



# Memorandum

**TO: HONORABLE CITY COUNCIL**

**FROM:** Vice Mayor Chappie Jones

**SUBJECT: PDC17-051 - Planned Development Rezoning for Real Property Located at 1590 Berryessa Road.**

**DATE:** June 21, 2021

**APPROVED:**

**DATE:** 06/21/21

## **RECOMMENDATIONS**

Adopt the Planning Commission recommendation and Memorandum from the Mayor / Councilmembers Cohen and Jimenez, and include the following:

1. Direct City Staff to work with the vendor community to: identify financial tools including gap financing options if needed, and explore vacant retail space opportunities for vendors.
2. Direct City Staff to identify potential public land that could serve as a new Flea Market space, including County owned sites, and report back to Council with these findings.
3. Allow for the full 2.5 million dollars to be used to explore non-profit and other community partners to assist in Flea Market transition as needed, with support from the vendors.
4. Require that any Planned Development (PD) Permit that includes market-rate dwelling units to be approved only after, or at the same time, that a Planned Development Permit that includes the new market space is brought to Council.

## **BACKGROUND**

I would like to thank City Staff, the Bumb Family, the Flea Market vendors, and the community members for their involvement in the Berryessa Flea Market redevelopment over the past years. I appreciate the collaboration and negotiation that has gotten the project to this point, however, it

has become apparent that over the past several years the vendors for the Berryessa Flea Market have been left out of the conversation and negotiations surrounding this rezoning, despite the fact that they are the community that directly faces displacement through the project proposal. Several vendors have expressed confusion and frustration that they have been left out of the process, and that attempts to engage them have neglected basic outreach strategies, such as holding meetings during Flea Market hours of operation and only providing outreach materials in English. As a strong advocate for small, minority owned businesses that prioritizes their growth, the goal of my memorandum is to make certain that the benefits that this project brings forward, do not come at the cost of hundreds of local, minority owned businesses. While vendors, community members, and the San José Small Business Advisory Task Force have all recommended a 90-day deferral, I understand that may pose risk to critical components to the project.

The Berryessa Flea Market has been a longstanding part of our City's culture and vibrancy for decades, dating back to the 1960's. It has grown to become a multi-cultural destination and gathering space for many of our residents and visitors. It has evolved to feature entertainment, live music, restaurants, a place to sell, bargain, and buy a wide array of products including art, crafts, clothing, kitchenware, furniture, automobiles, electronic consumer products, and fresh fruit and vegetables. More importantly, it has provided a livelihood for families. It is a source of income for part-time workers and students, with many of our residents having some form of connection, either as regular customers or through family or friends who were vendors and transitioned to grow their businesses at other sites.

I commend the Office of Economic Development for its deep commitment to providing services and resources to small businesses, especially during the past year marked by the challenges of the pandemic. Consistent with these services, the City must do more to mitigate the potential risk of displacement due to the proposed project and ensure the vendors have access to gap financial tools, resources, information and opportunities, as financial resources become available. Such resources may include relocation grants, access to retail space, rent subsidies, or career/business counseling through the City or direct funding to other organizations that specialize in providing technical support for small businesses.

Staff working alongside the vendors and developers in the Flea Market Advisory Group will facilitate productive anti-displacement strategies that can result in a successful project for everyone involved. During this process, Staff can explore potential sites that could serve as a new location for the vendors and return to Council with recommendations.

By requiring the PD permits for market-rate development to happen in tandem with the plan for the 5 acres of market space, we can make certain that, whomever the developer is at the time the project progresses, has prioritized anti-displacement strategies with the vendors in collaboration with the City and that the 5 acres does not become a neglected afterthought of this project.