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DOWNTOWN PARKING BOARD

MINUTES  
December 3, 2008

REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE  
200 E. Santa Clara Street, 14<sup>th</sup> Floor Rincon Conference Room

Item            Subject

1.            Call to Order  
8:05 a.m.

Action: The DPB Meeting Minutes of November 5, 2008 were approved. (7-0-0)

Documents Filed: November 5, 2008 DPB Meeting Minutes

2.            Chairperson Report  
No Report

3.            Parking Management Plan  
A. Potential Sale of Third Street Garage

Jim Ortbal (DOT) presented an overview of the Feasibility of Selling City's 3<sup>rd</sup> Street Garage Memorandum which contained the following analysis:

- Recommendation: Authorization to pursue the sale to LegacyPartners (adjacent property owner)
- Analysis: Ten specific topics analyzed in the memo includes:
  1. Use of 3<sup>rd</sup> Street Garage (Past, Current, Future)
  2. City Facility and Employee Parking Needs
  3. City and Agency as Facilitator of Office Development, Events, and Commercial Activity
  4. Specific Downtown Land and Parking Development Opportunities
  5. Interest by the Private Sector in the 3<sup>rd</sup> Street Garage
  6. Legal and Process Requirements of Sale
  7. Estimated Cost of Replacement Parking
  8. Financial Considerations and Projections of a Possible Sale
  9. Opportunities and Need for Parking Development
  10. Framework for Parking Funding and Development

City and Agency staff responded to questions and comments by board members and members of the public. Below is a sampling of questions presented:

When was the appraisal completed?

How was the appraisal calculated?

How is fair market value derived?

Are there legal obligations to sell for fair market value?

- Is the land under the 3<sup>rd</sup> St. Garage included as a part of the sale?
- What are the rates being charged at the 3<sup>rd</sup> Street Garage, and how does that compare to private garages?
- What is the current occupancy of the 3<sup>rd</sup> Street Garage?
- What percentage of the current occupancy is from Legacy Civic Towers?
- What is the current occupancy of the Legacy Civic Towers?
- Does the sale of the 3<sup>rd</sup> Street Garage impact the purchase or development of the Greyhound site/garage?
- Is the Greyhound site the right location for adding additional parking supply?
- Is it intended to have conditions (i.e. public parking and rates) placed on the sale?
- Can the DPB propose an amendment/covenants to the staff report?
- What protections are there for the proceeds from the sale of the 3<sup>rd</sup> Street Garage being allocated towards new parking supply or improvements to existing parking?
- Can staff take the recommendation to City Council if the DPB is not in support of the recommendation?
- How will the potential future loss of the Mitchell Block parking lot affect the parking supply?
- Can the report include an impact analysis on the St. James Historic District?

- **Next Steps:** After full deliberation and action by the Downtown Parking Board, a recommendation will be finalized for City Council consideration.

Action: Deferred to the December 17, 2008 DPB Meeting

Documents Filed: Feasibility of Selling City's 3<sup>rd</sup> Street Garage Memorandum  
Downtown Parking Board Briefing - Feasibility of Sale of 3<sup>rd</sup> Street Garage

4.

#### **General Business**

##### **A. Semi-Annual Work Plan January-June 2009**

Joe Garcia (DOT) presented the January-June 2009 Semi-Annual Work Plan and noted that given the time constraints between the City holiday closure and the January 7<sup>th</sup>, 2009, DPB meeting, staff has no items to include on the Work Plan for January, 2009.

Abi Maghamfar (Agency) noted that the DPB would have to vote and approve on the cancellation of the January 7, 2009 DPB meeting.

Action: (7-0-0) Board Member Bales motioned to cancel the January 7, 2009 meeting. Board member Saglimbeni seconded the motion.

Board Member Bales noted that the quarterly meetings were originally intended to facilitate the Capital/Finance and Operations Committee meetings. He noted that the meetings now contain general business items and suggested eliminating quarterly meetings.

A brief discussion ensued regarding the intent and purpose of the quarterly meetings and the potential for eliminating the quarterly meetings. A decision was made by the DPB to defer action on the Semi-Annual Work Plan January-June 2009 until the December 17,

2008 meeting where a revised work plan would be presented eliminating the quarterly meetings from the calendar.

Action: Deferred to the December 17, 2008 DPB Meeting

Document Filed: Semi-Annual Work Plan January-June 2009

5. **Capital/Finance**  
**A. Capital Projects**

Jeff Lee (DOT) presented a brief overview of the Third Street Garage staircase replacement project, which he noted that the winning bidder was unable to execute the contract successfully, and therefore the project will be re-bid. It is anticipated that the project will now be completed in September 2009.

Board Member Saglimbeni questioned if the staircase replacement project could be placed on hold given the potential sale of the Third Street Garage. Mr. Garcia responded that it is a safety issue that needs to be resolved.

Document Filed: Status Report on Parking Capital Improvement Projects

6. **Reports/Coordination**  
**A. City Council Agenda Items**

Mr. Maghamfar reported on the Agency's proposed amended FY 2008-09 Capital Budget and the Five-Year Capital Improvement Program. The Mayor has proposed a revised Two-Year Spending Plan encompassing FY 2008-2009 and 2009-2010.

The next steps are as follows:

Approval: December 9, 2008

Adoption: December 16, 2008

Mr. Maghamfar noted that the \$7.2 million funding for the Greyhound Garage remains committed over a five-year period. The Two-Year Spending Plan does not show the entire amount, as the remaining balance will be shown in future spending plans/budgets.

**B. Negotiations with Team San Jose - Convention Center Operation**

Mr. Garcia reported on the status of the negotiations with Team San Jose to extend their contract for five years which will be presented at the December 17, 2008 DPB meeting for review and approval. The item is also agendaized for the January 27, 2009 City Council meeting. One item of consideration in the negotiations is the potential for a change in the parking rate structure for the Convention Center garage.

**C. Parking Citation Collection Vendor Contract**

Mr. Garcia reported that the City Council approved an agreement with Turbo Data Systems for the parking citation processing and collection services at the December 2, 2008 City Council meeting.

**D. Downtown Projects Construction Coordination**

Item was deferred to the December 17, 2008 meeting.

7.

**Future Agenda Items**

- Potential Sale of Third Street Garage
- Semi-Annual Work Plan
- Negotiations with Team San Jose - Convention Center Operation
- Convention Center Expansion
- 1<sup>st</sup> Quarter Financial Report
- 1<sup>st</sup> Quarter Occupancy Report
- Semi-Annual Customer Survey Report
- Downtown Project Construction Coordination

8.

**Open Forum**

No Public Comments

9.

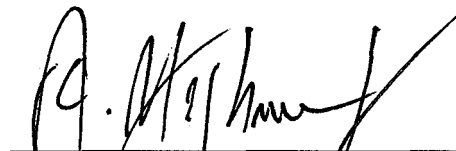
**Adjournment**

10:02 a.m.



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Janis Gemionani, Chair



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Abi Maghamfar, Secretary