

INSIDE

SAN JOSE

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Feeling the Need for Speed...and Green

Tesla Motors Brings Electric Cars and Green Collar Jobs to San José



California State Treasurer Bill Lockyer, California Secretary of Labor Victoria Bradshaw, San José Mayor Chuck Reed and Tesla Motors Inc. President and CEO Ze'ev Drori announced that the nation's leading electric car company will locate its headquarters, manufacturing, and research and development campus in San José.

Construction of the proposed \$250 million facility on an 89-acre site, located at Zanker Road and Highway 237 near the San José Water Pollution Control Plant in North San Jose, is planned to begin in the summer of 2009. The first vehicles will likely roll off the assembly line in late 2010. When fully operational, the facility will employ approximately 1,000 workers.

"California's ground-breaking leadership on climate change is creating a market for clean technology that will not only change the world, but continue to help bring innovative companies and jobs to our state," said Governor Arnold Schwarzenegger. "I congratulate San José for helping Tesla, a cutting-edge car company, bring green

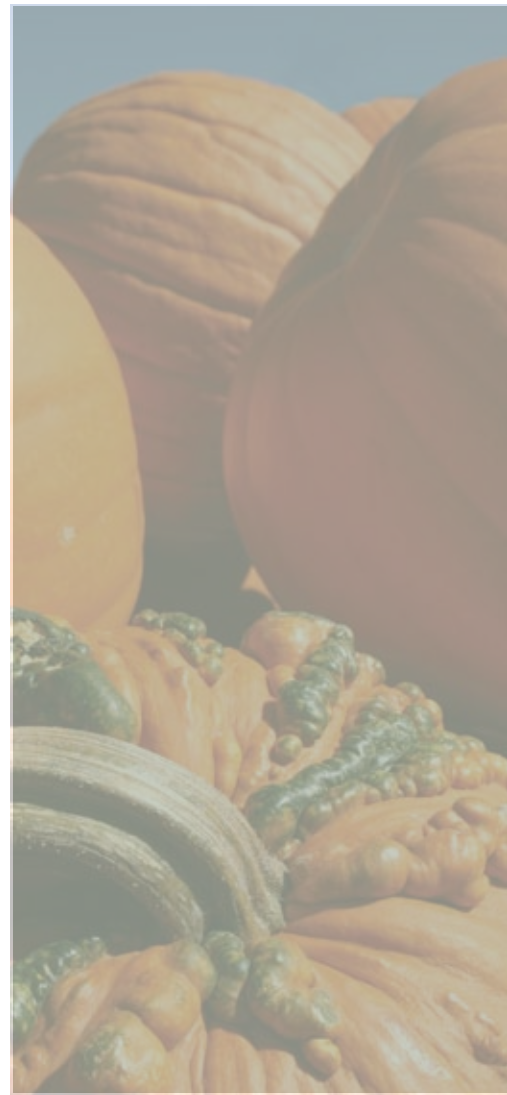
manufacturing jobs to California—which will help build our state's economy for the future."

Tesla executives decided to base the company in San Jose for several strategic reasons. Silicon Valley already enjoys a high concentration of highly skilled engineers and support infrastructure, and San José's "Green Vision" job-creation initiative perfectly aligns with Tesla's own vision.

"We applaud Tesla's decision to locate in San Jose and bring 1,000 new green-collar jobs to our economy," said San José Mayor Chuck Reed. "The development of the San José Tesla facility brings us closer to our Green Vision goal of creating 25,000 clean tech jobs within the next 15 years." San Jose's 15-year Green Vision is showing the world how environmental responsibility makes financial sense and stimulates economic opportunity.

Tesla selected the San José site for its easy access to transportation, high level of visibility, and strategic location at Silicon Valley's Innovation Triangle innovation center, home to more than 2,000 corporations, including Cisco, eBay, and other leading tech companies.

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The Mission of the City of San José is to provide quality public services, facilities and opportunities that create, sustain and enhance a safe, livable and vibrant community for its diverse residents, businesses and visitors.

Continued

Feeling the Need for Speed...and Green

A preliminary analysis by the City of San José's Office of Economic Development estimates that Tesla's first phase manufacturing facility will initially create approximately 500 jobs at the San José site. Tesla's second phase research and development site and headquarters relocation is conservatively estimated

to bring an additional 525 jobs by 2012. Jobs created within the San José Tesla facility will have a significant collective buying power. In turn, the City can reasonably expect numerous jobs in both the supplier and service sectors to accrue to both the City and the region.



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Star Power X 2

National recognition for two City programs

Both the Finance Department and the Housing Department were recently recognized with national awards that honor excellence and innovation in their fields.

The Finance Department Purchasing Division earned its second consecutive Achievement of Excellence in Purchasing Award from the National Purchasing Institute. The prestigious competition for public sector agencies measures the professionalism, innovation, productivity, e-procurement and leadership attributes of participating organizations. The City of San José scored highest in the areas of internal and supplier training, e-procurement, the procurement card

program, and environmentally preferable purchasing.

The National Association of Housing and Redevelopment Officials presented Awards of Merit in Housing and Community Development to the City of San José for two noteworthy housing projects. Corde Terra in East San José is the largest single affordable housing project funded by the City, providing 300 affordable units for families. The 35-affordable-unit Gish Apartments in central San José is the first multifamily development in California to achieve LEED (Leadership in Energy and Environmental Design) Gold status by the U.S. Green Building Council.

San José Bioscience Sector Experiences Tremendous Growth, Tops Nation in Venture Capital Raised

Milestones attributed to confluence of science, capital, research, talent and lifestyle and local government investment

With more than \$19 million invested in business incubator programs, the San Jose Redevelopment Agency and the City of San José are getting a return on their strategic investments.

According to a preliminary report, the bioscience sector in San José experienced a year-to-year growth rate of approximately 28 percent from 2002 to 2008—a rate that outpaces the Bay Area and the U.S. by a healthy margin.

“As a crossroad for ideas, talent and business, San José is delighted to attract and grow companies working in biosciences,” said Mayor Chuck Reed. “With the Redevelopment Agency funding over the past decade, we have created the largest, most successful and comprehensive business incubator program in the nation—which includes the San Jose BioCenter. We welcome a variety of bioscience companies to San José, from global powerhouses to small companies. For innovators who envision their start-ups becoming global leaders, San José offers access to talent, capital, and an entrepreneurial spirit that is unmatched around the globe.”

A recent PriceWaterhouseCoopers’ MoneyTree survey found that of 40 investments in the first quarter of 2008 in biosciences, \$436.5 million was raised from the San Jose region. These are more investments and dollars raised than any other region in the nation. According to BayBio, a nonprofit trade association serving the life sciences industry in Northern California, Santa Clara County has the largest concentration of bioscience companies of all counties in the Bay Area. Further, according to the Milken Institute, \$5.9 billion or 50 percent of the life sciences gross product of the entire metropolitan Bay Area, \$12 billion, is generated here.

“We are proud to see that our business incubators, including the San Jose BioCenter and the Environmental Business Cluster, which was recently selected as the top incubator in the nation, have flourished,” said Harry Mavrogenes, Executive Director, San Jose Redevelopment Agency. “Their success shows that our Agency is providing the right supportive



environment for industries critical to the long-term prosperity of San José and Silicon Valley.”

A strong driver of this growth has been the San Jose BioCenter, the cornerstone for a lifescience cluster located in San José’s Edenvale Technology Park. The San Jose BioCenter opened in 2004 and currently has 22 tenant companies and 10 affiliate companies, and has created more than 150 jobs. These companies have raised more than \$700 million in growth capital, a type of funding that will help a company accelerate its growth.

“We have a world-class facility providing wet labs, capital equipment and laboratory services which normally are only available to large companies. In addition, we provide business expertise to first-time scientist-entrepreneurs as they turn their innovations into commercial products,” said Melinda Richter, executive director, San Jose BioCenter. “Our goal is to ensure our companies reach their goal of getting their research to market.”

To further promote San José’s bioscience unique strengths and programs, the City of San José Office of Economic Development, the San Jose Redevelopment Agency and the San Jose BioCenter participated in the 2008 BIO International Convention in San Diego, California.

Who, What, When, Where ...all Just a Click Away



San José is going out of its way to help the public find out about City meetings. All public meetings at City Hall are now posted on the City's online Master Calendar, where employees and the public can quickly check on the date, time, and location of events. The Master Calendar button is located on the home page in the left column.

The Master Calendar can be viewed by day, week or month at a glance,

and it is fully searchable by key words. An RSS feature allows anyone to subscribe to notification of updates to the Master Calendar sent to their news reader.

Included on the Master Calendar are Council, Commission, and Committee meetings, as well as bid openings, ribbon cuttings, and other special community activities.

It is part of the City's commitment to transparency in government, as well as, providing a convenient service to the public and staff.

Groundbreaking Soon for Extension of Guadalupe River Park Trail

A just completed count of trail users in San José shows more than 1,100 walked or biked along Guadalupe Park Trails on an average weekday. That's more than a 10 percent increase in just one year of people taking advantage of this hidden gem through downtown San José. And the trail system is expanding.

A \$700,000 grant from the Proposition 50 California River Parkways Grant Program and \$123,000 from the State Fund for Guadalupe River Trail enhancements will pay for a 0.6-mile extension of the Guadalupe River Park trail, south from Woz Way to Virginia Street near Biebrach Park. Construction is expected to begin in the next few weeks with completion targeted for mid 2009.

This section of trail is important for residents of two Strong Neighborhood Initiative areas, Washington and Gardner, who are separated from Guadalupe River Park by Highway 280, making it difficult for them to walk or bicycle to events in Discovery Meadow and to enjoy other features of the 300-acre downtown open space.

The new paved trail will meander south from the existing trail and plaza at Woz Way near the Children's Discovery Museum and provide a safe route for pedestrians and cyclists under the highway. Split rail fences on each side of new trail will keep it separated from the fragile riparian corridor along the



river bank on the east and Highway 87 on the west. The new trail will end near the light rail Virginia Station next to Highway 87, making a convenient connection to downtown trails for commuters.

To create a park-like setting, the trail will feature a decorative bridge, benches and interpretive stations showcasing the history and cultures of the area. The project will also restore habitat and incorporate flood control management improvements in coordination with the Santa Clara Valley Water District and the U.S. Army Corps of Engineers. Caltrans is also involved because of the proximity of Highways 280 and 87.

The City's Green Vision has set a goal of 100 miles of trails and 32 systems by the year 2022. Currently San José has just over 50 miles of trails and 24 systems.

Hundreds Interested in Buying Their First Home in San José

Nearly 1,000 people attended the City's first-ever "Homebuyer Fair" at the Northside Community Center in July, hosted by the Housing Department in partnership with developers of 18 condominium and townhome projects in San José.

Individuals and families interested in purchasing their first home learned about the down payment assistance programs of up to \$120,000 available for qualified buyers. Funds for first-time homebuyer assistance come from developers as a result of the City's inclusionary housing policy and/or from the City's Redevelopment Agency.

A popular feature of the fair was homebuyer educational workshops presented by the Neighborhood Housing Services of Silicon Valley. Participants learned more about the jargon used by the real estate and mortgage industries and how to assess their personal purchasing power and readiness to purchase a home. Lenders were also on site to answer questions and provide information about mortgage loan options.



New Multi-family Recycling Program Shows Impressive Results

San José has zoomed to the top of the national multi-family recycling results chart, thanks to a new program that is pulling tons of material out of garbage and sending it to be recycled or composted.

Since its start on July 1, the effort to divert more multi-family waste from the landfill has soared from 35 percent to 75 percent, earning San José the right to claim it has the best performing multi-family recycling program in the U.S.

Multi-family complexes have had bins for glass, cans and paper on site for some time so that residents could recycle. Now, all of the waste from apartments, condos, and other multi-family units is delivered to a new state-of-the-art, solar-powered waste processing facility in central San José operated by GreenWaste Recovery. Hand sorting and an automated processing system pull out any paper, bottles, and cans mixed in with the garbage. Remaining organic waste, including food, is composted at the Z-Best composting facility in Gilroy.

Waste collected from garbage cans at all public facilities, including libraries, community centers and

parks, also goes to the waste processing facility for sorting and diversion.

The City is working closely with the California Apartment Association to keep the multi-family recycling ball rolling. We're encouraging residents to continue to separate their glass, cans, and paper and deposit them in recycling bins so there is less to pull out from the garbage. Residents of multi-family units don't have the same incentives for recycling participation as residents of single family homes where trash pick-up costs but recycling is free. As a result, it's not unusual in many communities for residents in apartments and other multi-family units to recycle at a lower rate.

San José has achieved one of the best overall recycling records in the nation for the past ten years, with a landfill diversion rate of 62 percent. One of the City's Green Vision goals is becoming a Zero Waste city by 2022, meaning that 100 percent of waste is diverted from landfills.



All That Jazz!

San José Celebrates Another Year of Great Music

The 19th Annual San Jose Jazz Festival drew in big-time performers and even bigger crowds in August. A little over 100,000 people came to see and listen to 100 musical acts on 10 stages for just \$10 a day. From Bay Area blues to Spanish salsa music, performers played for those who love to show off their dance moves or simply tap their toes to the beat.

The first night of the festival was swinging with the sounds of Big Bad Voodoo Daddy. Typically known for their contemporary swing music Big Bad Voodoo Daddy, instead, played the classic tunes of Cab Calloway (a.k.a. the pioneer of scat singing). Other performers followed suit by honoring the style and rhythms of legendary jazz musicians, but there were some who proved that jazz music is ever-evolving. Bands like Avance impressed audiences with their blend of

salsa, pop, and R&B; while Shotgun Wedding Hip Hop Symphony used sampling devices to layer their unique sound. And if there's one thing the Capital of Silicon Valley appreciates more than anything else, it's the combination of innovation and technology.

"We love San José. We appreciate San José supporting us and supporting live music," said Eric Barnes of the band 650 Connection. "Please keep it going. This is an incredible event – it's peaceful, everyone gets along, and the musicians here are incredible."

While the Jazz Festival attracts San José residents and visitors, it also attracts a younger generation of musicians. What some festival-goers may not know is that most of the revenue brought in from the Jazz Fest helps support music education for children in the Bay Area. Some of these children, who participate in their school's jazz band or local jazz camp, were even lucky enough to showcase their talent on the Future of Jazz Stage at the festival. And who knows? In a couple of years these young musicians may master their craft and perform professionally... hopefully here in San José.

If you would like to listen to the sweet sounds of jazz and help keep the art of jazz alive, please join next year at Jazz Festival. For more information on the San Jose Jazz Festival, go to www.sanjosejazz.org or call 288-7557.



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Living STRONG in San José

Lance Armstrong's LIVESTRONG Challenge Comes to San José



Furthering San José's reputation and legacy as a home to cycling sport, more than 2,900 cyclists, runners and walkers joined Lance Armstrong in July to participate in the Lance Armstrong Foundation's (LAF) first-ever San José LIVESTRONG Challenge. Considered an outstanding success by the Foundation, participants raised more than \$1.5 million, from approximately 15,600 donors, for the fight against cancer.

Funds raised from the event, will support LAF's research projects, community-based programs and advocacy initiatives. The event, with a Festival Area based in downtown San José, was produced by a Local Organizing Committee that teamed up representatives from many City and County departments as well as members of the private sector.

"We are deeply, deeply grateful for your time," said Lance Armstrong, founder and chairman of the Foundation, in comments to people attending the event. "With your continued support, we have a chance to win what I believe is the most important war of this generation" – the war on cancer.

The LIVESTRONG Challenge is the LAF's signature fundraising event supporting its mission to inspire and empower people affected by cancer. Participants of

the San José Challenge—including cancer survivors, people passionate about the cause, those participating in honor of loved ones, and bicycling enthusiasts—took part by running or walking a 5K or by riding 10, 50, 65 or 100 miles.

In addition to speaking to the crowd before and after the rides and 5K run, Armstrong participated in the 65-mile ride. Joining Armstrong in the Challenge was San José Mayor Chuck Reed and Councilmember Sam Liccardo. In a brief speech at a dinner for fundraisers the night before, which included Lance Armstrong and actress Kate Hudson, Mayor Reed expressed pride that San José was not only the location of the Challenge, but also a sponsor of the event.

Though 2009 plans are not finalized, Challenge organizers expect to be back in San José next year. Throughout the weekend, Armstrong and other LAF officials recognized the City of San José for its support. In addition, Armstrong noted one of the key advantages of holding the Challenge in San José again: "There are a whole heck of a lot of generous people here."



Modernized Airport Getting Ready to Take Off

On-Time and On-Budget

The puzzle pieces are definitely forming an impressive new centerpiece for Mineta San José International Airport as the City's \$1.3 billion modernization project takes form and progresses toward completion in 2010.

"We're now just about at the 100-percent design level for the entire program, and we've committed about 95 percent of the construction dollars to rebuild the terminal area of our airport over the next two years," said Dave Maas, Airport Deputy Director for Planning and Development.

The results can be seen clearly as construction is now underway throughout the airport to make SJC a more comfortable, convenient, and competitive asset for the residents and businesses of San José and Silicon Valley.

The new North Concourse, with its quarter-mile of aircraft gates, waiting lounges, and new shops and restaurants, will be completed by the end of this year. Next step will be the work to complete the spaces for new concessions and offices over the coming year.

The outline of the new Terminal B that is wrapping around the southern end of the North Concourse also is now very visible as the steel framework goes up this fall. Terminal B and the North Concourse, which will be integrated as one building with twelve aircraft gates, ticketing counters, security, and baggage claim, is on target for being placed in service in mid-2010.

The renovation and expansion of Terminal A is also on track to nearly double the space for ticket counters at their new curbside location, double the space for more efficient security checkpoints that will speed up passenger processing, and add more space for waiting lounges and concessions. Terminal A upgrades will be completed in stages in the coming year, and the entire project remains on schedule to be in service by fall 2009.

The walls and entry helix for the new seven-deck garage for rental car companies and public parking are rapidly moving out of the ground, directly across from Terminal B. The 3,350-space garage will greatly enhance convenience and access for SJC passengers when completed at the end of 2010.

A Smart Start for All

A City Program that Benefits Both Children and Adults

The Public Library's Smart Start San José Family Child Care Training Program presented its latest class of home-based childcare providers on May 17th. The program, funded by the Community Development Block Grant (CDBG) program, assists low to moderate income residents in opening and retaining home-based childcare businesses. This, in turn, increases the number of childcare spaces in the city and increases the number of micro-enterprises, especially those run by women. For the past 3 years alone, 105 participants have graduated from the Family Child Care Training program resulting in 690 new or retained childcare spaces.

Those who participate in the ten-month program have a well-rounded curriculum, which involves attending several business

workshops and completing three college units in Early Child Education and Development. Partnerships with UC Davis Extension, South Bay Teachers College, and National Hispanic University provide the academic component of the program. But don't think the buck stops here for program graduates – their education is on-going. Several program graduates have moved on to earn (or have made progress toward) a GED, proving that this program builds careers as well as confidence.

For more information on the Smart Start San José Family Child Care

Training Program please contact Araceli Delgado at the San José Public Library's Early Care and Education Services, 808-2617 or araceli.delgado@sanjoseca.gov

