



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Lee Wilcox

SUBJECT: See Below

DATE: May 27, 2025

Approved

Date:

6/2/25

COUNCIL DISTRICT: 3

SUBJECT: Public Hearing on the Japantown Business Improvement District and Assessments for Fiscal Year 2025-2026

RECOMMENDATION

Conduct a Public Hearing and adopt a resolution approving the Japantown Business Improvement District Budget Report for Fiscal Year 2025-2026 as filed or modified by City Council and levying the Japantown Business Improvement District assessments for Fiscal Year 2025-2026.

SUMMARY AND OUTCOME

Approval of this action will result in the levy of assessments for the upcoming fiscal year of the Japantown Business Improvement District (Japantown BID).

BACKGROUND

The Jackson-Taylor Business Improvement District was established by City Council in 1990 pursuant to the California Parking and Business Improvement Area Law of 1989 (BID Law) and subsequently changed its name, with City Council approval, to Japantown BID to promote the economic revitalization and physical maintenance of the Jackson-Taylor Business District. City Council appointed the Jackson-Taylor Business and Professional Association (who has since changed its name to the Japantown Business Association to align with the neighborhood name) as the Advisory Board for the Japantown BID, to advise City Council on the levy of assessments in the Japantown BID and the expenditure of revenues derived from the assessments for the benefit of the Japantown BID. The Japantown BID service area is shown in Attachment A.

Pursuant to BID Law, an annual public hearing is required to approve an annual budget report and levy the annual BID assessments. On June 3, 2025, the City Council preliminarily approved the Fiscal Year (FY) 2025-2026 Budget Report as filed by the Advisory Board shown in Attachment B, adopted a resolution of intention to levy the annual assessments for FY 2025-2026 for the Japantown BID, and set June 17, 2025 at 1:30 p.m., as the date and time for the required public hearing on the levy of the proposed FY 2025-2026 assessments. In accordance with BID Law, the City Clerk published the required legal notice to levy district assessments for FY 2025-2026.

ANALYSIS

Under BID Law, when a public hearing is held to levy assessments of a BID, City Council shall hear and consider all protests against the continued authorization of the BID, the extent of the area, the assessments, or the furnishing of specified types of improvements or activities. Protests may be made orally or in writing. Written protests must be filed with the City Clerk at or before the time fixed for the public hearing. BID Law requires that the proceedings shall terminate if protests are made in writing against the continued authorization of the BID by businesses or property owners in the proposed district that will pay a majority of the assessed charges. If the majority protest is only against the furnishing of a specified type of improvement or activity within the area, those improvements or activities shall be eliminated.

As required by the BID Law, the Budget Report has been filed with the City Clerk and contains, among other things, a list of the improvements and activities proposed to be provided in the Japantown BID in FY 2025-2026 and an estimate of the cost of providing the improvements and activities. The Advisory Board has recommended no change in the BID boundaries or the method and basis for levying assessments. Therefore, the proposed assessments in the BID for FY 2025-2026, described in the Budget Report, are the same as the assessments for FY 2024-2025.

During the course or upon the conclusion of the public hearing, City Council may order changes in any of the matters provided in the Advisory Board's Report and Budget. At the conclusion of the public hearing, City Council may adopt a resolution confirming the Report and Budget as originally filed or as modified by City Council. The adoption of the resolution constitutes the levy of the assessment for FY 2025-2026.

EVALUATION AND FOLLOW-UP

The Advisory Board will present a report to City Council next year that proposes a budget for FY 2026-2027.

COST SUMMARY/IMPLICATIONS

The Japantown BID assessments are restricted for use exclusively by the Japantown BID. It is anticipated that a healthy Japantown BID will encourage growth of the Japantown retail community, which directly and indirectly generates additional business tax and sales tax revenue for the City. Total revenue in FY 2025-2026 for the Japantown Business Association is estimated to be \$62,075, which includes the BID assessments and other earned revenue, such as farmer's market booth fees and sponsorships. The FY 2025-2026 Proposed Operating Budget, subject to City Council approval, includes projected assessment revenue and corresponding payments to the Japantown Business Association totaling \$28,575, as detailed in the Source and Use Statement for the Business Improvement District Fund (351).

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, the City Clerk's Office, the City Manager's Budget Office, the Finance Department, the Planning, Building, and Code Enforcement Department, and the Japantown Business Association.

PUBLIC OUTREACH

In accordance with BID Law, the City Clerk published the required legal notice to levy assessments for FY 2025-2026. The budget for FY 2025-2026 was reviewed and approved by the Advisory Board on May 15, 2025, as shown in Attachment C.

This memorandum will be posted on the City's Council Agenda website for the June 17, 2025 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant impact on the environment.

HONORABLE MAYOR AND CITY COUNCIL

May 27, 2025

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PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.



LEE WILCOX

Assistant City Manager

Acting Director, City Manager's Office of
Economic Development and Cultural
Affairs

For questions, please contact Sal Alvarez, Senior Executive Analyst, City Manager's Office of Economic Development and Cultural Affairs, at (408) 793-6943.

ATTACHMENTS

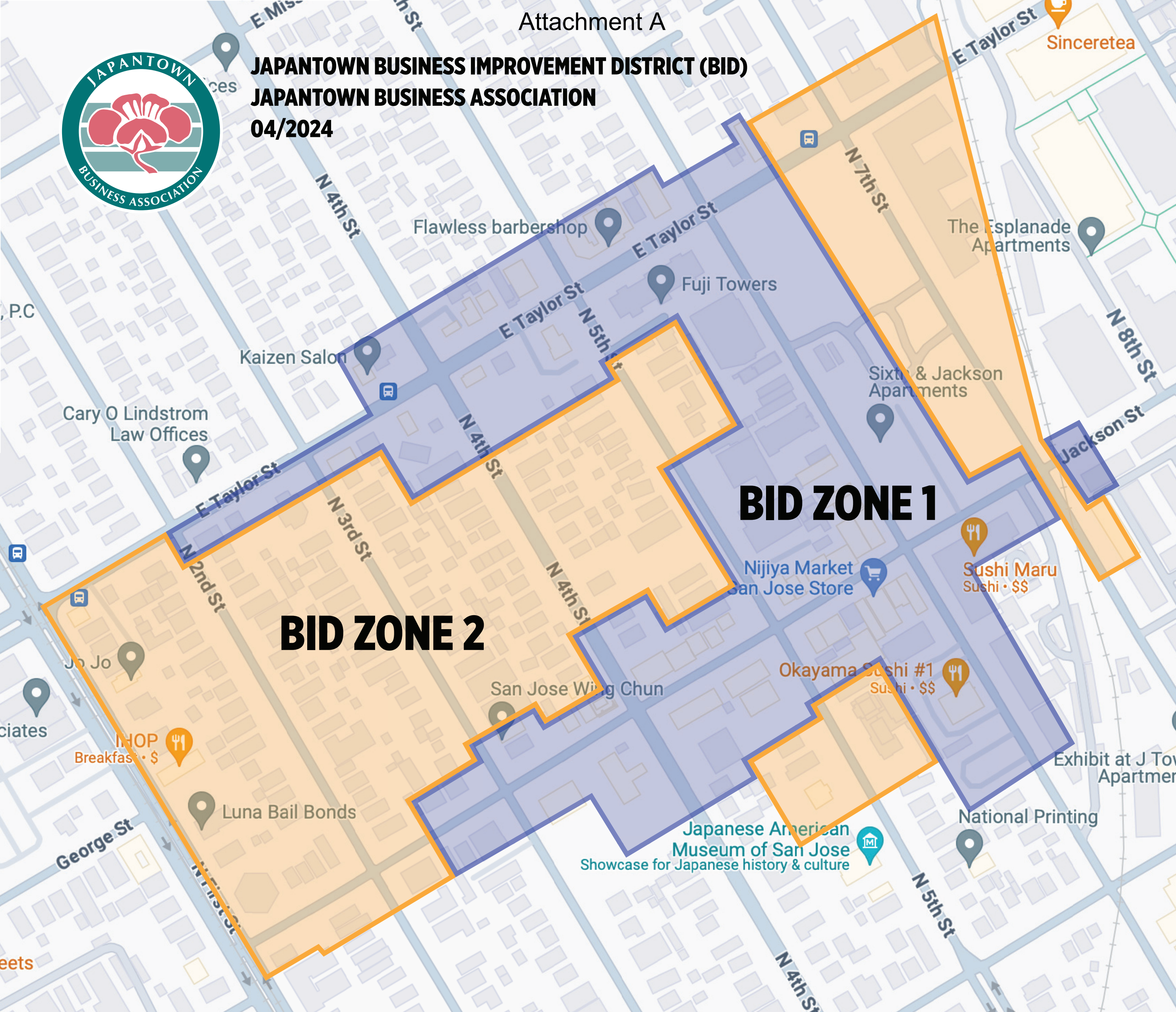
A – Japantown BID Map for Fiscal Year 2025-2026

B – Japantown BID Budget for Fiscal Year 2025-2026

C – Japantown BID Board Minutes for Fiscal Year 2025-2026



JAPANTOWN BUSINESS IMPROVEMENT DISTRICT (BID)
JAPANTOWN BUSINESS ASSOCIATION
04/2024





JAPANTOWN BUSINESS ASSOCIATION

565 N. 6th Street, Suite G. San Jose, CA 95112. phone (408) 298-4303.
info@japantownsanjose.org

Japantown BID Budget Report for Fiscal Year 2025-2026

There are no proposed changes to the boundaries of the BID. Zone 1 and Zone 2 remain the same in terms of geography. See attached BID address range sheet.

1. Estimated budget and improvements:

Japantown BID Income, Zones 1 and 2	\$28,575
Japantown Farmer's Market Booth Fees	25,000
Japantown Farmer's Market Sponsorship	1,500
CSJ Neighborhood Business District (NBD) Grant	5,000
Fundraising efforts (merchandise sales)	1,000
Parking Program Income (leasing from NPOs to businesses)	1,000
Non-BID membership	0
Total	\$62,075

* *All figures are estimates. Any additional or unused BID funding will be used for beautification, marketing, events, office expenses, or carried over for Year 2026-2027.*

2. Improvements and activities funded by BID:

Japantown Certified Farmer's Market	\$20,000
Marketing and design (advertising, promotions)	15,000
Street cleaning, maintenance and graffiti abatement	10,000
Office expenses (rent, insurance, hardware and software)	5,000
Tree maintenance and planting	4,000
Infrastructure repairs and improvements	3,000
Utilities (web, phone, subscriptions)	3,000
Total	\$60,000

* *The JBA has financial reserves to accommodate any potential cost overruns for infrastructure improvements in 2025-2026.*

3. Fiscal Year 2025-2026 Planned Expenses for Japantown Farmer's Market

Volunteer honorariums	12,000
Promotional (special event features), merchandise	3,000
Permits, licensing and inspections	2,000
General expenses (garbage bags, storage, cleanup)	1,500
Organizational expenses (management and volunteer software)	1,500
Rent	0
Total for Fiscal Year 2025-2026	\$20,000

4. Current Japantown BID Assessment rates are below:

Zone 1	\$
Financial institutions	550
Retail (over 10 employees)	375
Restaurants	275
Professional Services (CPAs, Attys, Drs, Agents, etc)	200
Retail (10 employees or less)	200
Commercial Property Owners	175
Non-Retail (Artists, Industrial, Mfg, Repair, Wholesale)	100
Zone 2	
Any business	75

Japantown BID Address Range

Zone 1 - per breakdown*		Zone 2 - \$75 any	
E. Taylor St.	131-275 (odd) 52-274 (even)	E. Taylor St.	2-50 (even) 281-340 (all)
Jackson St.	80-300 (all)	Jackson St.	1-79 (all)
N. 1st St.	—	N. 1st St.	598-698 (even)
N. 2nd St.	—	N. 2nd St.	595-694 (all)
N. 3rd St.	600, 601, 608, 698	N. 3rd St.	607, 609-694 (all)
N. 4th St.	573-605 (odd) 576-620 (even) 680-702 (all)	N. 4th St.	607-679 (odd) 624-674 (even)
N. 5th St.	575-607 (odd) 590-640 (even) 683, 690, 695	N. 5th St.	565-573 (odd) 613-681 (odd) 560-580 (even) 650-680 (even)
N. 6th St.	520-702 (all)	N. 6th St.	—
N. 7th St.	—	N. 7th St.	598-702 (all)

Japantown BID Income Sources 2024-2025

Business Classification	Fee (\$)	Number/ Qty.	Gross Revenue (\$)	% of Revenue
Financial Institutions	550	1	550	2
Retail (over 10 employees)	375	1	375	1
Restaurants	275	20	5,500	19
Retail (10 employees or less)	200	25	5,000	17
Professionals	200	20	4,000	14
Commercial Property Owners	175	24	4,200	15
Non-Retail	100	25	2,500	9
Zone 2, Any Businesses	75	86	6,450	23
Total Revenue		202	\$28,575	100

JBA Board of Directors 2025-2026

Tamiko Rast, President Rasteroids Design, Ernest & Fred	408-564-1663	tamiko@rasteroids.com trast@japantownsanjose.org
Jim Nagareda, Vice President Nagareda Studio, Nikkei Traditions, Commercial Property Owner	408-219-4103	jimnagareda@gmail.com
Carolyn Kogura, Treasurer Kogura Company, Commercial Property Owner	408-605-1880	carolynkogura@gmail.com
Miles Rast, Secretary Rasteroids Design	408-564-1662	miles@rasteroids.com
Kari Dobashi Barton Representative for Commercial Property Owner	408-221-3775	karitbarton@gmail.com
Jacqueline Bates Prayer Garden Church of God, Commercial Property Owner	408-234-4537	jaxjmarie@gmail.com
Richard Kogura Kogura Company, Commercial Property Owner	408-605-5530	rkogura@mcmdiversified.com
My Nguyen Wynn Smog Center	408-421-1420	wynnsmogcenter@gmail.com
Carole Rast Roy's Station, Commercial Property Owner	408-807-3365	bakamom@yahoo.com
Mark Santo Santo Market	408-295-5406	msanto1111@gmail.com
Jordan Trigg Jack's Bar, 7 Bamboo, Jtown Pizza, Spread, Dipsomania Inc., Commercial Property Owner	408-839-2309	jordan@dipsomaniainc.com
Rina Trigg Jack's Bar, 7 Bamboo, Jtown Pizza, Spread, Dipsomania Inc, Commercial Property Owner	408-660-6814	rina@dipsomaniainc.com
Lynne Yamaichi Santo Market, Lotus Preschool	408-772-4129	Lyamaichi@aol.com
Patricia Yasukawa Commercial Property Owner	408-221-5126	pyasukawa@gmail.com

Highlights from 2024-2025 Fiscal Year

- **Communication:** the JBA maintains a website for the Business Improvement District (www.japantownsanjose.org), a website for the Japantown Farmer's Market (www.jtownfarm.org), two Instagram channels (@japantownsj and @japantownfarmersmarket), one Facebook page (Japantown Business Association), and a Facebook group (Fans of San Jose Japantown). JBA also maintains a private communication channel to help keep JBA businesses apprised of San Jose City Office of Economic Development and District 3 postings and Japantown-specific notices, news, and updates.
- **Social Media and Marketing/Merchandising:** The JBA continues to market its brand with design contributions from local artists and businesses. Japantown's official Instagram account, @japantownsj, is showing year-over-year growth without any paid advertisements (11.2K to 14.9K followers in 2023-24, and 16K total followers in 2024-25). The JBA is working with local social media influencers who have donated their time and efforts to feature small businesses.
- **The Japantown Farmer's Market:** The Japantown Farmer's Market returned as a seasonal event from May-October 2024 and reopened on May 4 for its 2025 season. This is an event entirely funded, managed, and operated by the JBA with the help of volunteers. We are very grateful to Dan Gordon of Gordon Biersch for fully sponsoring the rental fee of the market space, thereby lowering agricultural booth fees and increasing marketing efforts. For the 2024 season, over 50 farms, bakers, and artisans participated in the market, and it was supported by a total of 27 volunteers donating over 1K onsite man-hours. An average 1K visitors attended the market every Sunday.

The first day of the 2025 season already eclipsed all prior benchmarks with over 1,700 people in attendance, and an anticipated County of Santa Clara grant will allow the JBA to completely forgo all agricultural farm booth fees for the entire six-month 2025 season, allowing all ten Certified Producers to better support their family farms and workers.

- **Beautification:** The JBA continues to work with the Rast Family to maintain the appearance of Japantown, including graffiti abatement, street sweeping, weeding, and litter/biohazard cleanup. Frank, Miles, and Crystal Rast continue to sweep Zone 1 of Jackson Street 7 days a week, and Carole Rast maintains many of the street's planters. Jordan Trigg maintains most of Taylor Street's Zone 1 regularly.
 - A. The JBA maintains a total of 50 juvenile street trees in Japantown planted in collaboration with Our City Forest and self-planted by our organizations in 2020 and 2021, and these trees are finally reaching their 3-year stage of reduced watering. Our juvenile trees required significant shaping and pruning, and we handle fertilization and pesticide control. The trees are still being watered in the summer by neighbors and businesses that "adopted" them. Another set of 20 trees planted in 2024 by OCF are being maintained by Zone 1 Businesses, and secondarily by the JBA.
 - B. JBA Board Members and community members are still maintaining the 12 large plastic planters that were placed on sidewalk bulb-outs on the N. 6th/Jackson and N. 6th/Taylor Street intersections to match the eight we placed on N. 5th/Jackson in 2021. Filled with

succulents and other drought-tolerant plants, the planters help visibility for drivers and provide extra safety for pedestrians.

- C. Carole Rast painted the windows and doors of Japantown businesses with holiday decorations, as she does every year. The JBA paid local students to clean the windows in January 2025.
- D. The JBA had the sidewalks on the 200 block of Jackson Street, its busiest and most heavily trafficked area, professionally steam-cleaned to remove food residue and dirt in October 2024.

- **Public Events and Festivals:**

- E. Japantown hosted Viva Calle as a hub for its eighth time in September 2024 (Parks to Roses), and is on the route for the San Jose Rock N' Roll Half Marathon every October.
- F. Lunar New Year celebrations were held in February 2025 with a performance by San Jose Taiko, lion dancers, mochi-making at Lotus Preschool, and artist appearances with special event shopping experiences, including custom-printed fukubukuro bags.
- G. Nikkei Matsuri, a springtime festival held in Japantown since 1978, has grown steadily in size and space in the last three years due to a revamped format (+30 vendor booth growth in two years); the JBA assists with communication and event strategy, and the corresponding Yu-Ai Kai Fun Run (same-day event that leads into Nikkei Matsuri).
- H. The JBA works with Dipsomania, Inc. to promote their themed Beer Walk/Sake Walk/Whiskey Walk events (Japanese Sake and Spirits; Star Wars Whiskey and Beerwalk, Dia de los Muertos Tequila and Beerwalk). Volunteers for the event are compensated with \$20-40/hour honorariums for nonprofits of their choosing; the JBA, Japantown Community Congress of San Jose, and Yu-Ai Kai are regular donation recipients.
- I. The JBA co-promotes the Gordon Biersch Thursday Night Market, bringing hundreds of visitors to the weekly summer event.
- J. The Obon Festival, Japantown's oldest and largest festival, set a record for the most Obon dancers in the continental United States in 2023 and expanded its footprint to accommodate larger crowds and increase pedestrian safety in 2024.
- K. Japantown's Halloween, hosted by San Jose Taiko with support from the JBA, continues to grow in attendance and popularity. The JBA provides \$1K in donated candy to local businesses to augment each Jackson Street business's initial investment of \$250-500 in candy.
- L. The Migration Museum of Yokohama (Japan), hosted an exhibit about San Jose's Japantown from February - June 2025, with collaboration from the JBA and community members of Japanese-American descent.

- **Engagement:** the JBA worked with the City of San Jose, Japantown Community Congress, Japantown Neighborhood Association, and to a lesser degree, neighborhood groups from

Hensley, Vendome, Hyde Park, and Northside to disseminate information, provide feedback, and collaborate on the following issues:

- M.** Pedestrian, traffic, and Department of Transportation issues, including the Union Pacific Railroad Quiet Zone implementation and landscaping; Smart Meters and parking management; and status reporting of streetscape, roadway, and lighting infrastructure.
- N.** The JBA also prompted and/or participated in two traffic studies in Japantown, specifically on the 500 and 600 block of N. 5th Street for speeding and collaborated with stakeholders to evaluate mitigation efforts by the City of San Jose. The project awaits funding for a set of four (4) speed humps on N. 5th Street. A second traffic study was conducted in September 2023 at the Gordon Biersch Brewery for Night Market and Japantown Farmer's Market pedestrian crossings of Taylor Street, which resulted in flashing speed warning signs since the proximity to the railroad would not allow for a dedicated pedestrian crossing. JBA also met with SJPD Officer Eric Chen to discuss speeding mitigation and enforcement.
- O.** Safety and crime issues, including repeat offenders responsible for theft, vandalism, and property destruction. Regular correspondence with the City of San Jose, County of Santa Clara, and SJPD regarding individuals in crisis within the BID. Assist with communicating complaints from Japantown, Hensley, Vendome, and Hyde Park neighbors regarding code compliance issues. JBA attended meetings with SJPD Chief Paul Joseph, Capt. Gina Tibaldi, Lt. Michael White, Officer Eric Chen, and Japantown leaders to discuss crime concerns and planning (short and long-term visions). JBA representatives also met with the Santa Clara County Behavioral Health Department Police Liaison to discuss repeat offenders in the community.
- P.** Economic development; regular correspondence with the City of San Jose regarding buildings and developments in historic, planning, permitting, or building reviews. Assist businesses and provide legal/organizational connections to address sticking points, whether ADA compliance, Historic Reviews, etc. Provide organizational support and thought-partnership for upcoming developments in the BID Zone, including the Taylor Street Neighborhood Overlay. The JBA informed businesses of the City of San Jose Disability Access Improvement Grant Program and directed businesses to a Certified Accessibility Specialist (CASP), who offered a group rate for inspections in the community.
- Q.** The JBA and several Japantown businesses hosted a Merchant Walk with the San Jose Chamber of Commerce and its members in April 2025; several meetings with the Consul General of Japan Yo Osumi, including a Japantown lunch with Mayor Mahan, Vice Mayor Pam Foley, San Jose Okayama Sister Cities representative Kathy Sakamoto, CSJ International Programs Manager Joe Hedges, CSJ Senior Economic Development Advisor Vince Rocha, Consul General staffers, and SJSU President Cynthia Teniente-Matson. The JBA also promoted a Shop Japantown holiday event with the City of San Jose's Office of Economic Development.



THE JAPANTOWN BUSINESS ASSOCIATION MONTHLY BOARD MEETING

Meeting Minutes

Thursday, May 15th, 2025 at 9:30am

ZOOM Virtual Meeting

Japantown Business Association Members

President Tamiko Rast, Vice President Jim Nagareda, Treasurer Carolyn Kogura, Secretary Miles Rast, Jacqueline Bates, Richard Kogura, My Nguyen, Carole Rast, Mark/Lynne Santo, Jordan Trigg, Rina Trigg, Patty Dobashi Yasukawa

- **Attendees**

Board Members: Jacqueline Bates, Carolyn Kogura, Richard Kogura, James Nagareda, Carole Rast, Miles Rast, Tamiko Rast, Rina Trigg, Jordan Trigg, and Patty Dobashi Yasukawa. Absent: Mark/Lynne Santo, My Nguyen.

- **Additions or Deletions**

There were no additions or deletions.

Reports

March 2025 Meeting Minutes - April 2025 Meeting cancelled (no Minutes)

Motion: Miles motioned, Carolyn seconded, and the Board unanimously approved.

Treasurer's Report

- Carolyn reports stable \$80K in JBA checking accounts and requests permission to establish an interest-bearing savings account or short-term CD for a portion of monies.
Motion: Tamiko motioned, Patty seconded, and the Board unanimously approved.
- Carolyn asks to discontinue paying for internet at JBA office on 6th Street for lack of need; Miles will explore establishing a non-ATT setup for the phone line.
Motion: Miles motioned, Tamiko seconds, and the Board unanimously approved.

2025-2026 Business Improvement District (BID) Report

- Tamiko reports an expected \$28K in annual BID fees from 200+ businesses with a total \$60K budget. No major changes from prior year.
Motion: Miles motioned, Carolyn seconds, and the Board unanimously approved.

Farmer's Market

- Successful start to the 2025 season with a record 1,700 people in attendance on Opening Day and 1,100 on 2nd weekend (Mother's Day). 1,550 people had the highest attendance in 2024 season with 800 attending Mother's Day. Expecting higher average attendees in 2025 season.
- Tamiko wrote Letter of Support to the County of Santa Clara for possible \$15K grant to support both farmer's market and San Jose Taiko's Halloween events.

Japantown Cultural Society

No updates.

Japantown Neighborhood Association (JNA)

No updates.

Japantown Community Congress (JCCsj)

- Hosting Tea with SJPd on Monday, May 19.

Events

- May 16: Japantown Heritage Night at San Francisco Giants
- May 24: Bound by Memory event at JAMsj
- May 31: Japantown Returnings staged reading and musical performance at Wesley United Methodist Church
- May 29-June 8: SJ Walls event hosted by Empire Seven Studios
- June 8: Jtown Artwalk hosted by Empire Seven Studios
- June 21-22: Japantown Sidewalk Sale (potential event started by Nikkei Traditions)
- June 29: Bench cleaning in Japantown by Boy Scouts
- July 12-13: Obon Festival
- August 16: JAMsj Summer Sake

Neighborhood Maintenance Projects

- Tree Maintenance: Tamiko and James have continued pruning trees and removing unneeded stakes (trees are past the 3-year mark), mainly on south side of Taylor Street. Adopted tree placards were removed by unhoused individuals and need to be replaced. Tree needs to be planted at 6th/Jackson where juvenile tree died; Japantown Neighborhood Association is interested in adopting a tree in honor of the late Rich Saito.

Merchandise

- JBA embroidered hats are currently in production; white plum blossom on black hat and pink plum blossom on navy hat.

Crime and Safety Updates

- Rina reports new squatting activity at the former Kubota Restaurant property.

Business Updates

- Bannetone is set to open in July or August, pending permits.

Neighborhood Updates

No updates.

Miscellaneous Updates

- Jim asks about JBA participation in Nikkei Matsuri programming, whether it be a sponsored scholarship or volunteer recognition. To be discussed with NM festival organizers.

Adjournment

Motion: Carole motions, Miles seconds, and the motion was unanimously approved. Meeting adjourned at 10:08am.

Next Meeting: Thursday, June 19th at 9:30am via Zoom.

<https://us02web.zoom.us/j/86341719266?pwd=Q2lMN2xwYjUybGJaZHh1bGtMd01ydz09>