



CITY OF MILPITAS
ECONOMIC DEVELOPMENT COMMISSION
MILPITAS CITY HALL COMMITTEE MEETING ROOM
APPROVED MINUTES
February 8, 2010

- I. Pledge of Allegiance** Chair Brahmbhatt called the meeting to order at 6:30 p.m. and led the Pledge of Allegiance.
- II. Roll Call** Present were Chair Brahmbhatt, Vice Chair Mendizabal (arrived at 7:25 p.m.) Commissioners Ablaza, Bhambhra, Mulder, C. Nguyen, M. Nguyen, Peoples, Tsao, and Yu; City staff Diana Barnhart and Veronica Bejines
- Absent: Commissioners McEvoy, Mohsin, and Serpa
- III. Seating of Alternates** Alternates seated: None
- IV. Announcements** New Commissioner Ricardo Ablaza introduced himself to the Commission. His background is in real estate and he is holding two commission appointments at this time; one with the Economic Development Commission and the other with the Recycling and Source Reduction Advisory Commission.
- Chair Brahmbhatt invited the Mayor and the Commission to attend the Silicon Valley Engineering Council open house annual banquet on Thursday, February 18th.
- Economic Development Manager Diana Barnhart announced that she sent out letters to two different companies about use tax outreach and there is also an existing company trying to expand their businesses. As far as redevelopment, staff is working on a mass mailing of 10,000 notices for a public hearing on April 6th. On Saturday, February 6th, there was a grand opening street celebration for Carlo Street and it went very well. Also, City Hall will be closed on Friday, February 12th and Monday, February 15th.
- V. Mayor's Report** Mayor Livengood announced that the Economic Development Subcommittee reviewed staff's recommendation about architects for a



potential conference center in Milpitas. Staff is still in the preliminary stages and is far away from making any further recommendations until a funding source is found. Eventually, the Commission will see the full proposal but that will be in the distant future.

VI. Public Forum

Richard Ruth, Milpitas Resident, said as the conference center is moving forward, a lot of people will be coming into the City of Milpitas along with top executives. As the economy is turning around, he felt it would be a good opportunity to start thinking about the City's lack of luxury housing. One of the goals of the Economic Development Plan was to look at building more luxury homes in Milpitas. There was a housing study done in 2008 which talked about places in the City where luxury housing could be built but other than that, there has been no other movement on luxury housing.

Mayor Livengood asked staff for the status of luxury housing. Ms. Barnhart explained that luxury housing was included in the Housing Element and the Economic Development Commission reviewed the Housing Element and supported the language and that has been about it.

Mayor Livengood felt that somebody from the Planning Department needs to take a look at luxury housing and put it from conception to production in the next three to four years because it is an issue that he felt strongly about. He said he will talk to Planning and have them come to a future Commission meeting.

VII. Approval of Agenda

Chair Brahmbhatt called for approval of the agenda.

Ms. Barnhart noted under New Business, NOVA Director Kris Stadelman is sick and unable to attend the meeting. She would like to reschedule to the meeting in April.

MOTION to approve the Agenda as modified.

M/S: Mulder/C. Nguyen

Ayes: 9 Noes: 0

VIII. Approval of Minutes

Chair Brahmbhatt called for approval of the minutes of January 11, 2010.

MOTION to approve the minutes of January 11, 2010 as submitted.

M/S: Peoples/Ablaza

Ayes: 9 Noes: 0



IX. Old Business

1. Subcommittee Reports and Recommendations - Business Retention and Attraction (Bhambhra, Yu, Peoples and M. Nguyen) – Venture Capital Seminar

Commissioner Yu announced that last week, she had a conference call with Ms. Barnhart and Christina from Union City about organizing the Venture Capital Seminar in Milpitas. They are working towards narrowing the sector where they will ask the venture capitalists to speak to businesses to consider starting their businesses in Milpitas. They are looking towards a green technology focus for venture capitalists and are leaning towards an April or May date and are trying to get a date that works for the speakers. Chair Brahmbhatt said his preference would be in May and Mayor Livengood said he has no travel plans in May. Ms. Barnhart said she would coordinate a conference call with Chair Brahmbhatt and Commissioner Yu.

2. Subcommittee Reports and Recommendations – Employability of Milpitas Residents (Brahmbhatt, Mohsin, McEvoy, Mendizabal and C. Nguyen and Tsao) – Chinese Business Development Seminar

Commissioner Tsao said she will be attending the second Chinese seminar in Cupertino on February 24th. They are also tentatively promoting the Cantonese seminar in Milpitas for October 13th in the Committee Conference Room.

X. New Business

1. Small Business Report

Commissioner Mulder noted at the last meeting, one of the comments was to put a questionnaire together to ask small businesses about their experiences doing business in Milpitas. He wants to set guidelines with the questionnaire that are usable and not opinionated, so he asked Ms. Barnhart to coordinate a meeting with department heads for their specific questions. Regarding small businesses, he noticed that they are not getting a lot of jobs but there is a lot of bid work going on. On a personal note, his businesses is seeing some recovery on the homeowners market, but not commercial. Of particular interest, he is working with a very nice person of venture capitalist stature with a project being built on Rock



time. He could not attend the meeting because the School District had a parcel tax meeting.

Commissioner Peoples said the Parcel Tax would be \$84 a year for five years, and asked if that would be detrimental to the economic development of the City.

Chair Brahmhatt said if you have a huge parcel or small parcel it is the same and seniors would be exempted.

Commissioner Ablaza asked where the money will go. Mayor Livengood said the parcel tax would be used to maintain programs in math and science and will not increase but maintain the levels that they would normally have to cut.

Commissioner Ablaza said that real estate is driven by schools and felt that if the school district wants to bring a high level of demographics to Milpitas, then they need to maintain the schools. He sold a property in the Zanker School District that was listed for \$344,000 and it was sold for \$450,000 because of the school.

Commissioner Yu asked how the School District came up with the formula. Mayor Livengood said the School District did a poll and that \$84 was acceptable and anything more than \$100 was not in favor. He added that it was pure politics how they chose the number, and they are not going to make up the money they lose from the State.

Chair Brahmhatt said it does not compensate for the reductions they will receive and the parcel tax needs a 2/3 majority to pass.

Mayor Livengood pointed out that Palo Alto has a \$700.00 a year parcel tax and every time the School District raises it, it passes. He felt Palo Alto understands the value of the school system to the values of their homes.

MOTION to support the MUSD Parcel Tax because of its positive impact of economic vitality to the City of Milpitas.

M/S: Peoples/Yu

Ayes: 9 Noes: 0



Mayor Livengood asked Ms. Barnhart to prepare a letter for Chair Brahmbhatt to send to the School District supporting the parcel tax.

Vice Chair Mendizabal arrived at 7:25 p.m.

XI. Adjournment Chair Brahmbhatt adjourned the meeting at 7:28 p.m. to the next meeting of March 8, 2010.

Respectfully submitted,

Veronica Bejines, Recording Secretary