

For Immediate Release:

December 3, 2003

Contact:

Peggy Flynn 408.794.1064

Redevelopment Agency

David Vossbrink 408.277.3515

Mayor's Office

San Jose Begins Construction on Bioscience Incubator

First of its kind on West Coast to diversify local economy

SAN JOSE – Today, Mayor Ron Gonzales and Councilmember Forrest Williams celebrated the start of construction of an innovative bioscience incubator in South San Jose to support the development of new technologies and entrepreneurs in the field of bioscience and biotechnology.

On November 18, the San Jose Redevelopment Agency (SJRA) board approved a lease agreement with Mission West Properties, a South Bay developer, to lease and upgrade an existing building in San Jose's Edenvale industrial area for the new San Jose Bioscience Incubator and Innovation Center.

"This project will strengthen San Jose's leadership in the critically important emerging technologies in Silicon Valley," said San Jose Mayor Ron Gonzales. "It will lead to the creation of new jobs for our resident and new opportunities for our businesses. This will help make our city a major bioscience hub in the nation."

The Bioscience Initiative approved by the Agency Board in December 2002 called for the development of an incubator and the investment in the bioscience industry. The SJRA allocated \$6.5 million to finance the construction of facilities, purchase of equipment, and finance of operations for the bioscience incubator.

-more-

“This is our commitment to strengthen the economic future of San Jose,” said Councilmember Forrest Williams who represents the Edenvale area where the incubator will be located.

“It’s a bold step that will unleash the intellectual, entrepreneurial, educational, and creative spirit necessary to harness the potential of bioscience for the benefit of mankind. It is befitting of a world-class city like San Jose to be the leader in technology and innovation.”

The incubator will provide well-equipped space for scientists and start-up companies can create new technology and explore innovations in the bioscience field where biotechnology, nanotechnology, medical device and information technology industries converge.

The facility is located in the Edenvale redevelopment project area, which is home to other bioscience industry leaders including Clinimetrics, a clinical research company, and Stryker Endoscopy, a medical device company.

“We will build on the success we’ve had in the last decade following the Agency’s investments in our downtown software, environmental, and international business incubators,” said Ruani Weerakoon, Director of Industrial Development for the SJRA.

“Bioscience is the next logical focus for our investment because it can support the creation of broad opportunities in the next growth industry that will become part of Silicon Valley foundation in the future.”

The Redevelopment Agency negotiated the agreement with Mission West Properties for the fitting out of 36,594 square feet in an existing building in the Edenvale Technology Park. The incubator will provide wet and dry laboratories, along with office and common space, for up to 15 bioscience start-up companies.

“The bioscience industry will be one of the top-growth areas in the next decade,” said Carl Berg, CEO and President of Mission West Properties. “The incubator will strengthen San Jose’s position as a leader in technology and innovation.”

-more-

San Jose Approves Bioscience Incubator

3-3-3

The SJRA will invest \$6 million for design and construction of the incubator and \$500,000 for its first three years of operation. The incubator is projected to be self-sustaining by its fourth year of operation. It is scheduled to open in June 2004.

Operating as a non-profit corporation, the incubator will supply affordable laboratory and office space, along with business support and consulting services, management and marketing services. It also will provide valuable networking opportunities to pre-venture capital funded scientists and entrepreneurs.

With approximately 1,900 information technology and more than 26 bioscience companies, San Jose is positioned to nurture the bioscience industry and continue adding to the thousands of jobs its offers area residents, according to Weerakoon.

The San Jose Redevelopment Agency is dedicated to improving the quality of life for all who live and work in San José. Governed by the City Council, the SJRA facilitates and oversees comprehensive programs for development to revitalize the City's Downtown, neighborhoods, and industrial areas.

For information about participation in the San Jose Bioscience Incubator and Innovation Center, contact Ruani Weerakoon at (408) 794-1170

###