

### Memorandum

TO: HONORABLE MAYOR & CITY COUNCIL

**FROM:** Debra Figone

**SUBJECT: City Manager's Weekly Report DATE:** August 5, 2011

#### **INFORMATION**

Plaza de Cesar Chavez Park's Interactive Water Fountain Temporarily Out of Service—The interactive water fountain at Plaza de Cesar Chavez Park experienced an equipment failure causing the fountain vault to flood. Equipment in the vault was damaged and the fountain will be out of service until the repairs and a health inspection are complete. Regular progress updates will be given along with notification when the fountain is back in service. For more information, contact Jaime Ruiz, Landscape Maintenance Manager, at 535-3586.

Airport Passenger Traffic Continues to Increase Slightly—Passenger activity at SJC increased 0.4% in June this year compared to June a year ago, marking the tenth consecutive month of overall activity increase. For Fiscal Year 2010-11, passenger traffic was 1.9% higher than last year. The number of commercial passenger flights increased by 0.6% in June, the first month to show a gain since early 2008. However, over the past fiscal year the number of flights decreased 6.87% compared to the previous year. During the quarter from April to June, airlines added approximately 50 flights per week, and dropped about 15, for a net increase of 35. The number of daily flights at SJC now is about 128 compared to 124 last year at this time, and the total number of seats available is up by 3.8%. These gains reflect both the return of the travel market and the efforts by the Airport and the City to recruit air service. For more information, contact Bill Sherry, Aviation Director, at 392-3611.

New Airport Parking Lots Open to Complete SJC Modernization Program—At the end of June the Airport opened two new parking lots located next to Terminal B on the site where Terminal C once stood. The new hourly parking and daily parking lots are the final major elements of the Terminal Area Improvement Program. As part of the overall reconfiguration of SJC parking, the former West Side Long Term Lot has been closed entirely. Shuttle buses no longer serve the West Side thus significantly reducing Airport shuttle operating costs. As the Airport and its customers gain experience with the new parking lots, further adjustments will be made to accommodate actual demand for the hourly and daily lots. Details about parking are posted on the Airport's website. For more information, contact Bill Sherry, Aviation Director, at 392-3611.

Airport Closes Six Terminal A+ Gates Along with Two Concessions—In mid-July the Airport consolidated airlines and passengers inside Terminal A to improve customer support for the concessions at the center of the terminal. The changes included closing Gates 1-6 in the northern end of Terminal A, closing one restaurant and one retail shop in Terminal A+, and relocating carriers to other gates. Working closely with airline station managers and master concessionaire HMS Host, Airport staff completed the airline and concession moves over three nights to minimize impacts on the carriers and the public. The Airport's ability to relocate airlines quickly is an advantage of SJC's common-use business model that allows greater operational flexibility to

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manage the Airport's facilities to improve efficiency and convenience for passengers. The Terminal A+ gates can be readily reopened as airlines grow and flights restored to SJC. For more information, contact Bill Sherry, Aviation Director, at 392-3611.

Airport Bonds Successfully Sold—The City successfully concluded the sale of the recent issue of Airport revenue bonds with a final overall interest rate of 5.41% on a par amount of \$236 million in July. The response from the financial market was strong in the longer-term bond maturities, as some of the bond series saw a level of demand as much as four times greater than were available for sale, and the breadth of participation by financial institutions was very good. The transaction reflected the hard work by the City's Airport and Finance team to restructure the commercial paper program for the Airport over the past six months. For more information, contact Bill Sherry, Aviation Director, at 392-3611, or Scott Johnson, Director of Finance, at 535-7001.

Goodwill and City Partner to Create Green Jobs—A three-year demonstration partnership between the City and Goodwill trains homeless veterans to recycle mattresses that would otherwise be sent to the landfill or trucked to San Leandro or San Diego for recycling. It is only one of four mattress recycling programs nationwide, and the only one using homeless veterans to do the work as a part of a job training program. Last year, 10,647 mattresses were recycled and nine of ten formerly homeless veterans who completed the training program have since found employment in hospitality, recycling, security, manufacturing, and logistics. The program is funded by the Department of Labor with support from the City's Environmental Services Department for capital start up costs and a mattress subsidy under the framework of the City's Demonstration Partnership Policy. This is the City's first demonstration partnership to be created and report results since the Policy was adopted in 2008. For more information about the Demonstration Partnership Program, visit greenvision.sanjoseca.gov/GetInvolvedDetails.aspx, or contact Lisa Tulee, Financial Analyst, Environmental Services at 975-2510.

City's Office of Cultural Affairs Receives National Endowment for the Arts Grant to Support Creative Placemaking—The City's Office of Cultural Affairs Public Art Program (SJPA) in partnership with ZER01: The Art and Technology Network will receive an Our Town grant from the National Endowment for the Arts (NEA), one of only 51 grants awarded nationwide. The \$250,000 NEA funding will be matched by SJPA and ZER01 and used to promote and enhance downtown San José's livability and arts engagement through the initiation of Silicon Valley Inside/Out (SV I/O). The goal of the project is to stimulate a more engaged community and promote new partnerships between art and technology. Through the promotion of new partnerships between arts organizations, artists, tech workers and technology companies, Silicon Valley Inside/Out will stimulate sustainable connections between culture, business and community by creating a series of temporary and permanent arts projects, all of which will be situated in downtown San José. For more information, contact Kerry Adams Hapner, Director of Cultural Affairs, kerry.adams-hapner@sanjoseca.gov

Silicon Valley's Airport Receives \$7.5 Million Construction Grant from FAA—A \$7.49 million federal grant from the Federal Aviation Administration will help fund the third phase of construction of the Taxiway W extension. The Airport's local matching grant share for this phase of the project is \$1.8 million, and the total project cost is currently estimated to be approximately \$55 million. The remainder of Taxiway W is scheduled to be built in two more phases planned over the next several years, contingent on federal funding. The long-term plan to complete the new

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taxiway also will help support the future development of the west side of the airport for general and corporate aviation services. The current construction phase is scheduled for completion in summer 2012. During construction of the taxiway the short general aviation Runway 11/29 will remain closed for safety reasons, and all aircraft will continue to use the Airport's main commercial runways. For more information, contact Bill Sherry, Aviation Director, at 392-3611.

National Business Aviation Association (NBAA) Conference Forum Held at SJC—On July 14, the NBAA held its regional business aviation forum in San José at the facilities of Atlantic Aviation at SJC. Nearly 1200 participants attended workshops and displays featuring topics concerning owners and operators of general aviation business aircraft such as safety, federal aviation policy, and finances. The event included more than 75 exhibitors and a display of 17 aircraft from manufacturers. For more information, contact Bill Sherry, Aviation Director, at 392-3611.

City's Social Media Conference a Success—On June 23, over 300 small business owners and representatives convened for a morning Social Media Conference in the San José City Hall Rotunda to explore the range of tools and services available to help companies expand. Two panels with industry leaders Facebook, LivingSocial and Yelp; and with local social media companies Dishcrawl, Knowsy, and LikeList provided insights into their products and how companies can interface with the social media world. Councilmember Rose Herrera provided the welcome and context for the day's event. Beginning and intermediate workshops drew a combined total of 130 attendees. In the resource area, representatives from 36 BusinessOwnerSpace.com and social media partners were on hand to answer questions and provide a wide range of assistance to encourage business growth. For more information, contact Jeff Ruster, Deputy Director, Office of Economic Development, jeff.ruster@sanjoseca.gov

San José Among Eight Cities to Participate in Challenge Seeking New Models for Arts

Journalism—The Knight Foundation and the National Endowment for the Arts (NEA) launched an eight-city competition seeking new models for local arts journalism in the digital age. The initiative seeks to rethink how traditional media systems function, harnessing the latest tools and technology to make the transition to the new information environment. San José/Silicon Valley is among the eight communities able to participate in the Challenge. The Office of Cultural Affairs is working as the local partner, promoting the opportunity and facilitating a successful San José proposal. The application and additional information can be found at www.artsjournalism.org. For more information, contact Kerry Adams-Hapner, Director of Cultural Affairs, kerry.adams-hapner@sanjoseca.gov.

San José Green Vision Clean Energy Showcase Airs on Comcast—Beginning August 4 and running through October 2011, a television commercial promoting the Clean Energy Showcase will air during prime time (6:00 p.m.– 11:00 p.m.) on Comcast in Silicon Valley. The five targeted channels are: CNN, ESPN, the History and Discovery Channels, and TNT. The commercial, produced by the City's Environmental Services Department, is part of the approved strategic outreach and marketing plan and was paid through the Solar America Cities Special Project Grant. For more information, contact Mike Foster, Supervising Environmental Services Specialist, Environmental Services, at 975-2601.

*Mid-sized Airports Hit Hardest by Airline Cuts*—The airlines' deep cutbacks in flights over the last several years have fallen unevenly across the country, largely sparing the nation's biggest

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airports but hitting midsize airports the hardest, according to the New York Times. Data collected by Airports Council International – North America found that the nation's smallest airports lost 10 to 15% of their scheduled flights from June 2006 through June 2011. Medium-size airports, meanwhile, lost 18% of their scheduled flights, and the biggest airports fared relatively better; their traffic dropped by only 2.3 % over that same five-year period. At SJC, the number of flights dropped 30% from 2006 to 2011, and the number of passengers fell 23%. The Times also noted that as fuel prices remain high, the airlines may accelerate their cuts in capacity by the end of the year once the busy summer travel period ends. Although SJC has seen a recent increase in the number of flights, the trends in the aviation industry underscore the competitive challenges the Airport faces to recruit more carriers, routes, and frequencies. For more information, contact Bill Sherry, Aviation Director, at 392-3611.

Bill Sherry Urges Community to Contact Airlines for More SJC Service—During the month of July, in two opinion columns in the San José Mercury News and San José Business Journal, Aviation Director Bill Sherry asked Silicon Valley businesses and frequent flyers to communicate with airline executives to urge them to bring more flights to SJC. As noted in the columns, businesses and travelers can help by contacting airlines directly to encourage them to add flights at Silicon Valley's airport and cite factors such as lower costs and fewer delays, Silicon Valley's strong business market, and the absence of competition. For airline contact information, click here. For more information, contact Bill Sherry, Aviation Director, at 392-3611.

2011 Wonders of Our Water Works Tour Season Begins—In June 2011, free two-hour bus tours of the San José/Santa Clara Water Pollution Control Plant (Plant) began and will continue through November. Tours are offered on the first Thursday and Saturday of each month at 9:30 a.m. More than 420 have attended so far this year and more than 2,500 have attended since 2007. Attendees learn about what the Plant does, how it operates, the Plant's infrastructure needs, and the Plant Master Plan. To make a tour reservation, call 535-8550 or visit <a href="www.rebuildtheplant.org">www.rebuildtheplant.org</a>. For more information, contact Jennifer Garnett, Communications Manager, at 535-8554.

SJC Modernization Program Presented with National Steel Industry Award—On August 2, the American Institute of Steel Construction presented its 2011 national award for Innovative Design in Engineering and Architecture with Structural Steel (IDEAS2) to the Airport in recognition of the Terminal B and Terminal B Concourse. The award is the structural steel industry's highest honor for outstanding achievements in engineering and architecture on steel-framed building projects. SJC was one of 14 winners from nearly 100 competing projects across the country that were judged on the creative use of structural steel including design, visual impact, and technical or architectural advances. For more information, contact Bill Sherry, Aviation Director, at 392-3611.

American Planning Association California Chapter Award of Merit—The City's North San José Neighborhoods Plan has been selected as the winner of an Award of Merit for the American Planning Association Neighborhood Planning Award. The Award will be presented September 12, 2011, in Santa Barbara. For more information, contact Joseph Horwedel, Director of Planning, Building and Code Enforcement, at 535-7900.

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#### San José Information Memos Distributed June 24 through August 4, 2011:

- Status and Forecast of Notable Federal Legislation Relevant to Local Government Interests <a href="http://www.piersystem.com/external/content/document/1914/1123375/1/06-24-11%20CMO.PDF">http://www.piersystem.com/external/content/document/1914/1123375/1/06-24-11%20CMO.PDF</a>
- Foreclosed Vacant Properties and an Analysis of Civil Code Section 2929.3 http://www.piersystem.com/external/content/document/1914/1123891/1/06-24-11%20PBCE.PDF
- John DiQuisto http://www.piersystem.com/external/content/document/1914/1126059/1/John%20DiQuisto.PDF
- Distribution of Annual Consumer Confidence Report
   <a href="http://www.piersystem.com/external/content/document/1914/1126179/1/Annual%20Consumer%20Confidence%20Report.pdf">http://www.piersystem.com/external/content/document/1914/1126179/1/Annual%20Consumer%20Confidence%20Report.pdf</a>
- PRNS Acting Deputy Director
   http://www.piersystem.com/external/content/document/1914/1126183/1/PRNS%20Acting%20Deputy%20Director.PDF
- May 2011 San Jose Fire Department Operational Performance Data http://www.piersystem.com/external/content/document/1914/1126295/1/06-28-11%20Fire.PDF
- Employee Survey Results http://www.piersystem.com/external/content/document/1914/1126955/1/06-29-11%20CMO.PDF
- George Beattie Op-Ed http://www.piersystem.com/external/content/document/1914/1127887/1/06-30-11%20CMO.PDF
- Assistant Chief of Police Diane Urban Named Hayward Chief of Police http://www.piersystem.com/external/content/document/1914/1127971/1/06-30-11%20POLICE.PDF
- John Stufflebean http://www.piersystem.com/external/content/document/1914/1130411/1/07-5-11%20ESD.PDF
- Recycle Plus Service Transition for Properties Annexed November 2010 http://www.piersystem.com/external/content/document/1914/1132099/1/7-9-11%20ESD.pdf
- State Budget Actions Loss of Motor Vehicle In-Lieu Tax http://www.piersystem.com/external/content/document/1914/1136423/1/07-13-11%20CMO.PDF
- 2010-2012 Annual Trail Program Report http://www.piersystem.com/external/content/document/1914/1137823/1/07-15-11%20PRNS.PDF
- League of California Cities Annual Conference http://www.piersystem.com/external/content/document/1914/1138583/1/07-18-11%20CMO.PDF
- Status of Notable Federal Legislation Relevant to Local Government Interests http://www.piersystem.com/external/content/document/1914/1145287/1/07-22-11%20CMO.PDF
- Netflix DVD Division to Move to San Jose
   <a href="http://www.piersystem.com/external/content/document/1914/1145699/1/07-22-11%20OED.PDF">http://www.piersystem.com/external/content/document/1914/1145699/1/07-22-11%20OED.PDF</a>

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- GASB's Proposed Financial Reporting Rules for State and Local Government Pensions <a href="http://www.piersystem.com/external/content/document/1914/1148803/1/07-27-11%20Auditor%20Finance.PDF">http://www.piersystem.com/external/content/document/1914/1148803/1/07-27-11%20Auditor%20Finance.PDF</a>
- Results of 2011 San Jose Homeless Census and Survey http://www.piersystem.com/external/content/document/1914/1151199/1/07-29-11%20Housing.PDF
- Gang Related Activity Coordination Between Schools and the Police Department <a href="http://www.piersystem.com/external/content/document/1914/1154615/1/08-04-11%20Police.PDF">http://www.piersystem.com/external/content/document/1914/1154615/1/08-04-11%20Police.PDF</a>
- Scott P. Johnson Named Oakland Assistant City Administrator http://www.piersystem.com/external/content/document/1914/1155835/1/08-05-11%20CMO.PDF

#### **Upcoming Meetings and Events:**

Wonders of Our Water Works Tours—Ongoing through November, first Thursday and Saturday of each month, at 9:30 a.m. at the San José/Santa Clara Water Pollution Control Plant, Administration Building, 700 Los Esteros Rd., San José. Visit <a href="www.rebuildtheplant.org/go/doc/1823/258436/Wonders-of-Our-Water-Works-Plant-Tours">www.rebuildtheplant.org/go/doc/1823/258436/Wonders-of-Our-Water-Works-Plant-Tours</a> to register.

*Family Camp Registration for the 2011 Season Continues*—Reserve your space now. For more information, visit <a href="http://www.sanjoseca.gov/prns/familycamp">http://www.sanjoseca.gov/prns/familycamp</a> or call 794-6523.

*Movie in the Park*—Friday, August 5, 6:30 p.m. – 10:15 p.m., Camden Park, Camden and Union, San José, 95124. For more information, contact Kiersten McCormick, Acting Recreation Supervisor, at 559-8553 or kiersten.mccormick@sanjoseca.gov

**Backesto Flea Market**—Saturday, August 6, 2011, 8:00 a.m. – 4:00 p.m., Backetso Park, 13<sup>th</sup> and Empire, San José, 95112. For more information, contact Chuck Hagenmaier at 295-5860 or chagenmaier@att.net

San José Renaissance Faire—Saturday, August 6, 2011, 10:00 a.m. – 6:00 p.m. and Sunday, August 7, 2011, 10:00 a.m. – 5:00 p.m., Guadalupe River Park - Arena Green East, Santa Clara and Autumn, San José, 95110. For more information, contact Bill Watters 794-5839 or bill@stamaria.com

*Music in the Park 2011: Dredg*—Thursday, August 11, 5:30 p.m. - 9:15 p.m., Plaza de Cesar Chavez, Market & Park Ave. San José, CA 95113. For more information, contact Amy Anderson at 279-1775 x324 or aanderson@sjdowntown.com

*San José Jazz Festival* — Friday, August 12, 5:00 p.m. – 10:00 p.m.; Saturday, August 13 – Sunday August 14, 8:00 a.m. – 10:00 p.m., Plaza de Cesar Chavez, Market & Park Ave. San José, CA 95113. For more information, contact Bruce Labadie at 288-7557 or info@sanjosejazz.org

Debra Figone
City Manager

# Got it? Regret it? Remove it!

Are Gang-Related Tattoos Preventing You from Getting a Job or Moving Ahead in Life?

## TO REMOVE THEM FOR FREE!

For more information or to enroll, please call: (408) 794-1660

email: cleanslatetattooremoval@sanjoseca.gov

CLEAL'S

City of San José

Department of Parks, Recreation and Neighborhood Services

Community Services Division | Clean Slate Tattoo Removal Program

## Criteria:

- Must be gang free
- Between the ages of 14 & 25
- · Resident of San José
- Visible gang related tattoos
- Must be working, going to school or enrolled in a jobreadiness program
- · Not on parole or probation

# Requirements:

- Attend and graduate from 10week support group
- Perform 30 hrs of community service
- Be committed to program until tattoos are removed

For more information or to enroll, please call: (408) 794-1660 Clean Slate Tattoo Removal Program 1694 Adrian Way San José, CA 95122