



# Memorandum

**TO:** MAYOR LICCARDO

**FROM:** Councilmember Sylvia Arenas

**SUBJECT: BUDGET DOCUMENT**

**DATE:** 5/25/21

---

Approved *Sylvia Arenas*

Date *5/27/2021*

---

## **RECOMMENDATION**

That the following recommendation be enacted.

### **Proposal**

Program/Project Title: Eastridge/Tully Road Business Association Consulting Contract

Amount of City Funding Required: \$150,000

This change is:

One-time       Ongoing

Cost Estimate Number (if applicable): 90

Proposal Description, including the reason for the need and anticipated outcomes (Please describe how the proposal will affect services for San José residents, community groups, businesses, etc.):

The Tully Road corridor from the 101 to the Capital Expressway is an extensive and active business district that generates substantial revenue to the city and provides significant resources to San Jose residents, particularly residents of the East Side. The district straddles two council districts and provides services to as much as half the city. The businesses that line Tully Rd primarily consist of small immigrant based businesses that have not all been able to keep their doors open due to the pandemic. Those that have held on to businesses are doing so with a patchwork of savings and loans.

While Eastridge is the most regionally significant part of this district, the corridor along Tully Road is lined with restaurants, stores, and service businesses such as laundromats and salons. Many of these immigrant owned businesses, some of whom face additional cultural and language barriers that make navigating governments systems and support challenging. Without additional support these businesses will not. Abe able to connect for support and thrive once again.

I propose that we include this district in our upcoming proposed assistance programs to help businesses organize neighborhood business associations, similar to the one on Alum Rock, which would allow them to

have a voice and have better direct access to city services, as well as supporting effective collaboration between businesses.

According to staff, based on a recent EDA grant proposal, OEDCA is estimating that a two-year agreement with a consultant with language accessibility would cost \$150,000 per year, which would be fully encumbered in 2021-2022. The consultant will help the businesses establish an Eastridge/Tully Business Association.

Eastridge Center's management and marketing team has expressed constituent interest, some of whom have relocated from the Berryessa Flea Market, in participating and would help ensure sustainability of this project. Additionally, Lion Plaza has recently brought on a much stronger property management team which could provide additional support. I strongly recommend the Mayor and council recommend the inclusion of this district for business association support.

**Funding Source**

Essential Services Reserve:

Other (Please specify program/project/fund): ARP Funds – dedicated through a revision to MBA 16's small business support funding

**Department or Organization Contact**

Please list the contact information for the individual that certified cost estimates contained within your recommendation:

Name and Title: Nanci Klein

Department or Organization: Office of Economic Development

Phone Number: (408) 535-8184

Email: [nanci.klein@sanjoseca.gov](mailto:nanci.klein@sanjoseca.gov)