



ECONOMIC DEVELOPMENT & TRADE COMMISSION MEETING MINUTES

DATE: MONDAY, MAY 13, 2019
LOCATION: MILPITAS CITY HALL, COMMITTEE CONFERENCE ROOM
START TIME: 4:37 PM
END TIME: 6:48 PM

I. FLAG SALUTE, CALL TO ORDER, ROLL CALL

Chair Rice called the meeting to order at 4:37 PM and led the Pledge of Allegiance. Economic Development Coordinator Daniel Degu called the roll.

MEMBERS PRESENT: Chair Rice; Vice Chair Chen; Commissioners' Wettenstein, San Vicente, and Norwood; Alternate Commissioners' Gomez, and Awasthi.

Alternate Commissioners' Gomez and Awasthi were seated.

MEMBERS ABSENT: Commissioner' Brahmbhatt, and Taylor; Vice Mayor Dominguez.

CITY STAFF PRESENT: Economic Development Director Alex Andrade, Economic Development Coordinator Daniel Degu.

II. APPROVAL OF AGENDA

Mr. Andrade requested the Commission hear today's agenda in the following order: Item 5, Item 7B, Item 6A, Item 6B, and Item 7A.

Motion: to approve the Economic Development & Trade Commission meeting agenda for May 13, 2019, as amended.

Motion/Second: Norwood/Wettenstein

Motion carried by a vote of:

AYES: 7

NOES: 0

ABSENT: 2 (Taylor, Brahmbhatt)

III. APPROVAL OF MINUTES

Motion: to approve the Economic Development & Trade Commission meeting minutes for April 8, 2019, as submitted.

Motion/Second: Wettenstein/Norwood

Motion carried by a vote of:

AYES: 3

NOES: 0

ABSENT: 2 (Taylor, Brahmbhatt)

ABSTAIN: 4 (Gomez, San Vincente, Awasthi, Chen)

IV. PUBLIC FORUM

None.

V. ANNOUNCEMENTS

A. City Staff Report

Mr. Andrade welcomed three new Commissioners' Victor San Vicente, Juliette Gomez, and Dipak Awasthi. They each gave a quick introduction and shared what they could contribute to the commission.

Mr. Andrade gave an update on the Campus Center. The City has had a development agreement with the current owner, Hudson Pacific Properties, which goes back to 2002 and through 2025. Hudson Pacific Properties is now in the process of bifurcating the site and selling to Embarcadero Capital Partners and Bridge Partners. However, a couple of development agreement conditions have yet to be taken care of, so Economic Development will go to City Council on June 4 to have Council consider a partial assignment and assumption with Embarcadero Capital Partners and Bridge Partners.

Mr. Daniel Degu gave a brief overview on short-term rental regulations. He shared that on April 30, Economic Development sought Council approval and authorization to execute a Voluntary Collection Agreement with Airbnb. He expressed that City staff is also working on a short-term rental ordinance that will go before the Planning Commission and City Council later this year.

Commissioner San Vicente, and Alternate Commissioners' Gomez, and Awasthi asked a few clarifying questions regarding current regulations and requirements as well as tax remittance. Mr. Andrade suggested sending the new commissioners previous presentations that have been done on short-term rentals. Commissioner Wettenstein asked if the City had reached out to other platforms besides Airbnb, and Mr. Degu responded that staff has reached out to (Vacation Rentals By Owners) VRBO but hasn't heard back. Colleagues in other cities have mentioned that other platforms are not interested in exploring a Voluntary Collection Agreement at this moment.

Mr. Andrade gave an update on digital billboards. On February 5, Council directed staff to do a public bid through a request for proposals, and staff received proposals from Clear Channel Outdoor, Outfront Allvision, and Foster Interstate Media. The submittals are still being reviewed by the evaluation committee. Economic Development will head to Council on June 4 or June 18 for a staff recommendation to proceed with the most qualified vendor.

**B. Council Liaison,
Commissioners, and Great
Mall Update**

There was no Council update.

Commissioner Wettenstein gave a Chamber update and highlighted three upcoming events including a Chamber Breakfast on May 14 at the Senior Center at 7:30 AM, Connection Club on May 15 at Dave & Buster's at 11:30 AM, and a Chamber Mixer on May 16 at the CommonWealth Central Credit Union at 5:00 PM.

Commissioner Norwood shared that there will be a Milpitas Elementary Olympics at Milpitas High School on May 18 at 9:30 AM, where 10 elementary schools will get together for 8 Olympic events.

Chair Rice gave a Great Mall update, to where she highlighted LEGOLAND Discovery Center and new electric charging stations. LEGOLAND is anticipated to open spring 2020. The Great Mall location beat out Mexico City and Shanghai, and the Great Mall will soon have 28 new Tesla charging stations.

VI. NEW BUSINESS

A. Receive presentation from staff on Scope of Work for Economic Development Strategic Plan.

Mr. Andrade shared that the Economic Development Strategy is being updated to prepare Milpitas for the new economy, ensure that Milpitas is adapting to new industries, and to ensure that the economy is an inclusive one. He went over some slides that laid out the Economic Development Strategy's scope of work including developing an innovation district/hub, adding quality jobs around the Transit Center and city-wide, and revitalizing South Main Street. He also informed the Commission that on May 21, Ned Thomas (Planning Director) and Jessica Garner (Planning Manager) would lead a Council discussion on the General Plan Update's Land Use Alternatives. Commissioner San Vicente, Wettenstein, and Alternate Commissioner Gomez asked a few clarifying questions regarding the scope of work, all of which Mr. Andrade addressed.

B. Receive presentation from Mr. David Greensfelder (Greensfelder Commercial Real Estate) on Retail Development

Mr. David Greensfelder gave a presentation on retail development. He explained what retail is and how it organizes itself in today's world. He shared that retail organizes itself either as commodity or specialty and explained the differences between them. He also talked about how space is designed and provided information on active and non-active spaces as well as retail channels, different types of mixed-used development, and real estate and facility attributes. He expressed the importance of circulation maps and their role in determining where to locate a new store and talked about different location types, store types, and key site attributes. He shared that mixed-uses can work poorly if not designed well and emphasized some best practices, including appropriate massing of façade, good visibility, store fronts with well-defined entrances, having the right depth, providing adequate and convenient parking, clear height, good lighting, and visible signage that's prepared in advance. He concluded the presentation by saying that in order to have a thriving retail district, there needs to be natural evolution and retail should not be forced where it doesn't belong. He also expressed that every revitalization effort needs a champion.

Commissioner San Vicente asked Mr. Greensfelder how the parameter of density determines what goes where, to which Mr. Greensfelder responded by saying that generally, the denser the area with population, the more stores that area can handle. However, he clarified that each situation was contextual. Mr. Degu also asked if it was possible to have co-living between two high-density areas in close proximity depending on the location of the city, to which Mr. Greensfelder said yes and that largely has to do with traffic patterns.

Alternate Commissioner Gomez asked if anyone has conducted a density evaluation for Milpitas, to which Mr. Greensfelder responded saying that he hasn't seen any and that they're often driven by projects. Mr. Andrade also added that there hasn't been any but that there's been various discussions with potential developers who've been looking at Serra Center, as well as South Main Street. He also mentioned that 7,000 (+/-) residential units have been added or planned for around the Milpitas Transit Center and Great Mall but those units have not been completely occupied. While community members have been desiring a quality grocery store near these residential units, Whole Foods, Nob Hill, and Trader Joes have expressed that the demand just isn't there yet. Chair Rice also added that it is an educational process and that it takes a great deal of time letting retailers understand all of the development that's taking place throughout the City.

An audience member in the public asked if the City would be doing anything with the space on Main Street where the railroad used to be, to which Mr. Andrade responded saying that staff will be looking into it and that it is a wonderful opportunity. However, it won't be an easy place to develop due to the ownership entity.

Mr. Degu asked Mr. Greensfelder how a convention center comes into play, to which Mr. Greensfelder stated that you would need demand and tourism.

Mr. Andrade added that retail is a great opportunity for job creation and also provides access to services and products. He mentioned that Economic Development is requesting from Council budget for a pilot façade improvement grant program for Fiscal Year 2019-2020. If approved, there will be \$40,000 set aside, which would help a property or business owner with assistance in restoring or beautifying facades or storefronts. This will generate interest for people to come into the space. He also expressed that downtowns are the lifeblood of the community and would love to see South Main Street embody that one day. Alternate Commissioner Gomez asked how much of the housing built are full or still up for sale. Mr. Andrade said they're not there yet in terms of building out 7,000 residential units, but are getting close to permitting that number. A lot has been constructed but hasn't yet been occupied. Chair Rice also mentioned a lot is still being built and not at a point where it can be sold or leased yet. She expressed that it is hard to find construction workers, so that is why construction has also been getting delayed.

VII. ADJOURNMENT

Vice Chair Chen motioned, and seconded by Commissioner San Vincente to adjourn the meeting at 6:48 PM to the regularly-scheduled commission meeting on Monday, June 10, 2019, at 4:30 PM. The motion carried unanimously.