



# ECONOMIC DEVELOPMENT COMMISSION Meeting Minutes

**Date/Time:** Monday, April 13, 2015 at 6:12 pm

**Where:** Milpitas City Hall, Committee Conference Room

**Attendants:** Vice Mayor Montano, Chair Wettenstein; Vice Chair Ablaza; Commissioners, Brahmbhatt, Holthaus, C. Nguyen (7:29pm), Nunez, Peoples (6:19pm), Tsao (7:06pm); City Manager Tom Williams, Economic Development Manager Edesa Bitbadal, Planner Darryl Boyd, Recording Secretary Rachele Currie

Excused Absence: Commissioners Ahuja, Bhambhra, C. Nguyen, M. Nguyen

Unexcused Absence: Commissioners Howard and Wong

## I. **Flag Salute**

Chair Wettenstein called the meeting to order at 6:12pm and led the Pledge of Allegiance.

## II. **Roll Call and Approval of Alternates**

Chair Wettenstein called for Roll. Commissioners Ahuja, Bhambhra, Howard, C. Nguyen, M. Nguyen, and Wong were not present.

A motion was made by Vice Chair Ablaza and seconded by Commissioner Nunez to move Item No. III after Item No. IV-A. Motion carried unanimously.

## IV. **Public Forum (Please *limit comments to 3 minutes*) – No public present**

## V. **Approval of Agenda**

Vice Chair Ablaza made the motion and seconded by Commissioner Nunez as submitted.

Motion carried by a vote of:

Ayes: 7  
Noes: 0  
Absent: Ahuja, Bhambhra, Howard, C.  
Nguyen, M. Nguyen, Wong  
Abstain: 0

## VI. **Approval of Minutes – March 9, 2015 Commission minutes**

Commissioner Tsao made a correction on her last month's announcement regarding the Cupertino Chamber event stating that Chair Wettenstein was in attendance.

Motion: to approve the March 9, 2015 Economic Development Commission Minutes as amended.

Motion/Second: Commissioner Brahmbhatt / Vice Chair Ablaza

Motion carried by a vote of:

Ayes: 6  
Noes: 0  
Absent: Ahuja, Bhambhra, Howard, C.  
Nguyen, M. Nguyen, Wong  
Abstain: Nunez

## VII. **New Business**

### A. **Serra Center Presentation**

Ms. Bitbadal gave an overview of the study session and said that Planning staff, Darryl Boyd with the City Manager, Tom Williams, and Gary Wong (representing the Serra Center owners) will each give a 15-minute presentation including Q & A portion. Ms. Bitbadal introduced Mr. Boyd; who then gave a brief self-introduction to the commission stating that he is a planning consultant working for MPG.

Mr. Boyd started his presentation with PowerPoint slides providing the entire commission a background about basic planning information and processes. During presentation, both Vice Mayor and Commissioners asked Mr. Boyd questions about the proposed Serra Center project; MidTown Specific Plan, any ongoing and/or upcoming Calaveras Blvd. project/s; and impact fees as they relate to the proposed project. Both City Manager Williams and Mr. Boyd provided answers to Vice Mayor and Commissioners.

Commissioner Peoples commented that the original MidTown Specific Plan has housing included in it and asked Mr. Boyd the number of housing units in that specific plan. Mr. responded it is correct that

housing units are included in MTSP, however his number is not accurate to provide to the Commission. Vice Mayor asked if there's a plan for Calaveras Blvd. be widened for traffic circulation; City Manager Williams responded there are no plans to widen Calaveras Blvd. that he could think of. Commissioner Peoples suggested modifying the off-ramp for consideration. Vice Mayor asked about impact fees if any, Mr. Williams said yes and fees are for the direct improvement of the project. Staff's presentation concluded.

Ms. Bitbadal introduced Jeff Rhoades with Gary Wong representing the project owners. Mr. Rhoades informed the Commission, Mr Henry Kwong also representing the owners is present in the audience then started his presentation with PowerPoint slides. Mr. Rhoades told everyone that the owners have owned the property since 2008 (before the recession) and mentioned that they have no particular bias for land use; they have to work with lease terms which project phasing will be dictated by these terms of building occupants. He mentioned that they could work with EPS since the City is already working with them to which City Manager Williams clarified that EPS only worked for the City relating to the Development Impact Fees. Jeff Rhoades laid out proposed timeline for the project: a) Joint City Council / Economic Development Commission meeting; b) mid-June bring revised plans; and c) mid-July present the EIR.

Vice Chair Ablaza asked what the cash-on-cash return to which Mr. Rhoades replied he thinks 11%. Commissioner Brahmbhatt mentioned confusion about City housing in the project site; Mr. Rhoades replied that vertical mixed use might be possible. City Manager Williams said that tonight's objective is to share and get feedback from the Commission due to the applicant's different vision and that the policy if prohibiting residential at 8% build out but ultimately bring a project best suited for the community. Chair Wettenstein asked if the owners are looking at Santana Row-type of development where commercial are located at the bottom with residential located on top. Mr. Rhoades responded they are looking at what the most viable use at the same time. Architect for the project, Mr. Gary Wong, interjected that they have done a preliminary market study (not full blown) and discovered from the Cal Poly students study, vibrancy of the project site where residential is situated on top, commercial at the bottom instead of vice versa. Mr. Boyd said that the project site has lease terms to consider unlike Santa Row was leveled at once compared to Serra Way that has 11 acres of vacant lot areas.

Mr. Williams mentioned east side of the proposed hotel and Walgreens, if that's a public street it can be envisioned as a stand-alone project that can be put in a better perspective. Commissioner Peoples cited neighbors just south of Abel who he believes need to be informed and talked to about the project. Directly east of this project is the precise plan of MidTown. Do something about the precise plan and the context especially where Foster's Freeze vacant lot next to St. John the Baptist Church. Commissioner Brahmbhatt added that the City does not have any leading start-up companies in town, perhaps this could be an opportunity for Google-type start-up company to consider Milpitas as their headquarters location. Commissioner Brahmbhatt is recommending to consider putting up a project, some start-up, with great proximity to freeway and great housing.

Jeff Rhoades commented that there's a risk associated with attracting a major tech-user here; Commissioner Peoples said proposing office building built on spec is great; Chair Wettenstein added pushing for Class A building, maybe Class B would be easier to fill. Vice Mayor Montano asked to define Class A building. City Manager Williams explained Class A buildings are higher-end with more amenities, materials for the office spaces, very nice buildings, etc. Commissioner Peoples said that we need more professionals, like attorneys, having offices location here in Milpitas.

Commissioner Holthaus said that the City does not have a hospital or university, perhaps we need it to elevate City; it would be nice also like a Milan-type city where fashion is the trade, we need a small trade to be known for City. Mr. Williams remarked about City identity and believes that this project site is the most important site of the City and perhaps identify Milpitas. Vice Mayor commented about nice commercial location because Milpitas folks travel outside Milpitas for upscale shop or Apple store maybe.

More discussion between Commission and Mr. Rhoades ensued about market analysis. City Manager Williams addressed the project representatives stating they need to do an independent market study; what the risk is and the big question is land use (is residential appropriate?). Addressing the commission he asked would this commission recommend residential, if yes, what would that look like knowing the City's policy of 80% build out and needs to be brought to City Council.

Chair Wettenstein noted that he does not see ground floor residential, but envisions ground floor retail, second office, and perhaps residential – mixed use. Commissioner Peoples remarked it depends on what the neighbors say; they might want to see 2-story or 3-story townhomes. Think about Abel to make it vibrant and lively. Commissioner Brahmhatt does not support residential because the City has way too much residential already and not enough schools.

**III. Announcements**

Vice Mayor Montano has nothing to report. Chair Wettenstein announced Milpitas Chamber of Commerce once a month breakfast at the Milpitas Senior Center tomorrow, May 14 at 7:30 am. End of May, Milpitas International BBQ event. Commissioner Peoples announced TECO grand opening on April 18 at 10am.

Economic Development Manager Bitbadal announced BAAQMD meeting on April 23 at 6:00 pm here in Council Chambers to discuss odor issues. She will be attending ICSC Annual Alliance in Fremont on April 23 from 7:30 am to 11:30 am and will present 3 ongoing Milpitas projects namely: Pacific Mall (by Torgan Group); District 1 – pitching grocery across Great Mall (by Integral); and Landmark Tower (by Singpoli). Ms. Bitbadal asked for a volunteer to help out and attend with her; Commissioner Holthaus committed herself to join Ms. Bitbadal. Reminded Commissioners whose term is coming up to send email to Mayor and City Clerk if they seek re-appointments. Also, April 25 at 11:30am is the Commissioners' Recognition Luncheon event in Milpitas Community Center.

**VIII. Old Business**

A. Bylaws Subcommittee Report was not discussed.

**IX. Upcoming Events – No reports**

**X. Adjourn** – Commissioner Nunez motioned, and seconded by Vice Chair Ablaza to adjourn the meeting at 8:02 pm. The motion carried unanimously.