



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Vice Mayor Magdalena Carrasco
Councilmember Raul Peralez
Councilmember Chappie Jones

SUBJECT: VACANT STOREFRONT
INITIATIVE

DATE: November 3, 2017

Approved by:

Date: 11/3/17

RECOMMENDATION

Accept the staff report and establish a pilot mandatory registration program for storefronts in Downtown San José that have been vacant for 30 days and have ***not*** fulfilled the requirements outlined in the staff memorandum.

BACKGROUND

We thank staff for their work these past two years in bringing this initiative to the City Council. Vacant storefronts have long been considered a nuisance for not only Downtown but for the City at large. Business corridors that were originally envisioned as vibrant commercial hubs have been degraded by not only the lack of activation but the blight created by certain properties, deterring future investments and potential revenue to neighboring businesses.

We acknowledge that the market may occasionally not be in the favor of property owners and the need to wait for a suitable tenant is warranted. However, what we will ***not*** tolerate is the negligence of a minority of storefront property owners, many absentee, who allow their properties to be consumed by blight, creating harmful effects on the community. The staff recommendations clearly make the distinction as to who would qualify for this expansion of the City's pre-existing vacant building program.

Furthermore, the City has long been an advocate for incentivizing property owners to activate their ground floor storefronts through programs such as the Storefronts Grant initiative, providing permit fee relief which can be reinvested towards other tenant improvements. The program has been so popular that a waiting list has been created.

We our colleagues to consider supporting the continuance and, even, enhancement of this program in the future.

Ultimately, we hope that this program will not only make our commercial corridors cleaner and more attractive for potential tenants but incentivize our property owners to explore creative activations such as pop-up retail and temporary community uses. While this pilot may begin in Downtown, we hope that the effects will ripple into a potential expansion to address this City-wide issue of blighted, vacant storefronts.