

8.1 - Agreement with Estolano Advisors for Economic Studies for the Berryessa Flea Market

August 30, 2022

San Jose City Council Meeting

Office of Economic Development and Cultural Affairs

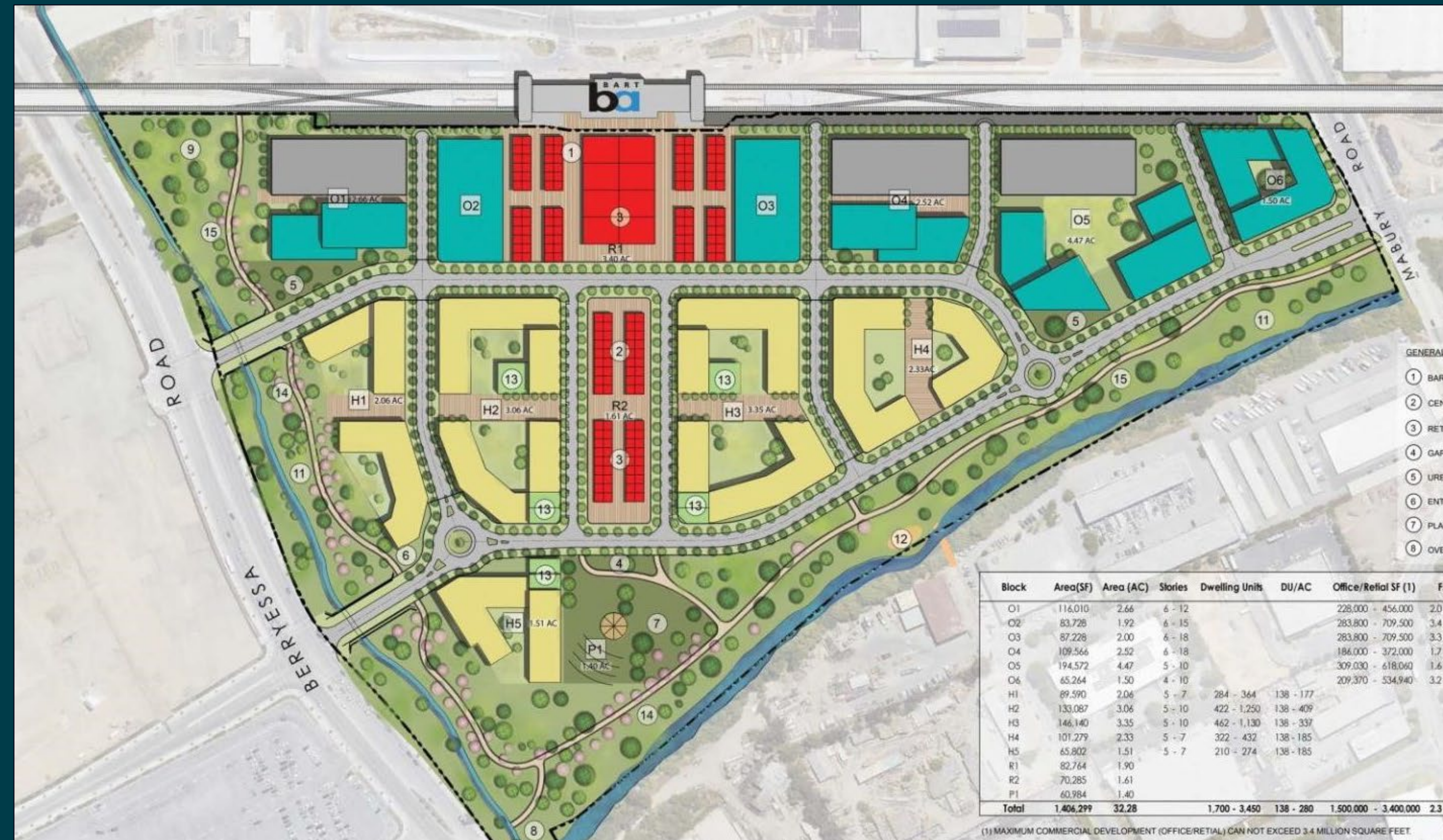
Nanci Klein, Director

Lori Severino, Assistant to the City Manager

Adolfo Ruelas, Business Development Officer



| Background



June 29, 2021: Council approved the Flea Market Southside Rezoning Project, including various provisions intended to support the vendors

| City Council Direction - June 2021

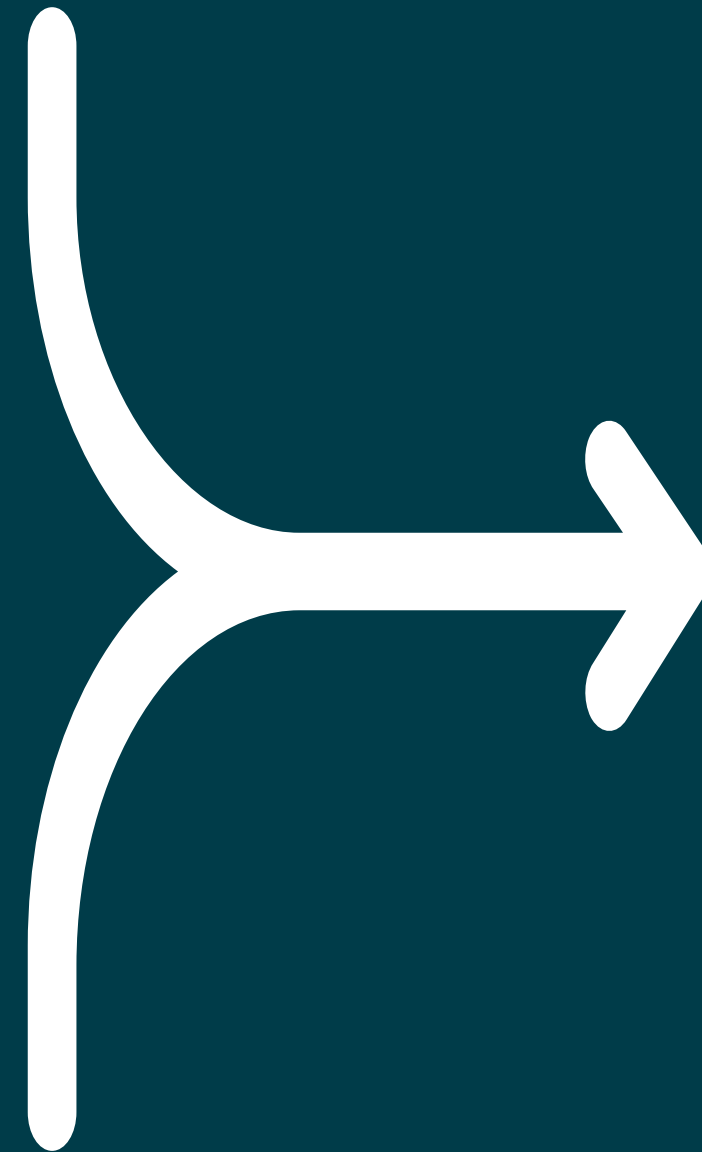
Vendor outreach and resources

Vendor Transition Fund

Flea Market Advisory Group

5-acre, on-site Urban Market

Economic/feasibility studies



Support Berryessa
Flea Market vendors
through the
redevelopment of
the site

| Why are we here today?

1. Authorize CMO to negotiate and execute a consultant agreement with Estolano Advisors for \$350,000
2. Approve budget actions:
 - a) Carry over unspent funds in the Flea Market appropriation from last fiscal year to this fiscal year - enabling execution of consultant agreements
 - b) Allocate \$100,000 from the \$2.5M reserved for the Flea Market Vendor Transition Fund for outreach and language access services

Work to Date

VIRTUAL EBT VENDOR PROGRAM INFO SESSION

August 11, 2022

2:00 PM

Via Zoom

Speaker :
Lisa Roach
*Marketlink EBT
Program Expert*

Are you a vendor
Interested in accepting
EBT? Register to learn
more!



Register Here:



What is happening with the San José Flea Market?

On June 29, 2021, the City Council approved a rezoning for the flea market allowing up to 3,450 homes and up to 3.4 million square feet for commercial uses. The new zoning also requires parks and open space and five acres for an urban market.

When could the market close?

The property owner must provide a one-year notice to vendors before removing any stalls for any construction work; they cannot provide this notice before July 2023, meaning the existing Flea Market cannot close until July 2024 at the earliest.

What will happen to vendors?

A primary goal of the requirement for a five-acre market is to enable many of the existing vendors to stay in this location. Other options may include relocating to another site, with other vendors or individually.

The approved project includes \$5 million for a Vendor Business Transition Fund. The primary purpose of the Fund is to cover direct expenses that vendors experience due to redevelopment of the site, such as moving costs.

Also, the approvals included two new provisions intended to provide more certainty for the vendors about their ability to operate at the Flea Market until redevelopment occurs:

- All vendors who follow the rules and terms in their agreement to rent a stall at the market shall not be evicted prior to the planned closure or relocation of the market.
- Any existing vendor of record on July 1, 2021 can opt-in to 6-month agreements.

Where can I get more information?

Visit sanjoseca.gov/fleamarketvendors, email fleamarketsj@sanjoseca.gov or call 408-535-8181 to learn more. You can also join a mailing list to stay up to date on news, resources and announcements.



Office of Economic Development
200 E. Santa Clara St., 17th Fl.
San Jose, CA 95113

STAY CONNECTED

Sign Up for Updates from the City Special for Flea Market Vendors

fleamarketsj@sanjoseca.gov

RESIDENTIAL RENTAL ASSISTANCE

San Jose's Eviction Help Center is open to assist residential tenants and landlords with the application process for pandemic-related emergency residential rental assistance.

San José City Hall, 12th floor
8-5 pm Monday through Friday

Franklin McKinley School District office
645 Wool Creek Drive, San José

Monday, Tuesday, Thursday, Friday
10am to 6pm

Wednesdays: 1pm to 8pm

For more information:

408-975-4444

evictionhelp@sanjoseca.gov



HELP FOR FLEA MARKET VENDORS



Esta información está disponible en español aquí:
Thông tin này có sẵn tại đây:
此連結提供繁體中文信息:
此連結提供简体中文信息:

sanjoseca.gov/fleamarketvendors

Do you have questions about the Flea Market redevelopment project, money for your business, legal or financial issues? Find out where to get help.

QUESTIONS?

Phone: (408) 535-8181

Email: fleamarketsj@sanjoseca.gov

Website: sanjoseca.gov/fleamarketvendors

Prepared by Office of Economic Development/City of San José
Current as of October 1, 2021

| Flea Market Budget

Category	Amount	Notes
Economic studies	\$350,000	4.7% of budget
Advisory Group set-up	\$125,000	1.7% of budget
Language access and other outreach costs	\$125,000	1.7% of budget
<i>Flea Market Reserve</i>	<i>\$2,400,000</i>	
<i>Future funds from property owner</i>	<i>\$4,500,000</i>	
TOTAL	\$7,500,000	

| Economic and Cultural Impact, Market Operations, and Site Assessment Contract

- RFP posted: April 25 - May 27
- Selected consultant: Estolano Advisors
- Scope:
 - Economic and Cultural Impact Study
 - Public Market Operations and Models
 - Alternative Site Assessment
- Budget: \$350,000

| Advisory Group Contract

- RFP posted: May 31 - June 27
- Selected consultant: Baird + Driskell Community Planning
- Scope: Work with stakeholders to draft the Advisory Group Charter; assist with the member selection process; conduct public outreach
- Budget: \$125,000 with option to extend

Language Access Needs



¡Reunión de Vendedores de La Pulga!

Miércoles, 23 de Febrero del 2022 • 5:00- 7:00 p. m. • El Jardín@La Pulga

Únete a nosotros para obtener más información sobre:

- Planes para un nuevo mercado
- Fondo de transición para ayudar a los vendedores
- Formación de un Grupo Asesor para La Pulga
- Cómo participar e involucrarte

- Interpretación en Español y Vietnamita
- Discusiones en grupo interactivas (bilingüe)
- Jornada de puertas abiertas con proveedores de servicios de asistencia empresarial
- Aperitivos y bebidas proporcionados
- Niños bienvenidos
- Asistencia disponible sin importar el estatus migratorio

Co-organizado por la ciudad de San José y la Asociación de Vendedores de la Pulga de Berryessa (BFVA por sus siglas en ingles)



| Priority Next Steps

Develop the Advisory Group Charter for City Council approval, select members, and start meetings

Complete Economic Studies to inform decisions/opportunities

Continue vendor outreach, engagement, and support

| Staff Recommendations

1. Adopt a resolution authorizing the City Manager or designee to negotiate and execute a consultant agreement with Estolano Advisors to conduct economic studies related to the Berryessa Flea Market for a total compensation not-to-exceed \$350,000 for an initial term of 12 months with an option to extend the agreement for one additional year under the same terms and conditions.

2. Adopt the following Funding Sources Resolution and Appropriation Ordinance Amendments in the General Fund:
 - a) Increase the estimate for Beginning Fund Balance by \$475,000;
 - b) Increase the Berryessa Flea Market Vendor Business Transition Fund City-Wide Expenses appropriation by \$575,000; and
 - c) Decrease the Berryessa Flea Market Vendor Business Transition Fund Reserve by \$100,000.