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San Jose Redevelopment Agency

Redevelopment Agency Touts Success of Small Business Program

San Jose Businesses, new and established, reap the benefits

SAN JOSE, Calif. --- Small businesses in Downtown and throughout San Jose have received a boost from the San Jose Redevelopment Agency's grant programs according to the Agency's Quarterly Status Report.

Programs such as the Unreinforced Masonry, Facade Improvement, and Downtown Signage have allowed property owners and business owners to upgrade their buildings architecturally and aesthetically, while addressing public safety concerns.

"The renaissance of the downtown is of strategic importance as San Jose competes in the global market," said Mayor Chuck Reed. "Supporting programs that result in higher building occupancy, job generation, and growth opportunities for small businesses enhances the downtown experience and are good for our residents, workers, and visitors from throughout the US and the world."

Within the last decade, redevelopment of the Downtown area has been a challenge as key buildings remained shuttered as unreinforced masonry buildings. The costs to complete the state- and city-mandated structural improvements made private investment alone economically infeasible. With the assistance of the Agency, which has invested more than \$11.5 million to allow property owners to seismic retrofit these buildings to bring them up to today's standards, these buildings will once again become a productive part of the Downtown.

Currently, the last three unreinforced masonry buildings are under construction and will be retrofitted by the end of 2007 at a cost of \$3.7 million to the Agency. The completion of the last Unreinforced buildings will fulfill the purpose of the Unreinforced Masonry Grant Program in the Downtown.

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“Our programs have been instrumental in improving the physical appearance of our City, our Downtown, bringing new life to our historic and older buildings,” said Harry Mavrogenes, Executive Director, San Jose Redevelopment Agency.” “Property owners and small business owners have been able to leverage our dollars to make further improvements to their business or property.”

The Facade Improvement Program (FIP) is a storefront rehabilitation program that assists property and business owners located in Redevelopment Project Areas with the exterior enhancement of buildings. The program offers architectural design services, permit, bidding and construction management assistance, and funding up to \$30,000 with a 10 percent contingency for each 60 linear feet of building frontage. Since 2001, the Agency has invested \$9.4 million for facade improvements of 284 businesses, making the most popular and most used program that the Agency has available.

“I think the Agency really has its priorities in the right area, promoting locally-owned small businesses and engaging the Downtown community.” Bob Ray, Co-owner, San Jose-based Sonoma Chicken Coop, a recipient of the façade program. “I’ve been doing business in the Downtown for many years and I can definitely see a positive transformation.”

The Agency began implementing the innovative Downtown Signage Program in late 2005. Since then, more than 12 businesses in the Downtown area have taken advantage of the sign grants. Most of the businesses who have received a sign grant have experienced a 10 to 20 percent increase in sales.

The Downtown Signage Grant Program provides financial assistance of up to \$10,000 to eligible businesses and property owners to install new signage or upgrade existing signage in order to create a positive retail environment in downtown San Jose. Grants may be used to pay for the cost of design, permitting, fabrication, and installation of the signage.

About the San Jose Redevelopment Agency

The Agency is dedicated to improving the quality of life for all who live and work in San José. Governed by the City Council, the Agency facilitates and oversees comprehensive programs for development to revitalize and strengthen quality of life and competitiveness for San Jose’s downtown, neighborhoods, and industrial areas. www.sjredevelopment.org

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