

San Jose Arena Authority

Regular Meeting of the Board of Directors

October 23, 2024

4:00 pm

Physical Location Below-Teleconference Information at the End of This Agenda

Excite Ballpark at San Jose

588 E. Alma Avenue

BBSI Futures Club (Left Field Side of Stadium)

San Jose, CA

Meeting Agenda

Expected Board Attendees

John Albers	Michael Lomio
Rosmeri Alfaro	Dolores Montenegro
Cynthia Bojorquez	Kyle Nelson
Domingo Candelas	Miyuki One Bear
David Cohen	George Sanchez
Bill Ekern	Ruth Shikada
Martin Flores	Rusty Weekes
Nanci Klein	

Staff

Chris Morrisey (Executive Director)
Shelly Wang (Administrative Assistant)
Cameron Day (City Attorney's Office)

Guests

Jon Gustafson (Sharks Sports & Entertainment)
James Hamnett (Sharks Sports & Entertainment)
Richard Rocha (Sharks Ice at San Jose)
Ben Taylor (San Jose Giants)

1. **Call to Order/Roll Call/Introductions**
2. **General Business**
 - a. Review and Approve September 25, 2024 Board Meeting Minutes
3. **Executive Director and Staff Reports**
 - 3.1. *Executive Director (Morrisey)*
 - a. Accept Reports on Arena Authority Oversight
 - SAP Center at San Jose
 - Sharks Ice at San Jose/Tech CU Arena (Verbal)
 - Excite Ballpark Home of the San Jose Giants (Verbal)
 - b. Accept Verbal Reports on Arena Authority Administrative Items
 - VTA/BART Downtown/Diridon Community Working Group
 - South Campus Operations Team
 - 3.2. *Administrative Assistant (Wang)*
 - a. Accept Verbal Report on Activities at SAP Center at San Jose
 - b. Accept Verbal Report on Activities at Sharks Ice at San Jose
 - c. Accept Verbal Report on Activities at Excite Ballpark Home of the San Jose Giants

4. Committee Reports

4.1. *Standing Executive Committee (Chair: Ekern)*

- a. Accept Report on Board Member Resignation
- b. Accept Verbal Report On Executive Committee Vacancy
- c. Accept Verbal Report on December Annual Meeting
- d. Review and Approve Executive Director Salary Adjustment

4.2. *Standing Finance Committee (Chair: One Bear)*

- a. Review and Approve Quarterly Financial Statements

4.3. *Standing San Jose Sports Hall of Fame Committee (Chair: Weekes)*

- a. Accept Verbal Report on the 2024 San Jose Sports Hall of Fame Program

4.4. *Standing Facilities Committee (Co-Chairs: Ekern)*

- a. Accept Verbal Report on Activities at SAP Center at San Jose
- b. Accept Report on Invoice for Capital Repairs and Replacements

4.5. *Standing Stadium Committee (Chair: Nelson)*

- a. Review and Approve FY 2024-25 Capital Budget Recommendations for Excite Ballpark

4.6. *Ad Hoc Board Recruitment Committee (Chair: One Bear)*

- a. Accept Verbal Report on Current Board Vacancies (At Large and SJDA)

4.7. *Standing Community Programs Committee (Chair: One Bear)*

- a. Accept Report on City and Community Events Program Applicant
 - San Jose Sports Hall of Fame

5. Open Forum/Public Comments

6. Tour of Excite Ballpark Home of the San Jose Giants

You may speak to the Board about any discussion item that is on the agenda. You may also speak during Public Comments on items that are not on the agenda and are within the subject matter jurisdiction of the Board. Please be advised that, by law, the Board is unable to discuss or take action on issues presented during Public Comments.

7. Adjournment

PUBLIC RECORDS REQUESTS AND AMERICAN DISABILITY ACT

All public records relating to an open session on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the office of the San Jose Arena Authority, SAP Center at San Jose, 525 W. Santa Clara Street, San Jose CA 95113 at the same time that the public records are distributed or made available to the legislative body. To request an accommodation or alternative format for City-sponsored meetings, events or printed materials, please contact the San Jose Arena Authority at 408-977-4780 or contact wang@sjaa.com as soon as possible but at least three business days before the meeting/event.

* CODE OF CONDUCT * City Council Policy 0-37

The Code of Conduct is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, their Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.

PUBLIC PARTICIPATION AND TELECONFERENCE OPTION

Per City of San Jose Board and Commission Meeting Guidelines, members are now required to attend their board and commission meetings in person. Additionally, anyone from the public wanting to participate in a San Jose Arena Authority meeting may do so at no cost via Zoom teleconference. For electronic access to this Arena Authority meeting, please use the link and dial numbers below for a Zoom teleconference connection.

<https://us06web.zoom.us/j/85623692566>
Meeting ID: 856 2369 2566

One tap mobile
+16694449171,,85623692566# US
+16699006833,,85623692566# US (San Jose)

• +1 669 900 6833 US (San Jose)
Meeting ID: 856 2369 2566

THE LEVINE ACT

The Levine Act requires a Party in a Proceeding before the City of San José that involves any action related to their contract, license, permit, or use entitlement to disclose any campaign contributions to City elected or appointed officials totaling more than \$250 within the 12 months prior to the City decision. A Participant to a Proceeding may voluntarily report a campaign contribution. Please visit <https://www.sanjoseca.gov/your-government/appointees/city-clerk/levine-act> for updated forms and information.

October 9, 2024

San Jose Arena Authority

Regular Meeting of the Board of Directors

September 25, 2024

4:00 pm

Physical Location Below-Teleconference Information at the End of This Agenda

SAP Center at San Jose
525 W. Santa Clara Street
President's Room
San Jose, CA

Meeting Minutes

Board Members in Attendance

John Albers Dolores Montenegro
Cynthia Bojorquez Miyuki One Bear
Bill Ekern Ruth Shikada
Martin Flores Rusty Weekes
Michael Lomio

Board Members Not in Attendance

Rossmeri Alfaro Nanci Klein
Domingo Candelas Kyle Nelson
David Cohen George Sanchez
Traci Ferdolage

Staff in Attendance

Chris Morrisey (Executive Director)
Shelly Wang (Administrative Assistant)
Cameron Day (City Attorney's Office)

Guests in Attendance

Jon Gustafson (Sharks Sports & Entertainment)
Richard Rocha (Sharks Ice at San Jose)
Chris Shay (Sharks Sports & Entertainment)

1. **Call to Order/Roll Call/Introductions.** The Arena Authority convened the regular meeting of the Board of Directors at 4:09pm.
2. **General Business**
 - a. **Review and Approve June 26, 2024 Board Meeting Minutes.** Approved with 7 approvals and 1 abstention (Albers). 1st: Montenegro, 2nd: Weekes.
 - b. **Update on Vendor Activities at SAP Center at San Jose.** Chris Shay, Sharks Sports & Entertainment, presented some of the issues that SAP Center is faced with regarding unpermitted peddlers outside of the arena. Arena Authority Board members have asked staff to provide recent and past Council memos pertaining to the unpermitted peddlers.
3. **Executive Director and Staff Reports**
 - 3.1. **Executive Director (Morrisey)**
 - a. **Accept Verbal Reports on Arena Authority Oversight.** Tabled for October meeting.
 - **SAP Center at San Jose.**
 - **Sharks Ice at San Jose/Tech CU Arena.**
 - **Excite Ballpark Home of the San Jose Giants.**

- b. Accept Reports on Arena Authority Administrative Items. Tabled for October meeting.
 - VTA/BART Downtown/Diridon Community Working Group.
 - South Campus Operations Team (Verbal).
 - Emergency Services Council (Verbal).
- 3.2. Administrative Assistant (Wang)
- a. Accept Verbal Report on Activities at SAP Center at San Jose. In August, SAP Center at San Jose celebrated their 5,000th event with the Ringling Bros. /Barnum & Bailey Circus.
 - b. Accept Verbal Report on Activities at Sharks Ice at San Jose. Barracuda home opener will take place at Tech CU Arena on October 19. On November 22, Tech CU will host the San Jose Sharks Legends game.
 - c. Accept Verbal Report on Activities at Excite Ballpark Home of the San Jose Giants. No report.
 - d. Accept FY 2023-24 Arena Ticket Distribution Program Report. See notated item 3.2.d.
4. Committee Reports
- 4.1. Standing Executive Committee (Chair: Ekern)
- a. Accept Verbal Report on Arena Authority Areas of Engagement. Chair Ekern discussed the Arena Authority's anticipated involvement with the major projects planned adjacent to the arena.
 - b. Accept Board Committee Roster Document. See notated item 4.1.b.
- 4.2. Standing Finance Committee (Chair: One Bear)
- a. Update on Quarterly Financial Statements. SJAA quarterly financial statements will be included in the October Board meeting packet.
- 4.3. Standing San Jose Sports Hall of Fame Committee (Chair: Weekes)
- a. Accept Verbal Report on the 2024 San Jose Sports Hall of Fame Program. The San Jose Sports Hall of Fame program will take place on November 13 and induct: John Arrillaga, Robert Guerrero, Mike Holmgren and Kerri Walsh Jennings.
- 4.4. Standing Facilities Committee (Co-Chairs: Ekern, Ferdolage)
- a. Accept Verbal Report on Activities at SAP Center at San Jose. Tabled for October meeting,
- 4.5. Standing Stadium Committee (Chair: Nelson)
- a. Accept Verbal Report on October Board Meeting and Tour at Excite Ballpark Home of the San Jose Giants. The next Arena Authority Board meeting will take place on October 23 at Excite Ballpark Home of the San Jose Giants and will include a tour of the stadium.
- 4.6. Ad Hoc Board Recruitment Committee (Chair: One Bear)
- a. Accept Report on Board Member Reappointment. See notated item 4.6.a.
 - b. Accept Verbal Report on Current Board Vacancy (San Jose Downtown Association). The committee continues to seek candidates for the Arena Authority's SJDA representative Board vacancy.
- 4.7. Standing Community Programs Committee (Chair: One Bear)
- a. Update on Memorial Service for SJPD CSO Long Pham. See notated item 4.7.a. The Executive Director worked directly with SJPD on the service.

- b. Review and Approve City and Community Events Program Applicant.
 - San Jose Sports Hall of Fame. Approved as a \$50,000 credit from the CCE funds. 8 Approvals. 1st: Montenegro, 2nd: Weekes.
 - c. Review and Approve Updated City and Community Events Program Public Document.
Approved with 8 approvals. 1st: One Bear, 2nd: Montenegro
5. Open Forum/Public Comments. None.
 6. Adjournment. The meeting adjourned at 5:21pm.

Submitted by:

Shelly Wang



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Rosalynn Hughey
Jennifer Schembri

SUBJECT: Unpermitted Peddlers
Enforcement Pilot

DATE: September 11, 2024

Approved

Date:

9/12/24

INFORMATION

The purpose of this memorandum is to provide an update on staff actions to enhance enforcement of unpermitted food vending in alignment with City Council direction. Staff began coordinating various pilot enforcement strategies, including inspections by the City's Planning, Building, and Code Enforcement Department Code Enforcement Division and the County of Santa Clara Department of Environmental Health (County). This approach has had some early successes, though City and County staffing constraints remain the largest barrier to consistent enforcement. Staff will improve and refine these strategies to implement an enforcement plan for the 2024 downtown holiday events.

BACKGROUND

On September 17, 2018, Senate Bill (SB) 946 was signed by Governor Brown.¹ SB 946 requires cities to allow sidewalk vending (peddling) commencing on January 1, 2019. State law allows for two types of vendors: stationary (a person who vends from a fixed approved location) and roaming (a mobile vendor who moves from place to place and stops only to complete a transaction). The San José Police Department (SJPD) Permits Unit classifies these two types of vendors (respectively) as "approved location peddlers" and "mobile peddlers." Under SB 946, municipalities cannot enact blanket bans on approved location peddlers or mobile peddlers but can continue to reasonably regulate the time, place, and manner that vendors operate.

¹ https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB946

On October 8, 2019, City Council approved an ordinance amending Chapter 6.54 of the San José Municipal Code (Peddler Permit Ordinance)² to conform to state law.³ City Council also adopted a resolution amending the Administrative Citation Schedule of Fines in accordance with the maximum fine amounts allowable under SB 946.⁴ The City's Peddler Permit Ordinance includes, but is not limited to, the following regulations:

- Requires food peddlers to obtain and display a valid permit from SJPD and the County of Santa Clara Department of Environmental Health (County). Approved location peddlers must have their location approved by SJPD.
- No peddling is allowed within 500 feet of City-permitted temporary special events, such as street fairs, festivals, or parades.
- No peddling is allowed within 500 feet of schools, farmers' markets, flea markets, and swap meets during hours of operation.
- No peddling is allowed within 500 feet of SAP Center, PayPal Park, Excite Ballpark, and the San Jose McEnery Convention Center on event days.
 - Note: pursuant to the Arena Management Agreement, the City is contractually obligated to enforce the 500-foot rule at the SAP Center.

SB 946 prohibits the use of criminal penalties for approved location or mobile peddling violations. Cities are limited to the issuance of administrative citations. This change in state law shifted the primary enforcement authority of peddlers from SJPD to the Code Enforcement Division of the Planning, Building, and Code Enforcement Department. SB 946 requires consideration of a person's ability to pay for an administrative citation, including being a recipient of certain government benefits or having an income below the poverty level. If a person meets these criteria, the City must accept 20% payment of the fine amount to resolve the citation. In addition to dictating the maximum fee amount, SB 946 specifies that no additional fines or penalties may be assessed, including for failure to pay.

Following City Council's adoption of the updated Peddler Permit Ordinance, City staff conducted various outreach efforts to encourage compliance. The Office of Economic Development and Cultural Affairs (OEDCA), Code Enforcement Division, and SJPD partnered on outreach efforts at the 2019 downtown holiday events (Christmas in the Park, Downtown Ice, and Winter Wonderland) and the SAP Center.⁵ At a minimum, over 255 peddlers received flyers. This outreach aimed to educate peddlers on regulations, permitting options, and enforcement mechanisms for noncompliance.

The Fiscal Year (FY) 2023-2024 Adopted Budget included \$100,000 to address unpermitted peddling around the SAP Center and, subsequently, downtown holiday

² https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodeId=TIT6BULIRE_CH6.54PEPEOR

³ <https://sanjose.legistar.com/View.ashx?M=F&ID=7739782&GUID=E4E5ADF2-4F01-4BDE-95F4-0DE3B9DB8C50>

⁴ <https://records.sanjoseca.gov/Resolutions/RES2023-402.pdf>

⁵ <https://sanjose.legistar.com/View.ashx?M=F&ID=8197115&GUID=DE9AA6D4-69D6-4317-8168-9A0EEA5C1970>

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Subject: Unpermitted Peddlers Enforcement Pilot

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events. During the 2023 downtown holiday events, OEDCA organized outreach efforts with partners, including SJPD, the Fire Department, the Code Enforcement Division, the Department of Transportation (DOT), and the County. Outreach efforts with peddlers included multilingual City staff and promotores focused on education, safety interventions, and targeted Code Enforcement administrative citations for extreme safety concerns. In several cases, the threat of the citations resulted in the unpermitted peddlers demobilizing or substantially reducing the size of their operation. While these initial enforcement efforts helped raise peddler awareness of dangerous practices and the permitting process, they did not reduce the number of unpermitted vendors present.

The FY 2024-2025 Adopted Budget includes an additional \$100,000 for the continuation of a pilot program to promote health and safety in downtown through enforcement of the Peddler Permit Ordinance during the 2024 downtown holiday events.⁶ The FY 2024-2025 Mayor's March Budget Message included direction to advocate with the County at the state level for unpermitted vendor regulatory changes.⁷ The FY 2024-2025 Adopted Budget also includes \$20,000 for the Mesa Redonda program at Prosperity Lab to provide comprehensive training and incubation programs for local street vendors. OEDCA will manage this grant agreement. An additional \$78,000 in unexpended funds from the FY 2023-2024 Adopted Budget to address peddling around the SAP Center were rebudgeted to FY 2024-2025.

ANALYSIS

The impacts of unpermitted peddling on public safety, cleanliness, and pedestrian access continue to be a significant concern to downtown venues, event stakeholders, and businesses. Large, unpermitted peddler setups with open flames sometimes pose dangers for both peddlers and the public. Some peddlers set up public seating areas in the roadway, potentially obstructing first responder access in the event of an emergency. Other challenges include illegal alcohol sales, interference with ingress and egress to event sites, and large items such as tables, chairs, and tents chained to City infrastructure and obstructing the right of way.

In response to City Council direction, the City Manager's Office of Administration, Policy, and Intergovernmental Relations and OEDCA organized a working group (CMO working group) to explore and test the effectiveness of current City and County unpermitted peddler enforcement mechanisms at key sites. The enforcement strategies listed below are continuously evaluated to inform effective deployment during the 2024 downtown holiday events.

⁶ <https://www.sanjoseca.gov/home/showpublisheddocument/111497/638525773679170000>

⁷ <https://www.sanjoseca.gov/home/showdocument?id=111351>

Administrative Citations

The City enforces the Peddler Permit Ordinance through administrative citations issued by Code Enforcement Inspectors. Administrative citations can be issued to both food and merchandise peddlers. Code Enforcement requires SJPD presence when interacting with peddlers and issuing administrative citations to ensure staff safety. Rebudgeted FY 2023-2024 funds are being utilized for Code Enforcement Inspectors overtime to address ingress and egress concerns at SAP Center when SJPD officers are available. During these operations, Code Enforcement Inspectors have issued 23 administrative citations to date. Due to insufficient Secondary Enforcement Unit staffing to accompany inspectors, SJPD authorized a mix of City-sponsored overtime and on-duty personnel to support high-priority unpermitted peddler enforcement efforts on a very limited basis. SJPD continues seeking Secondary Enforcement Unit personnel for non-priority events.

SAP Code Enforcement Inspector operations occurred on the following dates:

- February 3, 2024;
- June 29, 2024;
- July 19, 2024;
- July 20, 2024;
- August 9, 2024;
- August 21, 2024; and
- August 28, 2024.

City-County Pilot Enforcement Activities

The County enforces California Health and Safety Code, Section 114381.⁸ This enforcement ensures that food peddlers have a valid County permit and adhere to safe food handling and storage practices to prevent foodborne illnesses. Under the California Health and Safety Code, the County may impound food and equipment found to be or suspected of being unsanitary. The County's authority to impound strengthens joint City-County unpermitted peddler enforcement operations. The CMO working group initiated a renewed effort to partner with the County on peddler enforcement efforts with SJPD present.

The first joint City-County enforcement operation occurred on July 20, 2024, outside of the Capitol Flea Market. While outside of downtown, the severe public safety concerns related to the peddlers and seating areas in the roadway prompted action. County inspectors issued cease-and-desist notices and impounded approximately 400 pounds of food. As of August 17, 2024, the roadway remains clear of peddler seating areas. Before this operation, the SJPD Crime Prevention team engaged the peddlers in the

⁸ https://california.public.law/codes/ca_health_and_safety_code_section_114381.2

area and provided information on becoming permitted. At least one peddler is working with Prosperity Lab on a business plan to operate from an approved location.

The City and County conducted joint enforcement actions at the SAP Center on August 9, 2024, and August 28, 2024. County inspectors first provided warnings and educational materials, which caused most unpermitted peddlers to stop operating. No food needed to be confiscated by the County, and the areas around the SAP Center remained clear.

The CMO working group will coordinate additional City-County enforcement operations focusing on the SAP Center, Civic Center, and the San Jose McEnery Convention Center through at least September 2024. While pilot findings are preliminary, County engagement appears to deter unpermitted peddlers more than Code Enforcement and SJPD presence alone. Subsequently, the CMO working group will collaborate with the County on enforcement partnership options for the 2024 downtown holiday events.

Illegal Alcohol Sales

Downtown stakeholders increasingly raise concerns about illegal alcohol sales outside of events and brick-and-mortar bars and restaurants. Unlike peddling, unpermitted alcohol sale is a criminal offense and is enforced by SJPD. Beginning in April 2024, the CMO working group partnered with SJPD to ramp up undercover alcohol operations downtown. During these enforcement operations, an undercover officer attempts to buy alcohol and can issue criminal citations and make arrests. In November-December 2023 and April-July 2024, SJPD conducted 21 operations, resulting in 21 citations.

Right of Way Obstructions

Unpermitted peddlers sometimes leave tents, chairs, tables, and other equipment in the right of way and, at times, chained to City or private property such as fences, light poles, and trees. Peddlers presumably do this to “save a spot” in a desirable location with heavy foot traffic. This defaces public property, creates a visually unappealing landscape downtown, and can restrict safe pedestrian passage. Chapter 13.24 of the San José Municipal Code gives DOT broad authority to remove items that obstruct areas of the street or sidewalk, even if those areas are still passable by pedestrians or vehicles.⁹ The CMO working group partnered with the City Attorney’s Office and DOT to draft a standard operating procedure for removing peddler items left in the public right-of-way.

DOT is partnering with the CMO working group on an obstruction enforcement pilot downtown through at least September 2024. This pilot will be refined to maximize effectiveness during the 2024 downtown holiday events. The goal is to change behavior

⁹ https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodeId=TIT13STSIPUPL_CH13.24STSI0B

and deter peddlers from leaving items in public areas. When obstructions are identified, the working group coordinates the deployment of the DOT complaint truck to remove items and transport them to the Mabury Yard. When items are removed, multilingual signage with contact information is posted. Under Chapter 13.24.030 of the San José Municipal Code, the City is required to store items for ten days.¹⁰ The City is not currently charging property owners for retrieval of items.

In late July 2024, the CMO working group began monitoring the areas around the SAP Center and the Civic Center Plaza for obstructions, particularly before and after major events. The complaint truck was deployed around the SAP Center on July 25, 2024, and 12 tents were transported to the Mabury Yard. Several peddlers arrived during the operation, and CMO working group staff facilitated the retrieval of items from the truck. Two calls were received about removed items, and retrieval was coordinated with DOT yard staff. The complaint truck was also deployed at the Convention Center on August 16, 2024. One chained tent was removed and transported to the Mabury Yard.

No Parking and Tow Zones

The CMO working group also encounters illegal parking challenges related to unpermitted peddling. The primary challenge is unpermitted peddlers parking vehicles in No Parking, Red Zones, and Passenger Loading Zones for extended periods before, during, and after events. These illegally parked vehicles can disrupt traffic flow, impede emergency vehicle access, and complicate event logistics. Strategies to increase parking compliance during the 2024 downtown holiday events include sturdier temporary tow-away signage and exploring strategies to enhance enforcement of temporary tow zones during peak event days and times.

Peer City Analysis

The CMO working group analyzed other cities' approaches to unpermitted peddling, including Santa Clara, Sacramento, Long Beach, San Francisco, and San Diego. Growing concerns by event organizers, professional sports, and brick-and-mortar restaurants have motivated all cities to increase unpermitted peddling enforcement. Some strategies adopted by other cities could be considered in San José should the City Council desire to allocate ongoing resources and staffing for unpermitted peddling enforcement.

The City of Santa Clara is working with the County to conduct unpermitted peddler enforcement at Levi's Stadium events. The CMO working group shadowed an operation at Levi's Stadium, observing the County issue ten impound notices to unpermitted peddlers and fill a dumpster with confiscated food. The City of Sacramento recently

¹⁰https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodeId=TIT13STSIPUPL_CH13.24STSIOB_13.24.030UNPRALAUISPR

allocated funding for a nighttime Code Enforcement team of six full-time employees at \$650,000 annually to address unpermitted peddling and other common nighttime business compliance issues. This Code Enforcement team partners with Sacramento County to impound food and abandoned peddler equipment with a focus on maintaining clear ingress and egress at the Golden 1 Center.

Of particular interest to San José downtown stakeholders is the approach adopted by the City of San Diego. The City of San Diego updated its Sidewalk Vending Ordinance to give itself the authority to impound peddler food and equipment for operating without a San Diego County Environmental Health Permit.¹¹ The City of San Diego may also impound food and equipment for refusing to provide identification to a Code Enforcement Inspector, leaving items unattended, and obstructing pedestrian or vehicular movement, in addition to other grounds. The City of San Diego uses on-duty police officers to initiate impound, and a hazardous material contractor arrives to collect and store impounded items. As of June 17, 2024, the City of San Diego has impounded 28 peddler carts and 17 pounds of propane tanks. The City of San Diego has spent \$32,000 on the hazardous material contract. City of San José staff are exploring this model.

State Advocacy

The City Manager's Office of Administration, Policy, and Intergovernmental Relations is still developing specific state advocacy strategies to address unpermitted peddling in response to the Mayor's March Budget Message¹². The 2024 Legislative Program includes an item to support legislation that gives back local control to regulate, safely support, and facilitate mobile food vendors through effective enforcement mechanisms while maintaining health and safety, supporting small businesses, and addressing racial and socio-economic equity issues.

In recent years, there have been efforts in the legislature to address peddling and the economic vibrancy of brick-and-mortar establishments more broadly. SB 925 (Wiener) would have authorized the City and County of San Francisco to adopt an ordinance requiring a permit to sell merchandise commonly targeted during retail theft on public property. This legislation did not proceed in the legislative process. Further conversations with the author's office will take place in advance of the 2025-2026 Legislative Session. The City is also currently sponsoring SB 969 (Wiener), which would allow licensed brick-and-mortar bars and restaurants to sell alcoholic beverages in off-premises entertainment zones. The bill preserves local control for cities to determine the parameters of entertainment zones and enables brick-and-mortar establishments to reap the economic benefits of outdoor activation. Staff will work with the City's delegation to explore legislative avenues to address unpermitted vending during the next legislative session.

¹¹ <https://docs.sandiego.gov/municode/MuniCodeChapter03/Ch03Art06Division01.pdf>

¹² <https://www.sanjoseca.gov/home/showpublisheddocument/111497/638525773679170000>

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Next Steps

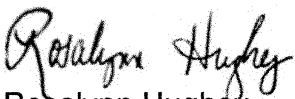
The CMO working group will continue coordinating Code Enforcement overtime staffing to issue administrative citations, County partnerships to impound food, SJPD operations to address illegal alcohol sales, and right-of-way obstructions operations with DOT.

These strategies will be evaluated and refined to deploy unpermitted peddling enforcement during the 2024 downtown holiday events. While there have been some early successes in utilizing these enforcement strategies, deploying adequate staffing resources to deter all unpermitted vending for the duration of the 2024 downtown holiday events will be challenging. Unpermitted peddling enforcement is not currently resourced long-term or Citywide, and City and County staffing is largely dependent on volunteer overtime shifts outside of business hours. Education has not had a meaningful impact on increasing peddler permits, and many peddlers operate in a manner that is not permissible under City or County requirements.

With these staffing limitations, the 2024 downtown holiday events enforcement strategy will concentrate enforcement efforts early. In addition to the outlined enforcement strategies, OEDCA is working with downtown holiday event organizers on curated space activation to deter unpermitted vending through environmental design.

COORDINATION

This memorandum was coordinated with the City Attorney's Office, the City Manager's Budget Office, OEDCA, the City Manager's Office of Administration, Policy, and Intergovernmental Relations, the Planning, Building and Code Enforcement Department, SJPD, and Transportation Department, and the County of Santa Clara Department of Environmental Health,



Rosalynn Hughey
Deputy City Manager
City Manager's Office



Jennifer Schembri
Deputy City Manager
City Manager's Office

For questions, please contact Kailyn Kenney, Assistant to the City Manager, City Manager's Office of Administration, Policy, and Intergovernmental Affairs at kailyn.kenney@sanjoseca.gov.



August 1, 2024

Councilmember Omar Torres
Councilmember Devorah "Dev" Davis
City of San José
200 East Santa Clara Street
San José, CA 95113 José

Councilmember Torres and Councilmember Davis,

I hope this message finds you well. On behalf of Sharks Sports & Entertainment (SSE), I want to express our sincere appreciation for your ongoing support of the event economy in downtown San José. Your dedication is crucial to our community's vitality.

Today, I am reaching out regarding a pressing issue affecting all San José event spaces, including SAP Center, SJ Civic, the Convention Center, and notably, Christmas in the Park. Along with other concerned stakeholders, SSE has been in discussions with City staff regarding significant safety concerns stemming from unlicensed and unsafe vendor activities at these venues. While I can provide detailed insights into the situation at SAP Center, similar challenges are widespread throughout our downtown area.

For years, SSE has engaged with various City departments (including SJPd, SJFD, OED, OCA and the City Manager's office) to try to resolve the problems created by the vendors. Substantial effort has been put forward by many outstanding City staff members. Unfortunately, those efforts have not yielded any meaningful results. Recent events, such as the July 6th concert at SAP Center, have underscored pervasive unresolved safety issues exacerbated by inadequate oversight of vendor activities and failure to enforce existing regulations. Despite our proactive communications with City partners in the months leading up to the July 6, 2024 event (during which we highlighted potential safety risks), our requests for police presence dedicated to this issue went unmet. Even when we have adequate SJPd staffing, the limitations placed upon them dramatically reduce their effectiveness.

Specific issues observed on July 6th include:

- Multiple unauthorized "bars" distributing alcohol, including beer and hard shots, without proper ID checks.
- Over 100 hot dog carts positioned around SAP Center, obstructing exits and exacerbating safety risks.
- Incidents of individuals, including a child, immediately in harm's way adjacent to Santa Clara Street traffic.
- Vendors trespassing onto the ABC parking lots, creating hazardous conditions including impeding safe vehicle exits.
- Garbage, grease and other debris from vendor activities, requiring post-event clean-up efforts funded by SSE and SJDA's Groundwerx, unfairly placing the cost of clean-up upon law-abiding downtown businesses supporting the PBID.

This situation highlights a critical need for your support, along with that of the City Manager and Mayor, to address ongoing, unchecked vendor activities that threaten the safety of event patrons, City staff, venue staff and the vendors themselves.

It's worth noting that cities like San Diego, Orange and Sacramento have effectively addressed similar issues near their arenas and stadiums through proactive regulation. We urge the City of San José to take decisive action by adopting similar ordinances and policies as soon as possible – before someone gets hurt. Improved regulation and enforcement is essential.

San Diego in particular has provided San José with an example of an efficient, effective and fair enforcement solution for the unlicensed vendor situation, resulting in significant benefits from greatly enhanced compliance. They have protected their existing business community, created a path towards legal status for interested San Diego vendors, and lowered their police costs, all through focused enforcement techniques. Most important, they have drastically improved the safety around Petco Park and within their downtown/Gaslamp district.

The key reform undertaken by San Diego was to allow police officers to impound equipment and goods from vendors who refused to comply with their sidewalk vendor ordinance – and to have the police proactively conduct impoundment activities in areas of high concern for public health, fire access, safety and welfare.

Across the state, impoundment is the only technique that has proven effective to stop vendors who are out of compliance and willfully disobeying city laws. We strongly believe that it is now time for the City of San José to join the "best practices" demonstrated by other cities, by amending its ordinances and policies to provide for impounding vendor equipment and goods to stop the continuing lawlessness.

We request a meeting with the City Manager to discuss how the downtown business community can help facilitate this initiative, and seek your endorsement to create a safer environment for all. While we understand the complexity of vending regulations, we are willing to help devote our time and resources to help craft a regulatory and enforcement solution that is appropriate for San José, focusing primarily on the need to relocate all vendors off of the SAP Center leased property

and the surrounding intersections, to ensure safer entry and exit. We believe similar measures would benefit other downtown venues and Christmas in the Park.

In closing, I echo the sentiments of an SJFD staff member who emphasized the predictability and preventability of hazards posed by mobile vendors obstructing exits. We cannot ignore the liability implications for the City and its employees.

“I hope this email provides sufficient information to illustrate the predictable, preventable, and disastrous outcomes that will occur should we fail to address the issue of sidewalk vendors blocking exits or congesting known exit discharges. Our knowledge of this danger could very likely expose the City and it's employees to ruinous liability. For all of these reasons, I strongly encourage the City of San Jose and it's employees to act to control this situation.”

Council Member Torres and Council Member Davis, can we count on your support to prioritize this issue before a serious incident occurs at one of our great San José venues?

Thank you for your attention to this urgent matter.

Best regards,

Chris Shay

Chris Shay
Senior V.P. for Government Affairs
Sharks Sports & Entertainment LLC

cc : City of San José Mayor's Office
City Councilmembers Offices
City of San José City Manager's Office
Lucy Lofrumento, Strategy Law

Attached :

City of San Diego Staff Report re Sidewalk Vending Ordinance (February 6, 2024)
Excerpt of San Diego Vendor Ordinance 36.0111 – Impounding Vending Equipment
San Diego Sidewalk Vending Regulations At-a-Glance Summary



San Jose Arena Authority

Board of Directors Staggered Term Document September 2024

<u>Board Member</u>	<u>2025 End of Term</u>	<u>End of Term</u>
1. John Albers, At Large	6/30/25	6/30/29*
2. Vacant, At Large (Ferdolage)	6/30/25	6/30/29*
3. Miyuki One Bear, At Large	6/20/25	6/30/29*
4. Bill Ekern, Neighborhood Rep	6/30/25	6/30/29*
<u>Board Member</u>	<u>2026 End of Term</u>	<u>End of Term</u>
5. Rusty Weekes, At Large	6/30/26*	-----
6. George Sanchez, Neighborhood Rep	6/30/26	6/30/30*
7. Kyle Nelson, At Large	6/30/26	6/30/30*
8. Ruth Shikada, At Large**	6/30/26 (partial)	6/30/30
<u>Board Member</u>	<u>2027 End of Term</u>	<u>End of Term</u>
9. Cynthia Bojorquez, At Large	6/30/27	6/30/31*
10. Martin Flores, At Large	6/30/27	6/30/31*
11. Dolores Montenegro, At Large	6/30/27	6/30/31*
<u>Board Member</u>	<u>2028 End of Term</u>	<u>End of Term</u>
12. Vacant, SJDA (Walia)	6/30/28	-----
13. Rosmeri Alfaro, At Large**	6/30/28	6/30/32*

* End of Last Term

**Board members finishing partial terms and are eligible to serve two four-year terms.

San Jose Arena Authority

Budget vs. Actuals: FY 2023-2024 Operating Budget - FY24 P&L
July 2023 - June 2024

SJAA Board Meeting
October 23, 2024
Agenda Item 4.2.a.

	JUL - SEP, 2023		OCT - DEC, 2023		JAN - MAR, 2024		APR - JUN, 2024		TOTAL	
	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
Revenue										
Additional Rent for Solar4America Ice at San Jose	114,088	28,522		28,522		28,522		28,522	\$114,088	\$114,088
City Funding	258,687	64,672		64,672		64,672		64,672	\$258,687	\$258,687
Interest Earned	35	25	43	25	35	25	26	25	\$139	\$100
Total Revenue	\$372,810	\$93,219	\$43	\$93,219	\$35	\$93,219	\$26	\$93,219	\$372,914	\$372,875
GROSS PROFIT	\$372,810	\$93,219	\$43	\$93,219	\$35	\$93,219	\$26	\$93,219	\$372,914	\$372,875
Expenditures										
General Operations/Administrative									\$0	\$0
Advertising/Promotional	180	250	180	250	180	250	120	250	\$660	\$1,000
Bank Charges & Fees	30	62	30	62	30	62	30	63	\$120	\$250
Board Expense	400	1,250	1,214	1,250	1,752	1,250	320	1,250	\$3,686	\$5,000
Bookkeeping Services	225	625	700	625	300	625	604	625	\$1,829	\$2,500
Delivery and Postage	210	75		75		75	11	75	\$221	\$300
Equipment Lease/ Maintenance/PO Box	355	425		425		425		425	\$355	\$1,700
Insurance	1,789	2,500	1,718	2,500	1,735	2,500	1,738	2,500	\$6,979	\$10,000
License & Tax							100		\$100	\$0
Miscellaneous Operating Reserve		750		750		750		750	\$0	\$3,000
Office Expense	244	375	477	375	278	375	298	375	\$1,297	\$1,500
Office Supplies	130	250		250		250		250	\$130	\$1,000
Parking & Toll	10		5				10		\$24	\$0
Subscriptions/Dues	578	375	741	375	685	375	625	375	\$2,629	\$1,500
Telephone/FAX	291	375	270	375	332	375	321	375	\$1,214	\$1,500
Total General Operations/Administrative	4,441	7,312	5,334	7,312	5,292	7,312	4,176	7,313	\$19,244	\$29,250
Legal & Professional Fees		3,000		3,000	1,500	3,000		3,000	\$1,500	\$12,000
Personnel and related expenses									\$0	\$0
Employee Benefits	1,466	4,625	1,281	4,625	1,491	4,625	1,381	4,625	\$5,619	\$18,500
Payroll Expense									\$0	\$0
Payroll Taxes	5,671	5,000	1,827	5,000	5,903	5,000	5,250	5,000	\$18,651	\$20,000
Salaries	74,133	66,170	63,631	66,170	74,236	66,170	68,631	66,170	\$280,631	\$264,680
Total Payroll Expense	79,805	71,170	65,458	71,170	80,139	71,170	73,881	71,170	\$299,282	\$284,680
Total Personnel and related expenses	81,270	75,795	66,739	75,795	81,630	75,795	75,262	75,795	\$304,901	\$303,180
Program Expenses									\$0	\$0
Business Meetings.Meals	296	625	163	625	730	625	283	625	\$1,472	\$2,500
Collateral Materials		1,000		1,000		1,000		1,000	\$0	\$4,000
SHOF		1,000		1,000		1,000	6,000	1,000	\$6,000	\$4,000
Total Program Expenses	296	2,625	163	2,625	730	2,625	6,283	2,625	\$7,472	\$10,500
Total Expenditures	\$86,008	\$88,732	\$72,236	\$88,732	\$89,152	\$88,732	\$85,722	\$88,733	\$333,117	\$354,930
NET OPERATING REVENUE	\$286,802	\$4,486	\$ -72,193	\$4,486	\$ -89,118	\$4,486	\$ -85,695	\$4,486	\$39,797	\$17,945
NET REVENUE	\$286,802	\$4,486	\$ -72,193	\$4,486	\$ -89,118	\$4,486	\$ -85,695	\$4,486	\$39,797	\$17,945

San Jose Arena Authority

Budget vs. Actuals: FY 2023-2024 Operating Budget - FY24 P&L

April - June, 2024

SJAA Board Meeting
October 23, 2024
Agenda Item 4.2.a.

	APR 2024		MAY 2024		JUN 2024		TOTAL	
	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET
Revenue								
Additional Rent for Solar4America Ice at San Jose		9,507		9,507		9,507	\$0	\$28,522
City Funding		21,557		21,557		21,557	\$0	\$64,672
Interest Earned	10	8	9	8	8	8	\$26	\$25
Total Revenue	\$10	\$31,073	\$9	\$31,073	\$8	\$31,073	\$26	\$93,219
GROSS PROFIT	\$10	\$31,073	\$9	\$31,073	\$8	\$31,073	\$26	\$93,219
Expenditures								
General Operations/Administrative							\$0	\$0
Advertising/Promotional	60	83	60	83		83	\$120	\$250
Bank Charges & Fees	10	21	10	21	10	21	\$30	\$63
Board Expense		417		417	320	417	\$320	\$1,250
Bookkeeping Services	150	208		208	454	208	\$604	\$625
Delivery and Postage		25	11	25		25	\$11	\$75
Equipment Lease/ Maintenance/PO Box		142		142		142	\$0	\$425
Insurance	579	833	579	833	580	833	\$1,738	\$2,500
License & Tax			100				\$100	\$0
Miscellaneous Operating Reserve		250		250		250	\$0	\$750
Office Expense	154	125	89	125	55	125	\$298	\$375
Office Supplies		83		83		83	\$0	\$250
Parking & Toll					10		\$10	\$0
Subscriptions/Dues	215	125	199	125	211	125	\$625	\$375
Telephone/FAX	121	125	100	125	100	125	\$321	\$375
Total General Operations/Administrative	1,289	2,437	1,148	2,437	1,740	2,438	\$4,176	\$7,313
Legal & Professional Fees		1,000		1,000		1,000	\$0	\$3,000
Personnel and related expenses							\$0	\$0
Employee Benefits	521	1,542	421	1,542	440	1,542	\$1,381	\$4,625
Payroll Expense							\$0	\$0
Payroll Taxes	2,005	1,667	1,623	1,667	1,623	1,667	\$5,250	\$5,000
Salaries	26,210	22,057	21,210	22,057	21,210	22,057	\$68,631	\$66,170
Total Payroll Expense	28,215	23,723	22,833	23,723	22,833	23,723	\$73,881	\$71,170
Total Personnel and related expenses	28,736	25,265	23,253	25,265	23,273	25,265	\$75,262	\$75,795
Program Expenses							\$0	\$0
Business Meetings.Meals		208	121	208	163	208	\$283	\$625
Collateral Materials		333		333		333	\$0	\$1,000
SHOF		333		333	6,000	333	\$6,000	\$1,000
Total Program Expenses		875	121	875	6,163	875	\$6,283	\$2,625
Total Expenditures	\$30,025	\$29,577	\$24,521	\$29,577	\$31,176	\$29,578	\$85,722	\$88,733
NET OPERATING REVENUE	\$ -30,015	\$1,495	\$ -24,513	\$1,495	\$ -31,168	\$1,495	\$ -85,695	\$4,486
NET REVENUE	\$ -30,015	\$1,495	\$ -24,513	\$1,495	\$ -31,168	\$1,495	\$ -85,695	\$4,486

San Jose Arena Authority

Statement of Activity

April 2024

SJAA Board Meeting

October 23, 2024

Agenda Item 4.2.a.

	TOTAL
Revenue	
Interest Earned	9.77
Total Revenue	\$9.77
GROSS PROFIT	\$9.77
Expenditures	
General Operations/Administrative	
Advertising/Promotional	59.99
Bank Charges & Fees	10.00
Bookkeeping Services	150.00
Insurance	578.84
Office Expense	154.28
Subscriptions/Dues	214.99
Telephone/FAX	120.62
Total General Operations/Administrative	1,288.72
Personnel and related expenses	
Employee Benefits	520.50
Payroll Expense	
Payroll Taxes	2,005.08
Salaries	26,210.22
Total Payroll Expense	28,215.30
Total Personnel and related expenses	28,735.80
Total Expenditures	\$30,024.52
NET OPERATING REVENUE	\$ -30,014.75
NET REVENUE	\$ -30,014.75

San Jose Arena Authority

Statement of Activity

May 2024

SJAA Board Meeting

October 23, 2024

Agenda Item 4.2.a.

	TOTAL
Revenue	
Interest Earned	8.88
Total Revenue	\$8.88
GROSS PROFIT	\$8.88
Expenditures	
General Operations/Administrative	
Advertising/Promotional	59.99
Bank Charges & Fees	10.00
Delivery and Postage	10.88
Insurance	578.80
License & Tax	100.00
Office Expense	88.68
Subscriptions/Dues	198.99
Telephone/FAX	100.22
Total General Operations/Administrative	1,147.56
Personnel and related expenses	
Employee Benefits	420.50
Payroll Expense	
Payroll Taxes	1,622.58
Salaries	21,210.22
Total Payroll Expense	22,832.80
Total Personnel and related expenses	23,253.30
Program Expenses	
Business Meetings.Meals	120.61
Total Program Expenses	120.61
Total Expenditures	\$24,521.47
NET OPERATING REVENUE	\$ -24,512.59
NET REVENUE	\$ -24,512.59

San Jose Arena Authority

Statement of Activity

June 2024

SJAA Board Meeting
October 23, 2024
Agenda Item 4.2.a.

	TOTAL
Revenue	
Interest Earned	7.53
Total Revenue	\$7.53
GROSS PROFIT	\$7.53
Expenditures	
General Operations/Administrative	
Bank Charges & Fees	10.00
Board Expense	320.30
Bookkeeping Services	453.75
Insurance	580.09
Office Expense	54.82
Parking & Toll	9.50
Subscriptions/Dues	210.99
Telephone/FAX	100.22
Total General Operations/Administrative	1,739.67
Personnel and related expenses	
Employee Benefits	440.18
Payroll Expense	
Payroll Taxes	1,622.59
Salaries	21,210.22
Total Payroll Expense	22,832.81
Total Personnel and related expenses	23,272.99
Program Expenses	
Business Meetings.Meals	162.88
SHOF	6,000.00
Total Program Expenses	6,162.88
Total Expenditures	\$31,175.54
NET OPERATING REVENUE	\$ -31,168.01
NET REVENUE	\$ -31,168.01

San Jose Arena Authority

Memorandum

To: Claudia Chang, City Manager's Budget Office
Jim Shannon, Budget Director

From: Chris Morrisey, Executive Director

Subject: Invoice for Reimbursement for Capital Repairs and Replacements at
SAP Center at San Jose

Date: September 16, 2024

Please find attached one invoice and supporting documents relating to City Council-approved capital repairs and replacements for SAP Center at San Jose.

*SAP Center at San Jose Invoice
Capital Repairs and Replacements*

<u>Invoice Number</u>	<u>Invoice Amount</u>	<u>Invoice Date</u>
90002457 (FY 23-24)	\$324,762.23	7/29/24

Please note that I have taken an opportunity to inspect the work listed on the invoice with Jon Gustafson, Senior Vice President with SAP Center Management, and have found the work to be of a satisfactory nature. I have also reviewed the invoice and supporting documents and have found them to be accurate and complete. One item (lighting systems) was not approved in this fiscal year budget but is included in the invoice for \$26,521.

If you have any comments or questions relating to these items, please contact me directly at morrisey@sjaa.com. Also, please advise the Arena Authority when you anticipate sending the reimbursement check.

cc: Members of the San Jose Arena Authority Board of Directors

San Jose Arena Authority

Memorandum

To: Members of the Arena Authority Board of Directors
From: Kyle Nelson, Chairperson, Stadium Committee
Chris Morrisey, Executive Director
Subject: Recommendations for Capital Projects at Excite Ballpark Home of the San Jose Giants
Date: October 23, 2024

On October 23, representatives from the Stadium Committee, the City and the San Jose Giants toured Excite Ballpark Home of the San Jose Giants to discuss and review a stadium capital plan for FY 2024-25. During the tour, the following capital items were presented for consideration:

<u>Item</u>	<u>Cost</u>
• Electrical Work (VIP Deck, BBQ and Clubhouses)	\$81,555
• Left Field Line (AC Repair and Anchored Shade Structure)	<u>\$75,000</u>
• Grand Total	*156,555

**Any actual costs that exceed the San Jose Giants deposit into the Stadium Capital Reserve Fund will be absorbed by the Giants. Please see the deposit details below.*

Please note that per the terms of the stadium lease and management agreement, the Giants deposit annual payments into the Stadium Capital Reserve Fund. The fund is designated solely for stadium capital repairs and replacements. Below is a breakdown of the Giants' deposits into the Stadium Capital Reserve Fund for 2024:

<u>Item</u>	<u>Deposit</u>
• 2024 Excite Credit Union Naming Rights Payment	\$113,589
• 2024 Stadium Gross Receipts/Video Revenue	<u>\$41,430</u>
• Grand Total	\$155,019

Additionally, the City and the San Jose Giants have been in discussions about addressing a significant upgrade to the stadium to address MLB/MiLB standards. These discussions are ongoing.

- c. Claudia Chang, City Manager's Budget Office
Walter Lin, Department of Public Works
Ryan Rucker, Department of Public Works
Ben Taylor, San Jose Giants
Jennifer Tell, City Manager's Budget Office

San Jose Giants Proposed 2024/2025 Capital Expenditures

Project	Estimated Amount	Comments
Electrical Work (VIP Deck, BBQ and Clubhouses)	\$ 81,554.82	
Left Field Line (AC Repair and Anchored Shade Structure)	\$ 75,000.00	
Proposed Projects Total	\$ 156,554.82	*Note that should any proposed projects exceed the Capital Fund, the San Jose Giants will pay any
City Capital Fund	\$ 155,018.77	