

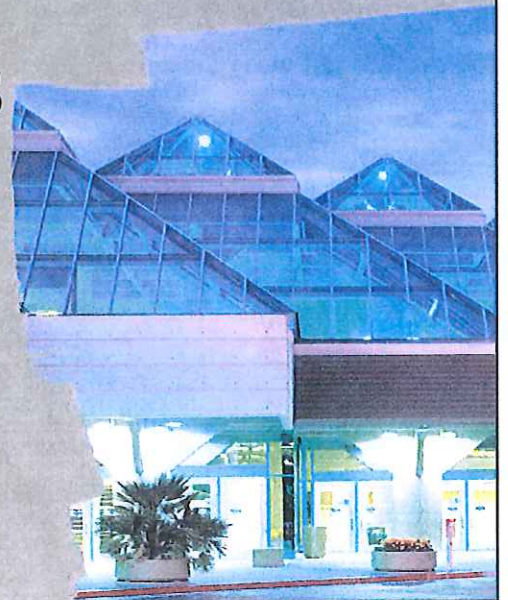
10/3/17

Item #4A



# Santa Clara Convention Center & CVB Phase One Presentation

Governance Model and Expansion Update  
October 3, 2017



## Overview of Today's Presentation



*Update on the Santa Clara Convention Center and CVB Assessment*

- Stakeholder feedback on current model and future opportunities
- Current utilization of the SCCC including business mix
- Potential SCCC renovations needed and costs associated
- SCCC expansion potential including range of square footage and costs
- Potential parking needs for expansion and other City-related projects
- Possible funds raised through hotel tax and other potential sources

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**POST MEETING MATERIAL**

# Stakeholder Feedback on Operational Models



## Model Options and Direction

*Which model best fits the City and achieves the overall objectives from the stakeholder sessions?*

- Most effectively drive conventions and individual visitors
- Maximize convention center fiscal performance
- Mitigate cost/risk to City
- Positively impact the community
- Function seamlessly and engage stakeholders
- Provide transparency in measurement and reporting

### Stakeholder Meetings Background

- Hotels and Hospitality Leaders
- SCCC Vendors
- Labor Union Leaders
- Levi's Stadium
- Great America
- Related Companies
- Internal CVB and SCCC Staff
- Meeting Planners
- Chamber

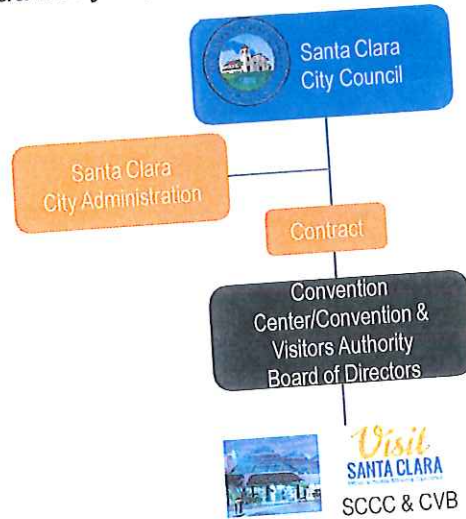
*It was determined that an "authority model" with specific objectives would be the best fit for Santa Clara.*

- Opportunity exists to include a private operator in the authority model to streamline operational effectiveness



# Authority Model

*The Santa Clara Model:*  
Non-Profit Authority Operating Both the Convention Center & CVB



Similar Models exist in:

1. San Jose
2. Charlotte
3. Houston
4. St. Paul, Minn

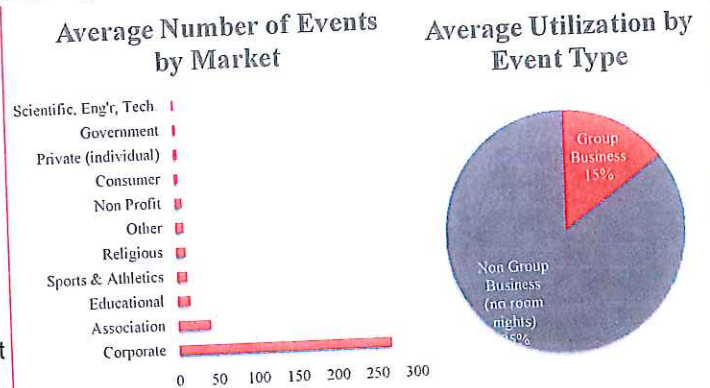
# Santa Clara Convention Center Utilization & Optimization

## SCCC Current Utilization

JLL worked with the SCCC and CVB to understand how the SCCC is currently being booked and utilized.

### Cumulative Findings

- **FY 2015 – 422 total events**
  - 20% of all events had room nights
    - 85 events with room nights – 51,959
    - 3 citywide conventions
    - 611 room nights average/room night generating event
- **FY 2016 – 447 total events**
  - 16% of all events had room nights
    - 70 events with room nights – 41,049
    - 3 citywide conventions
    - 586 room nights average/room night generating event
    - Super Bowl 50 accounted for 9,200+ rooms



Citywide event is defined as an event with 600 rooms on peak or greater

## SCCC Group Level of Activity

Currently there are over 400 total events annually. Of those, 77 on average generate room nights annually.

**FY 2015 – 85 group business events 51,959 room nights**

- 611 average total room nights per event
- 187 average peak room nights per event
- 3 citywide conventions

**FY 2016 – 70 group business events 41,049 room nights**

- 586 average total room nights per event
- 194 average peak room nights per event
- 3 citywide conventions

### Markets

- Corporate tech and hobby/vocational are the top markets
- Meetings and conventions drive 50% of the group business

\*Citywide event is defined as an event with 600 rooms on peak or greater

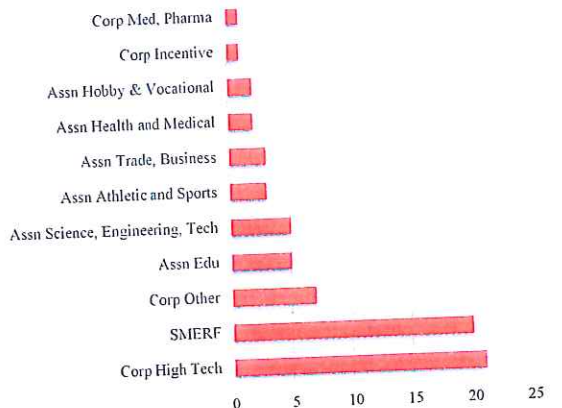


# SCCC Group Level of Activity

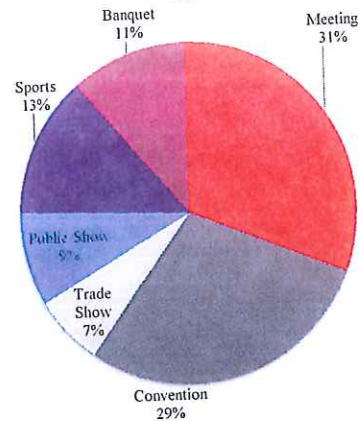


## Group Business Findings

Average Number of Events by Market



Average Number of Events by Type



# Hyatt Bookings



Hyatt's agreement includes control of 6 of 8 sections in the ballroom and the ability to book G & H.

The Hyatt's bookings generate room nights as well as rental revenue to the SCCC.

- **FY 2015 – 22 additional bookings**
  - 5% of all events
    - 10,728 additional room nights generated
- **FY 2016 – 24 additional bookings**
  - 5% of all events
    - 10,666 additional room nights generated

Without the ballroom these bookings would not have been achieved.

## SCCC Optimization - Overview

*JLL's optimization process considers the total space available at the SCCC and how best to fill it based on a priority to maximize economic impact.*

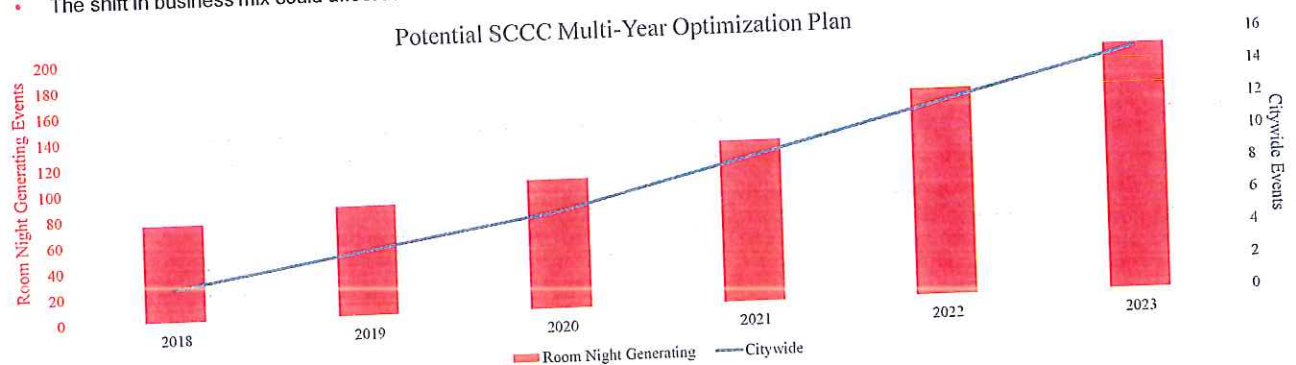
- The SCCC is currently “busy” with an average of 471 events annually
  - 77 events on average have room nights associated with them.
  - 3 events on average (<1%) are citywide events, meaning they impact multiple hotels and generate significant economic impact
  - The most important shift to optimize the SCCC will be to grow the room night generating business from 22% to over 50% of the available space
    - Potential goal would be to increase the number of citywides from 1% to 20%\* or from 3 to a range of 10-20\*
    - The consideration for hotel inventory will impact the actual goal for future citywide events annually
    - JLL will finalize this goal in the next phase of the process
  - Initial multiyear goal could potentially be 190 room night generating events per year and 15 citywide events per year
- How do we get there?
  - Validate the sales and marketing resources needed
  - Develop focused prospecting approach to increase sales activity
  - Determine opportunities to increase overall competitiveness

\*Based on average business mix from competitive national convention centers

## Multi-year Plan to Optimize the Building

*Growing the room night generating events and citywides will generate increased economic impact.*

- Potential shift in the mix of business in the SCCC will be an outcome of achieving the
- Growing to a minimum of 50% room night generating events could deliver 20,000+ new rooms on an annual basis
  - This potential equates to \$4 million in new rooms revenue and \$380,000 in new TOT collected annually\*
  - The shift in business mix could affect the SCCC's bottom line revenue



\*based on a \$200 market ADR – STR Source





## Impact of Optimization

*An optimized SCCC will potentially have operating costs, but will generate the desired economic impact.*

**The SCCC should target a 70% occupancy level with the right mix of room night generating business**

- The mix of business will need to balance bottom line revenue with economic impact

*Potential to Run a Deficit*

**Active convention centers will run a deficit to achieve the occupancy and economic engine goals**

- Typical convention centers averages a negative \$7.06 per exhibit square foot
- Using this average the Santa Clara Convention Center would run a \$649,520 deficit

**-\$7.06**

*Average Convention Center Deficit per Square Foot*



## Potential Renovations

## Renovations

*JLL worked with the SCCC leadership on desired building improvements that would help convert business.*

**The SCCC staff has a six year Capital Improvement Plan (CIP) budget totaling over \$10 million**

- The items included are both capital requests as well as furniture, fixtures and equipment (FF&E)
- Most of the items requested are repairs for existing material or equipment that is old needs to be replaced
  - Tables
  - Chairs
  - Podiums
  - Roll and Set Stage Units
  - Floor Boxes

**JLL also interviewed clients that stated improvements to the building's functionality would vastly improve the experience**

- Improved divisibility and flexibility – increase and improve air walls
- Improved technology
- Improved lighting
- Improved public areas and prefunction space as well as ingress/egress points
- Replace carpet and wall fixtures
- Redo all bathrooms
- Replace all finishes

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## Renovation Conclusion

*The renovation of SCCC is a higher priority than expansion.*

**Initial estimate for full renovation is \$71 million including the items requested in the CIP. JLL recommends funding this as a high priority.**

**A full renovation would support optimizing the current building as discussed earlier and confirming the market potential for Santa Clara.**

- The current utilization does not validate the need for expansion.
  - However, lost business reports should be analyzed in Phase Two to determine what could be captured based on size.
- Client feedback supported the need to renovate as a first step.

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# Parking Considerations

# Parking Considerations

*JLL has worked with the City's former engineer and current consultant on the parking issues.*

## Current situation

- Current parking deck is shared with the Hyatt, Techmart and the SCCC
- Need increased and dedicated parking for Convention Center

## Parking needs with Expansion

- Typical parking needs is 1 space per 200 net square feet of exhibit space
  - 500 new spaces with 100,000 net square feet of expansion is sufficient
  - Assumes future mix of business is as stated earlier in report
- SCCC & CVB suggests 2,250 new spaces - Solve current issues and new add new spaces
- JLL and the City's consultant estimated that 1,000 new spaces is sufficient



# Expansion Potential

# Expansion Potential

*JLL worked with clients and the SCCC staff on the potential expansion to determine ranges of space needed. Based on discussions with clients, JLL determined that between 100,000 and 200,000 gross square feet should be considered after renovation.*

- This would achieve a maximum of 100,000 new net square feet of space doubling the current exhibit/flex space capacity

Santa Clara Convention Center Estimated Expansion Costs				
Gross Square Feet*	Cost per Square Foot**	Parking Spaces Needed	Cost per Space	Total Estimated Cost
200,000	\$1,000	1,000	\$35,000	\$235,000,000

\*To achieve 100,000 net square, building 200,000 gross square feet is typically required.  
 \*\*Cost per square foot is estimated based on Santa Clara historic construction rates combined with soft costs and ownership costs. Final finishing and materials may effect the cost per square foot.



## Key Considerations for Expansion



*The following are key considerations for a potential expansion at the Santa Clara Convention Center:*

1. The addition of 100,000 net square feet will require 200,000 gross square feet. The exact configuration should be determined during a full feasibility study.
2. This would put Santa Clara in the top 100 national convention centers based on current actual square footage.
3. Full feasibility should be conducted to determine addition details including site selection and viability as well as parking implications.
4. A typical expansion would require 12 to 18 months to complete and require closure of the SCCC for a period of time.
5. The most common funding strategies for convention center expansions are increased fees and/or taxes as a revenue stream for borrowing.
6. As stated earlier the renovation of the current building should be considered as a first step.

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## Funding Options

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# Taxes & Fees on Current Hotel Rooms



*In order to raise enough funds to expand the SCCC, the City should consider multiple avenues to raise money.*

JLL has reviewed the current assessments and fees levied on hotel rooms in Santa Clara:

- Existing Transient Occupancy Tax (TOT)
- Existing Tourism Improvement District (TID)
- Community Facilities District (CFD/Mello-Roos)

The existing taxes raise approximately \$22 million annually.

- The existing CFD is dedicated to the stadium
- The existing TOT flows into the City's General Fund

With 11.5% tax on hotel rooms already in existence, what is feasible to add?

- The typical range is between 10% and 16%

Additional potential to monetize parking should be considered.

Tax	Rate	Annual Average Raised
Transient Occupancy Tax	9.5%	\$17,160,000 (5 year history)
Tourism Improvement District	\$1/night	\$1,000,000
Community Facilities District Tax	2%	\$4,500,000
<b>Total Taxes and Fees on Hotel Rooms*</b>	<b>11.5% +\$1</b>	<b>\$22,660,000</b>

\*Excludes the California Assessment at \$0.50 per night.

# Funding Capacity



*How much could be raised to finance an expansion?*

The current taxes on hotel rooms totals 11.5% and could be increased or added to in order to raise new funds.

- JLL recommends staying within 15% in order to not negatively impact the market's desirability from a pricing standpoint
- JLL estimates that adding 2.5% through a new tax (CFD, TID, etc.) could potentially raise \$6,527,660 annually

	Rooms	Average Occupancy	ADR	New Tax Amount	Estimated Total Raised Annually
Existing Inventory	3,908	80%	\$200	2.50%	\$5,705,680.00
Planned New Inventory	563	80%	\$200	2.50%	\$821,980.00
<b>Total Estimated Raised Annually</b>					<b>\$6,527,660.00</b>
<b>Total Estimated Raised Over 30 Years</b>					<b>\$195,829,800</b>

This takes into account the current hotel inventory and hotels that are planned to open. Based on a 30 year term at an interest rate 5% this could raise over \$195 million.



## Estimated Project Cost and Funding



*Given the hard costs of expansion and the estimated parking needs.*

**JLL has estimated the total project costs and the funding that could be raised in the added tax scenario below.**

- Based on this scenario, it is feasible at the estimated costs shown to raise enough funds over 30 years to pay for an expansion at the SCCC

Expansion Project Funding		Renovation Project Funding		Parking Project Funding	
Expansion Costs (construction and soft costs)	\$235,000,000	Renovation Costs (construction and FF&E)	\$71,000,000	Parking Costs (construction)	\$50,000,000
Reserves Needed	\$10,000,000	Reserves Needed	\$10,000,000	Demolition Costs	\$7,000,000
Issuance Costs & Other Fees	\$9,338,243	Issuance Costs & Other Fees	\$2,891,311	Issuance Costs & Other Fees	\$1,140,000
<b>Total Project Cost</b>	<b>\$254,338,243</b>	<b>Total Project Cost</b>	<b>\$73,891,311</b>	<b>Total Project Cost</b>	<b>\$58,140,000</b>
Cost of Inflation	3% every year	Cost of Inflation	3% every year	Cost of Inflation	3% every year
Project Cost in 5 Years	294,847,732	Project Cost in 5 Years	\$85,660,281	Project Cost in 5 Years	\$67,400,195
Project Cost in 10 Years	341,809,331	Project Cost in 10 Years	\$99,303,743	Project Cost in 10 Years	\$78,135,298

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## Summary of Estimated Costs and Funding



*The following is a summary of the important future expenditures*

1. Renovation and FF&E needs - \$73 million
2. Parking - \$58 million
3. Expansion - \$254 million

**Total – \$385+ million**

### *Funding capacity*

**Over the course of a 30-year loan, the new 2.5% tax would raise over \$195 million.**

- The existing CFD is the only dedicated fund to the stadium.
- Current TOT goes to the general fund.
  - If TOT is raised, the CFD would receive incremental funds to reimburse the hotels per the CFD contract.
  - This would impact the ability to raise the full \$195 million through a new 2.5% assessment as shown previously.
  - This would be negotiated if it moved forward.
- The process to dedicate the funds will be reviewed.

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## Key Considerations



*The City should consider the following implications:*

- Space for an expansion is limited
  - Potential need to tear down the existing parking structure to capture that space
- Parking will remain an issue without additional spaces allocated to the SCCC
  - Could the Techmart parking agreement be bought out?
  - This could open up 1,000+ spaces without new construction and relocate the Techmart parking
  - Could a parking deck be built on the surface lot?
  - Is there additional land available to purchase for parking?
- Cost to demolish the existing garage is not included in the estimates
- The renovation is an important first step



*Thank you*

*Dan Fenton, Executive Vice President  
Global Tourism*

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+1 (888) 298-7215



# City of Santa Clara Santa Clara Convention Center

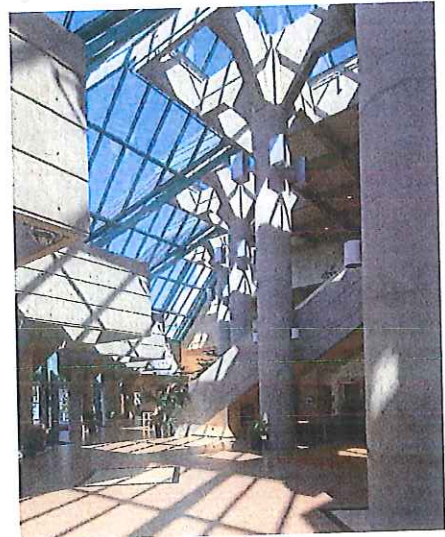
Economic Development Committee

October 3, 2017



## Agenda

1. Update on EMG Property Condition Assessment for Convention Center Building and Parking Garage
2. Comparison of Renovation/Expansion Options to City's Current CIP Allocation for Convention Center
3. Next Steps



**POST MEETING MATERIAL**



## EMG Property Condition Assessment

- The City contracted with EMG to perform an assessment of the Convention Center Building and the Parking Garage on July 31, 2017
- August 23, 2017, EMG provided a report of its visual observation of the exterior and interior of the property, as well as interviews with building personnel
- Further structural review is ongoing and will be included in EMG's final report

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## EMG Initial Findings

- HVAC System
  - Although maintained in fair condition, it has exceeded its estimated useful life; Likely only a few years of function left with increased maintenance costs each year
  - This would be the biggest near term expense, ~\$17.5 million
  - Current system outdated and a new direct digital control system will be easier to maintain and should save energy due to more control of the system

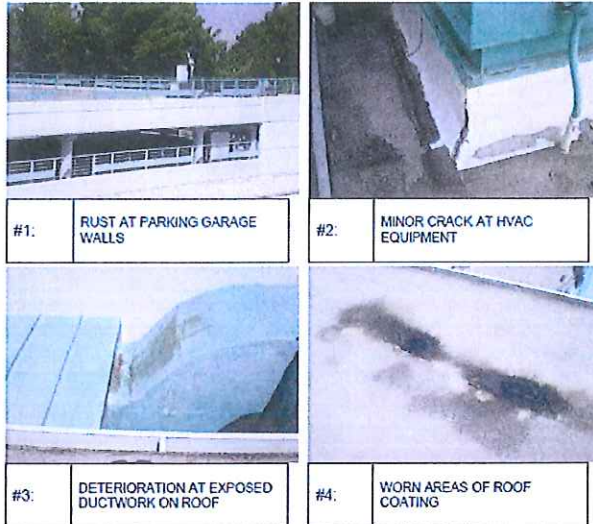


*Rust at Make-Up Air Unit*

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## EMG Initial Findings (Cont.)



- Exterior Shell

- Repairs needed: peeling coating on the metal roofing, aged skylight glazing and seals, worn areas of roofing, ponding at roof drains and rust on roof metal.

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## EMG Initial Findings (Cont.)

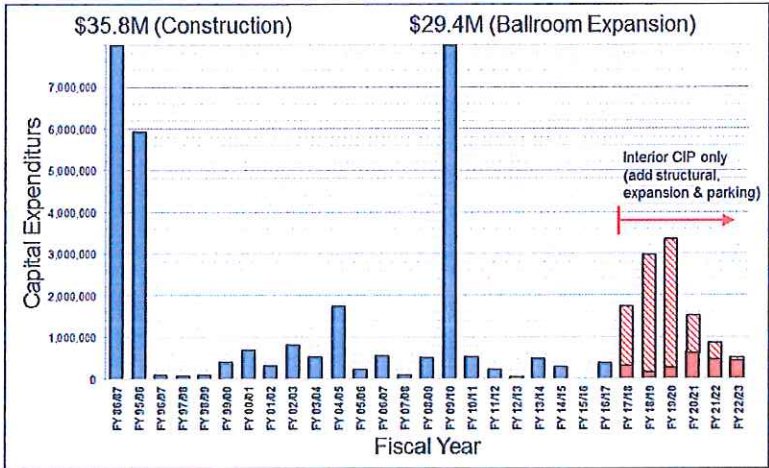
- Electrical and Lighting
  - Lighting is operating but energy savings from an LED conversion would be significant; Savings would be for both interior and exterior site lighting and could be replaced in phases as budgets allow
  - Corrosion of floor outlet and junction boxes requires attention
- Interior Finishes
  - Carpeting replacement program should be initiated for worn areas
- Parking Garage
  - Repairs of spalling concrete on the lower floors and installation of concrete seal on top level recommended

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EMG Projected Costs Over 10 Years (Not Including Pending Structural Assessment)		
	Convention Center	Parking Garage
2017	\$154,870	\$0
2018	\$2,672,190	\$2,009,834
2019	\$17,677,659	\$7,113
2020	\$325,948	\$0
2021	\$0	\$0
2022	\$64,314	\$0
2023	\$6,910,151	\$10,466
2024	\$557,486	\$0
2025	\$6,726,937	\$2,460,739
2026	\$272,776	\$0
<b>Total Estimate</b>	<b>\$35,362,332</b>	<b>\$4,488,151</b>

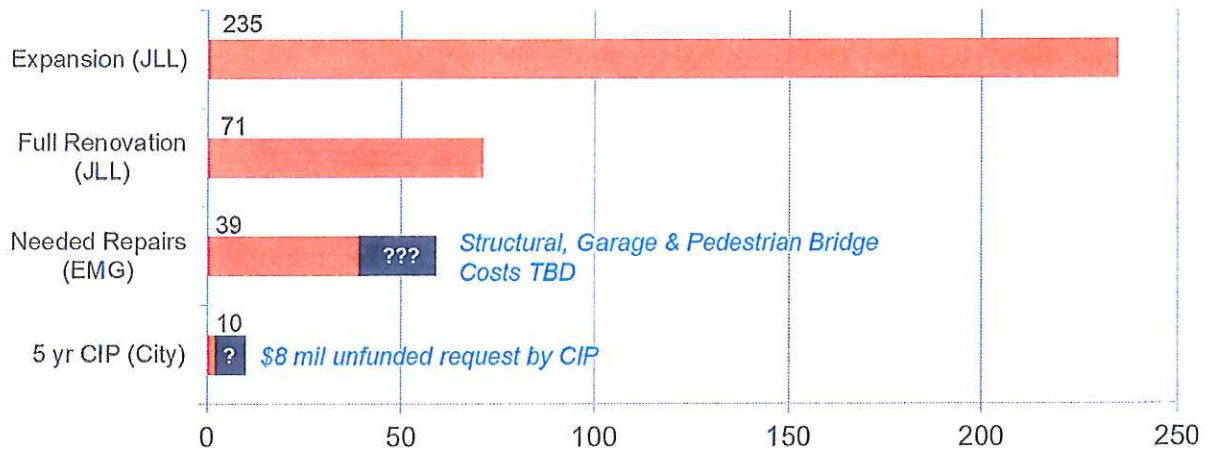
## City's Current SCCC CIP Plan



- SCCC staff has a \$10M CIP
- The items included are both capital requests as well as furniture, fixtures and equipment (FF&E)
- Mostly includes repairs for existing material or equipment that is old and needs to be replaced: tables, chairs, podiums, roll and set stage units, floor boxes



## Comparison of Renovation Options (\$Mil)



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## Next Steps

1. Completion of EMG property condition assessment
2. Explore viability of potential funding options
3. Complete convention center assessment to implement settlement agreement
4. Refine scope of feasibility study including demand analysis and fiscal projections

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# City of Santa Clara Santa Clara Convention Center

Economic Development Committee

October 3, 2017







# BUILDING SYSTEM ANALYSIS



Prepared for:

**City of Santa Clara**  
1500 Warburton Ave  
Santa Clara, CA 95050

## BUILDING SYSTEM ANALYSIS

Santa Clara Convention Center  
5001 Great America Parkway  
Santa Clara CA 95054

**PREPARED BY:**

EMG  
10461 Mill Run Circle, Suite 1100  
Owings Mills, Maryland 21117  
800.733.0660  
[www.EMGcorp.com](http://www.EMGcorp.com)

**EMG CONTACT:**

Matthew Anderson  
Program Manager  
800.733.0660 x7613  
manderson@emgcorp.com

**EMG Project Number:**  
126117.17R000-001.017

**Date of Report:**  
August 22, 2017

**On Site Date:**  
August 16 and 17, 2017



August 23, 2017

City of Santa Clara  
1500 Warburton Ave  
Santa Clara, CA 95050

RE: Santa Clara Convention Center and Parking Garage

The City of Santa Clara contracted with EMG to conduct a property condition assessment of the buildings noted above. The purpose of this investigation and report is to provide the Client with analysis and recommendations concerning the existing physical condition of the buildings. This letter provides initial findings based on our initial visual assessment and a review of the available building plans. More detailed information will be available as the Property Condition Assessment (PCA) is completed.

This assessment was conducted in accordance with the scope of services outlined in EMG's contract dated July 31, 2017. EMG performed a visual observation of the exterior of the property and the interior spaces, as well as interviews with building personnel. No invasive testing or structural analysis was performed.

### Initial Findings:

EMG has made an initial review of the property and is in process for completing the property review. This letter report includes initial findings from our assessments. Additional time is planned at the property over the next 2 weeks and the findings and conclusions in this report may be revised in our final PCA report. The additional work will include a structural review of the convention center and the parking garage.

### Site

The exterior site is in good to fair condition. Significant immediate repair needs have not been observed for the site components. There will be ongoing repair and maintenance needs for the site roadways and parking. Annual budgets for landscaping maintenance will need to be reviewed periodically.

### Exterior Shell

The convention center building shell has repair needs. Problems observed include peeling coating on the metal roofing, aged skylight glazing and seals, worn areas of roofing, ponding at roof drains and rust on roof metal.

Installing a coating over the existing roof membrane to extend its useful life is recommended.

The parking garage exterior walls have rust stains from the metal handrails that will require repair and touch up painting.

### The HVAC System

The equipment is generally original and has been maintained in fair condition but has exceeded its Estimated Useful Life (EUL). The control system is an older Pneumatic system with outdated software. Installation of a Direct Digital Control (DDC) system will be easier to maintain and should save energy by allowing more detailed control of the system.

The main cooling and air circulation equipment is original and a replacement program should be planned. Conversion from a constant air flow to Variable Air Volume distribution system would reduce energy needs and increase occupant comfort. The existing equipment can be maintained in place for a few years but will have increased maintenance costs each year.

### Electrical and Lighting

The interior and exterior lighting is a mixture of fixture and bulb types. For the most part the lighting is operating but energy savings from an LED conversion project would be significant. The savings would be for both the interior and the exterior site lighting. This work could be accomplished in phases as budgets allow.

Concerns were raised by the Convention Center staff regarding the floor electrical outlets in the Exhibit Hall. Ongoing problems with the floor outlet and junction boxes include corrosion occurring below the boxes and pushing the boxes up from the floor level. This issue is still being reviewed at this time.

### Interior Finishes

The carpeting is in fair condition with more wear evident in the hallways, especially on the second floor leading to the parking garage bridge. The carpeting in the 1998 addition is in better condition than the carpeting in the older sections of the facility. A carpeting replacement program should be initiated as part of an overall facility finish upgrade. On the first-floor marble tile has been installed as a decorative accent around the round structural columns.

The square tile pattern creates corners that extend into the areas where carts travel and the cart wheels have been breaking the tiles. Flooring replacement should include revising the tile accent at the base of the columns.

**Parking Garage**

The parking garage has spalling concrete on the lower floors that appears to be caused by a lack of water sealing on the upper level of the garage. Repairs to the spalled concrete and installation of concrete seal on the top level is recommended.

As part of EMG's further review a structural review of the parking garage will be completed and additional findings will be provided.

**Recommendations:**

EMG has included an initial finding cost table as an appendix to this letter report. The cost table shows initial projected costs over the next 10 years.

**Certification and Reliance:**

This letter has been prepared for and is exclusively for the use and benefit of the Client identified on the cover page. The purpose for which this letter shall be used shall be limited to the use as stated in the contract between the client and EMG.

This letter report, or any of the information contained therein, is not for the use or benefit of, nor may it be relied upon by any other person or entity, for any purpose without the advance written consent of EMG. Any reuse or distribution without such consent shall be at the client's or recipient's sole risk, without liability to EMG.

The analysis was performed at the Client's request using methods and procedures consistent with good commercial and customary practice designed to conform to acceptable industry standards. This report is exclusively for the use and benefit of the Client identified on the first page of this report. This report is not for the use or benefit of, nor may it be relied upon by, any other person or entity without the advance written consent of EMG. In expressing the opinions stated in this report, EMG has exercised the degree of skill and care ordinarily exercised by a reasonably prudent consultant in the same community and in the same time frame given the same or similar facts and circumstances. Documentation and data provided by the Client, designated representatives of the Client, or other interested third parties, or from the public domain, and referred to in the preparation of this assessment, have been used and referenced with the understanding that EMG assumes no responsibility or liability for their accuracy.

EMG certifies that EMG has no undisclosed interest in the subject property, that EMG's relationship with the Client is at arms-length, and that EMG's employment and compensation are not contingent upon the findings or estimated costs to remedy any noted deficiencies due to deferred maintenance and/or any noted component or system replacements.

This report has been written for readers with some technical understanding of the specific zoning requirements analyzed and the investigative procedures employed. The independent conclusions represent our professional judgment based on information and data available to us during the course of this assignment. EMG's assessments, analyses and opinions are not representations regarding the design integrity, structural soundness or actual value of the property. Factual information regarding operations, conditions and test data provided by the Client or their representative has been assumed to be correct and complete. The conclusions presented are based on the data provided, observations and conditions that existed on the date of the assessment.

If you have any questions regarding this report, please contact Matthew Anderson at [manderson@emgcorp.com](mailto:manderson@emgcorp.com) or at (800) 766-0660, extension 7613.

Prepared by:



Matthew Anderson  
Program Manager  
[manderson@emgcorp.com](mailto:manderson@emgcorp.com)

Attachments:  
Cost table  
photos











Report Section/Location	Description	Cost Description	Lifespan (EUL)	Age	RUL	Quantity	Unit	Unit Cost w/ Markup *Subtotal	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Deficiency Repair Estimate
Totals, Unescalated									\$0	\$1,951,295	\$6,705	\$0	\$0	\$0	\$8,765	\$0	\$1,942,530	\$0	\$3,909,294
Totals, Escalated (3.0% Inflation, compounded annually)									\$0	\$2,009,834	\$7,113	\$0	\$0	\$0	\$10,466	\$0	\$2,460,739	\$0	\$4,488,151

\* Markup/LocationFactor (1.165) has been included in unit costs. Markup includes a and 3% Permit and Fee Cost factors applied to the location adjusted unit cost.





#1: RUST AT PARKING GARAGE WALLS



#2: MINOR CRACK AT HVAC EQUIPMENT



#3: DETERIORATION AT EXPOSED DUCTWORK ON ROOF



#4: WORN AREAS OF ROOF COATING



#5: SKYLIGHTS



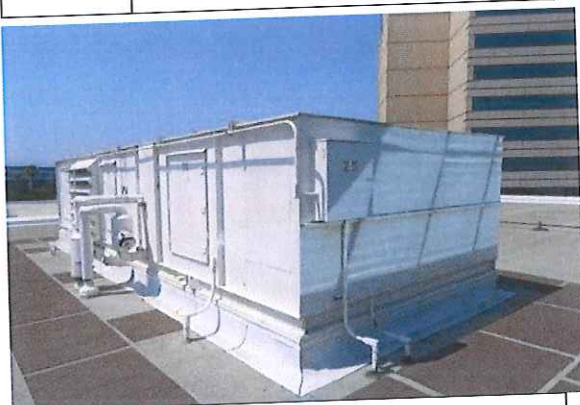
#6: HVAC EQUIPMENT



#7: KITCHEN EXHAUST FAN



#8: RUST AT MAKE-UP AIR UNIT,



#9: AIR HANDLER, EXTERIOR



#10: BOILER, GAS



#11: COOLING UNIT



#12: AIR HANDLER, EXTERIOR





#13: COMMERCIAL KITCHEN CONDENSING UNIT LINKED TO THE ADJACENT UNIT WITH UNINSULATED PIPING



#14: CONDENSER PIPING.



#15: CHILLER, CENTRIFUGAL



#16: PACKAGED UNIT (RTU)



#17: COMMERCIAL KITCHEN, WALK-IN COMBINATION FREEZER/REFRIGERATOR



#18: BOILER, PUMPS





#19:	MAKE-UP AIR UNIT, RUST AT FRAME
------	---------------------------------



#20:	MAKE-UP AIR UNIT, 2,000 TO 6,000 CFM
------	--------------------------------------



#21:	PACKAGED UNIT (RTU)
------	---------------------



#22:	PACKAGED UNIT (RTU)
------	---------------------



#23:	MAKE-UP AIR UNIT COOLING COIL DAMAGE
------	--------------------------------------



#24:	MAKE-UP AIR UNIT, COILS
------	-------------------------





#25: AIR HANDLER, EXTERIOR



#26: COOLING TOWER



#27: COOLING TOWER CELL DETERIORATION



#28: AIR HANDLER INSTALLED TO CLOSE TO SKYLIGHTS



#29: GENERATOR



#30: ELEVATOR, HYDRAULIC, EQUIPMENT OBSTRUCTED BY STORED MATERIALS



#31: ELEVATOR EMERGENCY VOICE UNITS



#32: ESCALATOR, STAINLESS STEEL



#33: ELEVATOR PERMIT EXPIRED



#34: ELEVATOR CONTROLS NOT FULLY COMPLIANT WITH ADA



10/3/17

Item # 5A

**Bay Area** Urban  
**Manufacturing**  
I N I T I A T I V E  
A PROJECT OF SFMADE

Nurturing the Regional  
Manufacturing Ecosystem

Manufacturing Strength



[www.bayareamfg.org](http://www.bayareamfg.org)

Bay Area Urban Manufacturing Initiative

A project of SFMAde

**POST MEETING MATERIAL**

# Manufacturing can grow faster with city support



[www.bayareamfg.org](http://www.bayareamfg.org)

Bay Area Urban Manufacturing Initiative

A project of SFMade

## Why manufacturing?

8,000 manufacturers  
300,000 jobs  
\$55B into CA economy  
> 20% of CA's  
manufacturing sector

35-45% middle wage  
jobs across cities



[www.bayareamfg.org](http://www.bayareamfg.org)

Bay Area Urban Manufacturing Initiative

A project of SFMade



# Cities and the Region

**cities hold the regulatory  
power...**

**but the ecosystem is  
regional**

[www.bayareamfg.org](http://www.bayareamfg.org)

Bay Area Urban Manufacturing Initiative

A project of SFMade



**Bay Area Urban  
Manufacturing Initiative**

**a platform for**

- **coordination,**
- **elevation, and**
- **promotion**

[www.bayareamfg.org](http://www.bayareamfg.org)

Bay Area Urban Manufacturing Initiative

A project of SFMade

# Retain and Grow Manufacturing in the Bay Area



[www.bayareamfg.org](http://www.bayareamfg.org)

Bay Area Urban Manufacturing Initiative

A project of SFMade

## JOIN THE BAY AREA URBAN MANUFACTURING INITIATIVE

Martine Neider  
Regional Initiatives Manager, SFMade  
[martine@sfmade.org](mailto:martine@sfmade.org)  
415.408.5605 ext. 6

[www.bayareamfg.org](http://www.bayareamfg.org)



Item # 6A



### POST MEETING MATERIAL

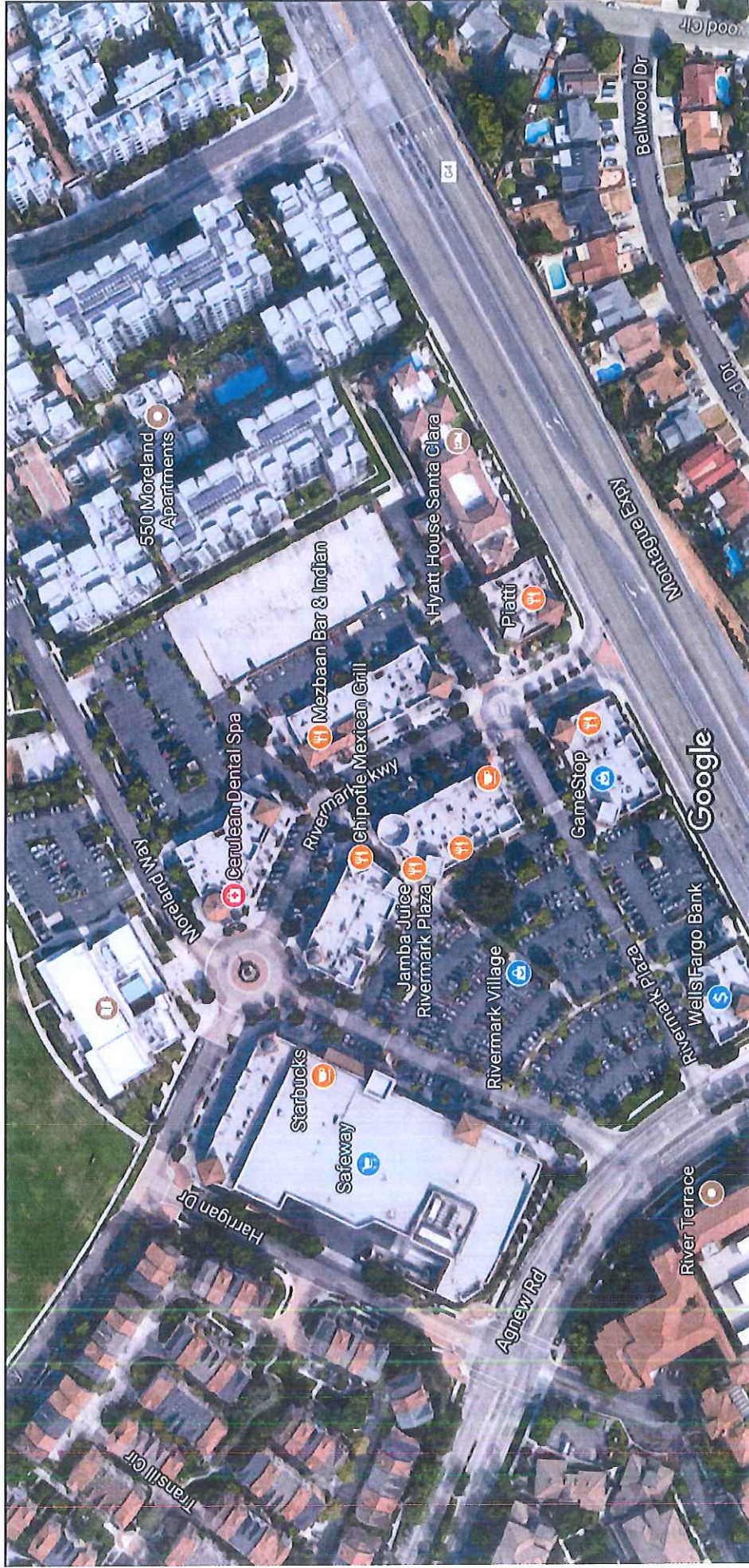
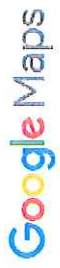




United States 100 ft

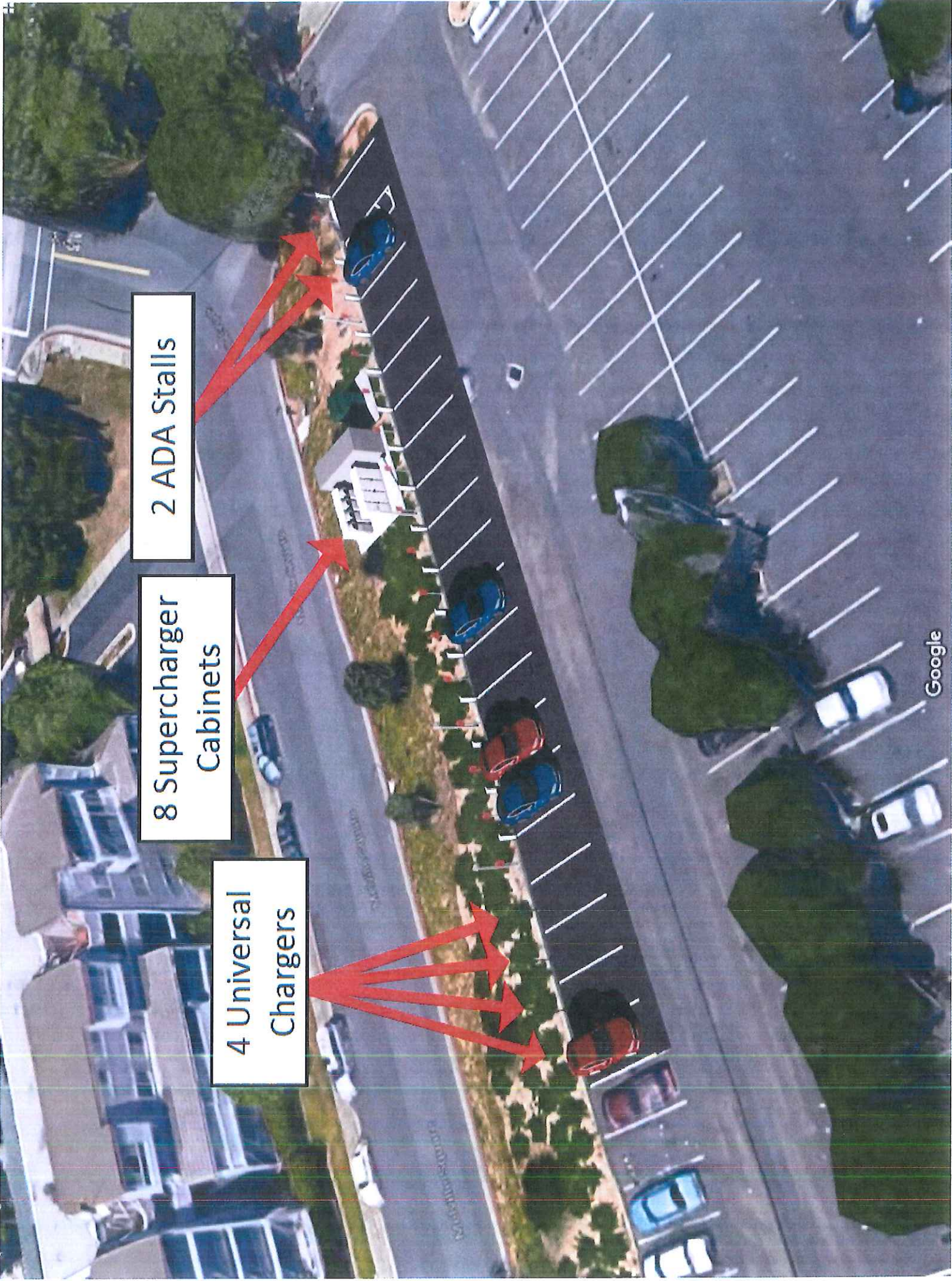
Imagery ©2017 Google, Map data ©2017 Google





Imagery ©2017 Google, Map data ©2017 Google United States 100 ft





2 ADA Stalls

8 Supercharger Cabinets

4 Universal Chargers



10/3/17

Item #7

# City of Santa Clara Economic Development Committee Meeting

Item 7: Follow up on El Camino Real Efforts

Tuesday, October 3, 2017



## El Camino Center

- Visited 14 businesses in August
- General Feedback
  - They were informed by management that they could not make physical changes to the exterior.
  - Main concerns were increased rents, parking layout, and presence of transient individuals.

2



**POST MEETING MATERIAL**

## El Camino Center Cont.

- General Feedback Cont.
  - Tenants didn't have many complaints about the exterior of the plaza.
  - Businesses have experienced increase in customers since the Santa Clara Town Center opened, however did not feel compelled to renovate.
- Spoke to the property management on Friday, September 29<sup>th</sup> and discussed how to move forward.

3



## Moonlite Center

- Visited eight businesses in September
- General Feedback
  - Many of the businesses were unavailable or unwilling to participate in survey.
  - Worker attraction and retention is difficult due to unaffordable housing and high cost of living in the area.
  - Business is not going well for some of the tenants that we interacted with.
  - Some of the tenants have made their own improvements in the past. However, many tenants are hesitant to invest in future improvements.

4





## Updates on other properties

- 1212 El Camino Real
  - Surveyed businesses about what they would like to see on the small plot of City-owned land.
  - Varied feedback from the tenants and owner .
  - Contacted Caltrans about purchasing adjacent land. Caltrans is in the process of preparing a new appraisal for the land.



5

## Updates on other properties cont.

- 3320 and 3520 El Camino Real
  - AT&T owns the two small structures. Staff spoke to AT&T and has requested work orders for maintenance. One of the properties has been attended to.



6

## Updates on other properties cont.

- 2277 El Camino Real
  - Owner was cited on September 14<sup>th</sup> for not adhering to code enforcement.



## City of Santa Clara Economic Development Committee Meeting

Item 7A: Follow up on El Camino Real Efforts

Tuesday, October 3, 2017





10/3/17

Item # 8A

# City of Santa Clara

## Economic Development Committee Meeting

Item 8A: Business Retention Visits

Tuesday, October 3, 2017



## Business Retention Visits

- Two target groups for initial business retention visits
  - Top sales generators
  - Manufacturing businesses

2



**POST MEETING MATERIAL**



## Pivot Interiors

- Pivot Interiors designs workplaces for companies, especially those that utilize open work space
- Six locations in California
- Projects include Adobe HQ Renovation and LinkedIn San Francisco
- Visited and toured the company on September 19, 2017
- Located at 3355 Scott Blvd #110, Santa Clara, CA

3



## Pivot Interiors

- Feedback
  - Business is going well as Silicon Valley's economy continues to grow
  - Is supportive of new development like Santa Clara Square, especially those that are mixed used
- Challenges and concerns
  - Affordable housing
  - Lack of recreational space and trails
  - Traffic congestion

4



## Pace Supply

- PACE Supply Corp. provides plumbing wholesale products and services.
- They have over 20 wholesale locations and four showrooms in California and Hawaii
- Visited company on September 25, 2017
- Located at 605 Laurelwood Rd., Santa Clara, CA

5

## Pace Supply

- Feedback
  - Business is going so well that they are opening up another location in San Jose to meet demand.
  - It would be helpful if the City kept its development projects webpage updated.
- Challenges and concerns
  - Traffic congestion
  - Worker attraction and retention

6



## Moving Forward

- Applied Materials - October 4<sup>th</sup>
- Intevac – November 8<sup>th</sup>
- Continuing outreach to businesses and keeping the committee informed.

7



## City of Santa Clara Economic Development Committee Meeting

Item 8A: Business Retention Visits

Tuesday, October 3, 2017









## BUSINESS RECOGNITION PROGRAM

### POLICY

In an effort to commend business entities or groups of businesses in the community, the City and the Santa Clara Chamber of Commerce and Convention-Visitors Bureau may jointly recognize businesses for significant achievements or accomplishments.

### PROCEDURE

1. For business entities or business groups with 50 or more years of operation in the City of Santa Clara, or which have a significant achievement or accomplishment, recognition shall be jointly set with the Chamber/CVB as a Special Order of Business at a City Council meeting.
2. The City Manager's Office shall prepare the Agenda Report, specifying a date mutually convenient for the business entity or business group and the City.
3. The Mayor and Council Office shall prepare a framed proclamation of recognition for presentation to the business entity/group; the Chamber will also prepare a document/letter of recognition.
4. Along with the proclamation, the City may consider, for singular accomplishment, an additional presentation, such as a recognition memento as appropriate from the City Policy and Procedure No. 003, "Guidelines for Recognition of Volunteers, Community Leaders and Outstanding Citizens."
5. Information shall be placed in the City's newspaper, on the municipal website, and on Municipal Cable Channel 15, recognizing the accomplishment of the business entity/group; the Chamber shall provide similar recognition in a Chamber publication.

### Reference:

***City Council-approved policy dated October 2003, as revised May 2007  
Guidelines for Recognition of Volunteers, Community Leaders, and  
Outstanding Citizens dated September 2003***

## POST MEETING MATERIAL

[Emerging Santa Clara](#)  
[Business Services](#)  
[Business Tax & License](#)  
[Transient Occupancy Tax/Community Facilities District Tax](#)  
[City Code Online](#)  
[Permit Center](#)  
[Business Recognition Program](#)  
[Minimum Wage Ordinance](#)  
[Development Projects Story Map](#)  
[Utilities](#)  
[Rebates](#)

## Business Recognition Program

In late 2003, upon the recommendation of Council's Mission City 21 Committee, Council adopted a more formalized Business Recognition Program to commend longstanding businesses and entities in the community. The program is a joint recognition program of the City and the Santa Clara Chamber of Commerce and Convention-Visitors Bureau, and is designed to honor businesses or entities with 50 or more years of operation in the City of Santa Clara, or which have a significant achievement or accomplishment.

04/19/2011 - [BAE Systems \(PDF\)](#)  
03/15/2011 - [California Paperboard Corporation \(PDF\)](#)  
10/12/2010 - [Russell's Fine Furniture \(PDF\)](#)  
09/21/2010 - [Stan's Donuts \(PDF\)](#)  
04/20/2010 - [Graphic Packaging International \(PDF\)](#)  
12/02/2008 - [Mission Engineers, Inc. \(PDF\)](#)  
10/14/2008 - [Byington Steel Treating, Inc. \(PDF\)](#)  
07/17/2007 - [Owens Corning Recognition \(PDF\)](#)  
07/17/2007 - [Silicon Valley Korean American Chamber of Commerce \(PDF\)](#)  
10/10/2006 - [Santa Clara University \(PDF\)](#)  
04/25/2006 - [Diana Fruit Company, Inc. \(PDF\)](#)  
09/13/2005 - [University Electric Co. \(PDF\)](#)  
10/12/2004 - [Peterson's Insurance Agency \(PDF\)](#)  
04/20/2004 - [El Real Nursery \(PDF\)](#)  
10/21/2003 - [Mariani's Inn and Restaurant \(PDF\)](#)

[Other City Awards](#)



## Businesses in Santa Clara With Businesses Licenses Dating Back to 1981

#	business	address	phone	Comments
1	20th Century Manufacturing			
2	A Fanelli Property Rental			
3	A Or M Capella			
4	Aaa Fence Company			
5	Action Day Nurseries, Inc.			
6	Adult World			
7	Advanced Radiation Corporation			
8	Air Flight Service			
9	Air Products Mfg Corporation			
10	Al's Arco			
11	Anchor Electronics			
12	Applied Materials Inc			
13	Artisan Press			
14	Aurum Industries			
15	B&H Associates			
16	B P I Corporation			
17	B T Mancini Co Inc			
18	Bank of the West			
19	Bell Electrical Supply Inc.			
20	Bob Brown Piano Service			
21	Bonnie Lou Apartments			
22	Boynton Gardens Partnership			
23	Builders Exch S C County			
24	Byington Steel Treating, Inc.			recognized in 2008
25	California Custom Studio			
26	California Paperboard			recognized in 2011
27	Camino Real Realty			
28	Carbonic Service Inc			
29	Casa Santa Clara			
30	Cee-gee Parking Lot Striping			
31	Central Concrete Supply Co Inc			
32	Challenge Dairy Products Inc			
33	Chas Gagliasso Trucking Inc			
34	Church of the Valley			
35	Cittie's S.c. Florist Inc.			
36	Clover Machine Works			
37	Clyde Collishaw Sprinklers Inc			
38	Conleff Plumbing Supply Inc			
39	Contractors License Courses			
40	Cornish & Carey Commercial			
41	Cresci Fire Equipment Co., Inc			
42	CVS Pharmacy #9793			
43	Dahlhauser Mfg Co Inc			
44	Eastern Wholesale Furniture Co			
45	Emma's Coiffures			
46	Environmental Systems Inc			
47	Ez Cut Products, Inc			
48	Farmer Brothers Company			

49	Fiance Properties			
50	Fix Auto Santa Clara			
51	Foster Bros Security Systems			
52	Frito-Lay Inc			
53	General Electric Company			
54	Gilbert Spray Coat			
55	Golden Mushroom Pizzeria Inc			
56	Golden State Silkscreening			
57	Griffin Auto Parts Inc			
58	History Simulations			
59	Icom Mechanical Inc			
60	Italix Company Inc			
61	J&B Enterprises			
62	Jack in the Box Inc. #423			
63	Jakob Rentals			
64	James J Viso Engineering Inc			
65	James R. Jespersen D.D.S.			
66	Javelco Equipment Service, Inc			
67	Jb Trrophies			
68	Jefferson Apartments			
69	Joh Brennan Company			
70	Keypoint Credit Union			
71	KFC #154			
72	Kier & Wright Civil Eng & Sur			
73	Kindercare Learning Centers #460			
74	Korea Travel Service			
75	Kristina Arms Apartments			
76	La Palma Apartments			
77	Lafayette Car Wash Inc.			
78	Lani's Coiffures			
79	Lawrence Road Apartments			
80	Lombardi's Auto Service			
81	Lombardo Diamond Core Drill Co			
82	Lopes Electric			
83	Loranger International Corp			
84	Low Ltd			
85	Lp Gglassblowing			
86	Lund Pearson Mclaughlin			
87	Make a Buck			
88	Mansard Apartments			
89	Manuel's Shoe Repair			
90	Mariani'a Inn			recognized in 2003
91	Mark Thomas & Company Inc			
92	Marsalli & Associates			
93	Master Precision Machng Inc			
94	Milpitas Materials			
95	Mission City Federal Credit Union			
96	Mission City Rebar Inc			
97	Mission Glass Company			
98	Mission Linen Supply, Inc.			
99	Mission Liquors			



100	Mission Trail Waste Systems Inc			
101	Mission Villa Realty Inc			
102	Monroe Investment Assoc			
103	Moonlite Vacuum Center			
104	Mt. Eden Floral Company, Llc			
105	Muller Construction Supply			
106	Mapri, Inc			
107	North Valley Baptist Church			
108	O'Donnel Plastering			
109	Office Valley Apts			
110	Old Orchard Apartments			
111	Omniiyg Inc			
112	Ong's Dimensions & Design Inc			
113	Oriental Grocery			
114	Orkin Pest Control			
115	Pacific Bell Telephone Company			
116	Park Terrace Apartments			
117	Pelican Sign Service			
118	Pmi Auctioneers & Appraisers			
119	Pmi Pawnbrokers			
120	Re Cuddie Company			
121	Realcom Associates			
122	Resurrection Lutheran Church			
123	Richmar Associates, Inc.			
124	Round Table Pizza			
125	Rountree Plumbing & Heating			
126	Rps Properties			
127	Rsr Enterprises			
128	Rudolph & Sletten Inc			
129	Safety-Kleen Systems			
130	Safeway Inc #700			
131	Safeway Inc #763			
132	San Jose Delta Associate, Inc.			
133	San Jose Valley Veal & Beef			
134	San Tomas Voiture 365 Bldg			
135	Santa Clara Ballet School			
136	Santa Clara Plating Co Inc			
137	Santa Clara Realty			
138	Santa Clara Vangaurd Boosters			
139	Santa Clara Weekly			
140	Santa Clara Windustrial Co			
141	Santa Clara Woman's Club Adobe			
142	Saratoga Manor			
143	Scientific Coating Labs			
144	See's Candies Innc #53			
145	Silicon Valley Eyecare Optometry & Contact Lenses			
146	St Claire Cadillac			
147	Sumitomo Plastics Amer Inc			
148	Swift Metal Finishing			
149	T/J Die Company Inc			

150	Terrence J Rose Inc			
151	The Boardwalk/ Boardwalk West			
152	The Off Ramp			
153	The Round Table			
154	The Terminators Inc			
155	The Works Autobody Inc			
156	Thermal Mechanical			
157	Thrifty Payless Inc			
158	Trimac Manufacturing Inc			
159	Turf And Industrial Equipment			
160	Universal Site Svcs Inc			
161	University Electric Company			recognized in 2005
162	Via Rehabilitation Services Inc			
163	Viera Enterprises Inc.			
164	Vip Manufacturing Engineering			
165	Visger Precision Inc			
166	Vista Del Lago III			
167	Wesco Distribution Inc			
168	Wra-Cal Industries			
169	Ws Machine			
170	Yellow Checker Cab Co Inc			