

3. APPROVAL OF MAY 13, 2009 SYNOPSIS

Corrections:

- None

Motion: Approval

Motion: 1) Nguyen 2) Wang X App no

4. OPEN FORUM/ PUBLIC COMMENT/ ORAL PETITION PERIOD

- Introductions of Commissioners

5. BUSINESS ASSISTANCE ORGANIZATION(S)

- Joe Hedges, International Programs Manager for the Office of Economic Development discussed the City's incubators, and the Foreign Trade Zone
- The incubators have generated 3,500 new jobs and VC investment of \$1.5 billion from an initial investment of \$30 million.
- Non-profits funded through the San Jose State University Research Foundation
- Incubators encourage local job growth and foster the expansion of industries in San Jose
- City (through Agency) pays for building lease which reduces the cost to tenants
- All located within the Enterprise Zone
- Business and commercialization assistance offered
- Software Business Cluster – Est. 1994 - www.sjsbc.org
 - i. Acknowledged 2 years ago as a national model
 - ii. Focused on developing software companies
- Environmental Business Cluster – Est. 1994 - www.environmentalcluster.org
 - i. 75 graduates
- BioCenter – Est. 2004 - www.sjbiocenter.com
 - i. Only public incubator facility in the US (non-academic)
 - ii. Wet and dry labs as well as offices and common spaces
 - iii. 75% of employees have Ph.D.s
- US Market Access Center - Est. 1996 - www.usmarketaccess.com
 - i. More than 30 companies from every continent (except Antarctica)
 - ii. Some larger businesses establishing a presence in the U.S.
- Software Development Forum – Est. in 1993 (Not an incubator) www.sdforum.org
 - i. 1,800 professional member
 - ii. Sponsored by major software platforms

- iii. Major event provides introductions between VC community and software developers
- iv. Over 300 events per year
- Foreign Trade Zone (Federal program established in 1932) - www.sjeconomy.com/ftz/default.asp
 - i. 18th foreign trade zone; 1974
 - ii. Considered to be outside of the US customs territory
 - iii. While the produce is in the zone it is considered to be outside the US
 - iv. Allows companies to defer, decrease or avoid tariffs
 - v. Zone extends beyond San Jose's boundaries to other surrounding counties (90 minutes driving)
 - vi. Damaged goods can be destroyed to avoid tariffs
 - vii. Quota goods can enter without restriction to wait for lifting of the quota level
 - viii. Subzones (as opposed to a general purpose zone) are allowed for specific companies at their location – Nummi was an example
 - ix. San Jose Distribution Services is the operator of the City's general purpose zone
 - x. \$101 million in activity recently; has gone as high as \$300K
 - xi. FTZ doesn't require a specific location unlike the Enterprise Zone
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6. SUBCOMMITTEES ROLE IN WORKPLAN

- Considering whether the current subcommittees are furthering the workplan
- Balancing formal committees with more flexible ad-hoc meetings
- Interest was expressed in retaining the public outreach

Motion: Dissolve the Program Effectiveness and Participation in City Opportunities subcommittees

Motion: 1) Smith 2) Olivo X App no

7. CONSIDERATION OF ALTERNATIVE MEETING LOCATIONS

- BioCenter
- US Market Center
- eCenter
- Beginning on August 12 in the order above
- No specific period between meetings

8. STAFF REPORT

- Dhez Woodworth out of the office from June 19 to July 8
- Rosemary Maire will be supportive (535-8181)

9. CHAIR REPORT

- He'll plan a meeting with Councilmember Nguyen

NEW AGENDA ITEMS – 5 MIN.

- Work to Future apprentice training (OJT – August?)
- Appointment of Public Awareness Committee members

10. ADJOURNMENT 7:45 PM