

ECONOMIC DEVELOPMENT PROGRAM OVERVIEW**September 2007****Marketing and Promotions**

Gateway Signs: The first goal of the Economic Strategy “Improve Milpitas’ Image as a Place to Live, Work and Shop” is the highest priority of Economic Development Commission (EDC). One of the first projects was to identify appropriate locations for local gateway signs that are visible to both residents. Feedback from the Planning Commission and City Council both suggested that specific sign designs coordinated with other design elements that the City was using to establish a theme for promotional efforts.

Street Banners: Another promotional activity was the creation and placement of the street banners not only in the traditional locations – Calaveras Boulevard and Main Street – but also in entryways such as McCarthy Boulevard and Great Mall Parkway off Montague Expressway; Dixon Road at North Milpitas Boulevard and at Jacklin Road near I-680. While not the gateway signs, these banners clearly delineate Milpitas’ city limits from surrounding communities.

Airport Advertising: These banner designs were used for the first advertising efforts at San Jose Mineta International Airport (Airport): a kiosk-type sign in Terminal A and a diorama in Terminal C over the first six months of 2007. As a result of the prior advertising, the City was offered a very lucrative proposal to place the Milpitas Lifestyle banners over the Terminal A ticket counter. As authorized by the City Council, these banners were placed in July and will be in place through December 2007. During that time, over 3 million travelers will pass under and by the banners.

Shop Local: Other marketing and promotion efforts include the recent full page ad and article in San Jose Magazine featuring Milpitas as one of the best places to live and the Milpitas ad in the County’s first Economic Profile publication. The City has continued to support the Chamber publications, including the Business Directory and annual City map, but also created a new collaboration with the Chamber, the “Shop Local” program.

The intent of “Shop Local” is to educate and inform the public of the benefits and value of shopping locally, as many people do not understand the connection between the point of sale and the use of sales tax for city services. The “Stop & Shop Milpitas” bag was created to draw attention to Milpitas’ many shopping opportunities. Jointly sponsored by several companies, the shopping bag has been very successful and the reserves are nearly depleted.

Place Branding: When the Economic Development Strategy was approved, it was recommended that a consultant be hired to create a place branding strategy for the City. It was decided that these funds could be used to accomplish more to jump start the Image Building process and covered the costs of the Airport advertising and other activities. Early this year, the Economic Development Commission recommended the creation of a Branding Stakeholder Committee and approval of a contract with Susan Lewis, to create a new ‘brand’ for the City. Once the concept was approved by the Council, the Commission selected business, community and residential representatives to be a part of the Stakeholder Committee. This Committee met over a period of five months, developed a branding platform statement and recommended a creative image for the Commission’s review.

At their meeting on September 10th, the EDC approved the Committee’s proposal and recommend that the Council approve the creative expression and branding platform statement. The image will not replace the City’s Minuteman logo; rather, it will be used to convey the quality of life and business climate that Milpitas offers. It compliments the historic reference of the Minuteman in the formation of the City.

Small Business Development: This has been another area of activity for the Economic Development Program. Working collaboratively with the Silicon Valley Small Business Development Center (SVSBDC) the City hosted three business forums that were met with overwhelming success. The forums create a two-fold affect in that they provide local businesses owners and potential entrepreneurs with the ability to meet with numerous business assistance organizations. Secondly, they create an opportunity for those agencies to connect with more clients and expand their services. These business forums brought services typically provided in downtown San Jose at the Entrepreneur Center to Milpitas directly.

This collaboration has led to the establishment of SVSBDC classes located at the Milpitas Adult Education Center, a first for the South Bay. Response to the classes has been positive.

City Development Policies: Another goal of the Economic Strategy was to eliminate conflicting City development polices that are inconsistent with economic growth. Two areas were targeted by the Commission: use of industrial zoned lands for non-industrial uses and the parking ordinance.

Industrial Analysis: research found that while an insignificant amount of industrial zoned land had been utilized by non-revenue generating uses and non-industrial uses, that the jobs housing balance in the City is slowly eroding and has the potential of becoming imbalanced.

As part of the study, staff recommended that Industrial Overlay zones be created to protect currently zoned industrial land and that more stringent criteria be in place to evaluate proposed land use changes. While concurring with staff recommendations, the Commission also requested that staff hold two Industrial property stakeholder meetings and a Community meeting to review the recommendations prior to final Commission action.

The stakeholder and community meetings were well attended. However, there was not support for protective overlays that would create a situation that eliminated flexibility for development opportunities in the industrial zones. While staff remains concerned about the loss of jobs housing balance, we believe that as projects move forward that could impact the balance, it can be addressed through modifications to the Conditional Use requirement and as part of the project analysis for Planning Commission and Council consideration.

Parking Task Force: The Council approved a Parking Task Force that includes Economic Development Commissioners, members of the development and business communities, as well as a Planning Commissioner. Staff has completed the first Technical paper and reviewed with the Task Force earlier this month. Recommendations of the Task Force will be considered by the Economic Development Commission and presented to the Planning Commission for their review and recommendation to the City Council.

Roadmap for Service Improvements: Economic Development has taken an active role in the implementation of Roadmap for Service Improvements. While most development applications are initiated through the Planning or Building processes, commercial brokers are likely to contact

economic development for guidance in business relocations or expansions. When this occurs, the economic development role is one of facilitator – bringing all applicable City departments together as early as possible in the development process to help companies understand requirements and how they relate to the business development schedule. This process is now institutionalized as part of the Roadmap for Service Improvements. Moreover, it is now complemented by the re-creation of a weekly internal Development Review Committee (DRC).

The DRC provides an opportunity for department project staff to meet on specific projects to coordinate comments and clear up any questions that may arise once plans are distributed from review. We believe that this will also eliminate time from the review process and respond more comprehensively to applicants. Economic Development will participate in this on an as needed basis.

Redevelopment: During the last two years, Economic Development staff completed the Five Year Implementation Plan and the merger amendment for the redevelopment plans. These were comprehensive activities that allowed a better understanding of redevelopment program financial capacity over the next five years and flexibility for the promotion of businesses within the redevelopment areas.

The merger of Redevelopment Project Area No. 1 and the Great Mall project area allows for the construction of new freeway signs and upgrades to the existing freeway signs. The new owners of the Great Mall, Simon Retail Group, have prepared concepts to upgrade the existing signs and to take advantage of the opportunity to install an electronic message board. Piercey Toyota representatives continue sign location efforts with the intent to create mutually shared signs and McCarthy Ranch Development would like to find a way to provide more visible signage on their site. Staff will facilitate discussions with these parties to make sure that the Agency's intent of coordinated signage in the project areas meets the needs of these important retail and job generators.

Signage is critical to business success and the freeway signs must be integrated so that they convey the needs of the participating businesses, but also provide a cohesive look that acts as gateway features to Milpitas.