retained a project manager and architect for the project, which was previously delayed due to the City's financial situation and anticipated operating costs. The design phase should take approximately 14 months, with construction lasting approximately 18 months and the project complete in the summer 2009. The next activity on the project will be forwarding the restaurant feasibility study to Council.
 - 1. Consideration of Solar Energy Installation. The Electric Utility looked at this possibility and determined that it is not structurally viable on the existing parking structure; staff will revisit this issue when the new structure is designed.
- C. Economic Development Outreach. The City recently won two CALED awards for the broker workshops and the www.movetosantaclara.com website. The awards will be presented to Council on May 23. SVEDA is currently looking at a software addition to the www.movetosantaclara.com website that would include commercial broker listings. This is something the City has wanted to implement for some time, and it will be implemented over the next year. The City is seeing increased energy sales due to economic development efforts (increase in server farms and increased energy use within large companies). Office vacancies are down to 20% (decreased from 40% vacancies in 2003).
- D. Downtown Concept Plan/2005-07 Council Goal. Because the one-acre courthouse property will continue to be used as a court facility, Option A has been redrawn and is being reviewed at the staff level. Staff has been keeping the property owners up-to-date. The Master Developer RFP is underway, and the project timeline will be dependent on the bid responses. Santa Clara University has expressed an interest in working with the City on this project.
- E. Affordable Housing: CDBG and RDA Projects. A list of the current CDBG and RDA projects was provided to the Committee.
- F. Wireless Silicon Valley. Joint Venture Silicon Valley has organized a coalition of thirty-six entities including Santa Clara to be part of the RFP process for WiFi connectivity in Silicon Valley. This is an unprecedented effort on part of multiple jurisdictions. Availability to everyone is a key concept of the project. Staff is also reviewing the feasibility of broadband over power lines, and is reviewing potential providers.

IV. Santa Clara Chamber of Commerce and Convention-Visitors Bureau Economic Development Efforts

- A. Outlook 2006 Event, March 8, 2006. It was noted that the Chamber had a great program, and Steve Van Dorn thanked the City for its support. It was an opportunity to provide input on what we can do to help local businesses, and the list of ideas generated from the Outlook will be useful. It was suggested that

next year's program has the same format, but have more information on the general financial situation and more time for questions.

- B. Chamber Board Retreat, May 4 & 5, 2006. The theme of this year's Retreat is ethics in business & government. The Fire Chief and the Director of Public Works as well as the Deputy City Manager will be speaking at the event on the City's Ethics and Values Program.
- C. National Tourism/"See America" Week Luncheon, May 17, 2006. This event will be held at Paramount's Great America. Approximately 70 people are expected to attend.
- D. Tourism Improvement District (T.I.D.) - Update. A report was provided to Council at the April 23 meeting. \$600,000 in supplemental revenue has been received by the T.I.D. for the Convention/Visitors Bureau, and the hotels are reaching consensus on where the money should be spent (staff, computers, advertising). A handout was provided at the Council meeting.

V. Santa Clara Golf & Tennis Club

- A. Status Report, Proposed Budget and Review of Rates. The golf course is doing better financially, but is still looking at ways to increase revenue. Rates were compared to other courses in the area, and increases are being proposed in areas that would not reduce play. Staff is proposing a \$2 per round rate increase on weekends for both residents and non-residents, and a \$1 rate increase for residents during the week. The unlimited senior rate is proposed to increase to \$20/month. Based on current usage, this comes out to approximately \$9 per round. All other rates would stay the same, and staff does not anticipate any problems with the proposed increase. The reason for proposing the rate increases is because currently the General Fund covers the debt service of the golf course if the golf course does not bring in enough revenues, and we want to find the balance between staying competitive and not impacting the general fund.

VI. Projects Update

- A. 2685, 2695 and 2727 Augustine – Status of Proposal for Retail. The proposal for big box retail at this site was withdrawn by the developer.
- B. Discussion of Policy re: Big Box Retail. The Committee discussed developing Council policy initiatives on large ("big box") retail projects. A motion was made to refer this topic to the full Council, for a referral to City Manager to prepare a timeline designating a process to review this issue.
- C. Other Updates. A report on the City of Sunnyvale Economic Development programs will be forwarded to the Committee Members.

VII. Miscellaneous Economic Development Issues

- A. Joint Venture: Index. Copies of the Joint Venture: Silicon Valley Index were provided to Council.
- B. Informational Items:
 - 1. Commercial Broker Workshop. The next Commercial Broker's Workshop is scheduled for June 2006.
 - 2. Miscellaneous Informational Items. None.

VIII. Business Outreach Program

A. Business Outreach – Recognition of Diana Fruit held on April 25th. In selecting future business outreach companies, the potential of adding new businesses or businesses with special and/or unique contributions was discussed.

IX. Future Speakers/Topics for Discussion

No specific new topics at this time.

X. Public Presentations. No public presentations were made.

XI. Schedule Next Meeting – July 2006 (date to be determined)

Prepared by:

Approved:

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