

The San Jose Convention Center
and the
Impact of the Downtown Expansion

An Essay
Presented to
the California Pioneers
of Santa Clara County

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Table of Contents

Introduction.....	1
The San Jose Convention Center As An Idea.....	2-3
Aquisition of the Land.....	4-6
The Finished Product.....	7-8
The McEnery Convention Center.....	9-10
The Future of San Jose and the Convention Center.....	11-12
Notes.....	13-14
Bibliography.....	15-16

Introduction

For many years, the lives of the citizens of San Jose have been impacted by the construction of various new buildings and redevelopment projects. Many families all over the Silicon Valley have been displaced by the construction of new buildings. The proposed expansion of the San Jose Convention Center, also known as The McEnery Convention Center, is just one such example. Whether ultimately productive or not for the economy, residents have adjusted their lives to accommodate these changes. Currently, a number of families in the Vine-Almaden area have been told by the city of San Jose that their homes are to be taken in order to expand The McEnery Convention Center. For them, the expansion brings hardship and a feeling of insecurity in this valley of high real estate prices.

The Convention Center As An Idea

In September of 1983 a plan to expand the San Jose Convention Center was presented to the Downtown Working Review Committee. The redevelopment officials argued that a new improved Convention Center was vital to the economically prosperous future of San Jose. The Convention Center would bring new money to the area as the convention center attendees spend money in restaurants, hotels, and in the local shops. It was argued that the Convention Center would be a magnet for trade shows, conventions, and business meetings as well as to put San Jose on the map and pump money from the rest of the world into the local area. With more money coming into the city the value of the land would increase because of a greater demand by the people. The Convention Center would create thousands of new jobs, which betters the community as well as those in it. "The purpose of the center is not only to turn a profit, but to attract business and professional groups into San Jose, and thus boost the local economy," said San Jose Development Officer Bob Leininger.¹ It is known to the city council members that convention centers seldom make money, but are seen as ways to stimulate hotels, restaurants, and shops.

Mayor McEnery as well as the city council enthusiastically endorsed the plan. They voted unanimously to expand the convention center without regard to the families or businesses located in the construction area. "In 1983 Frank Taylor, the city's redevelopment director, said, 'I make no bones about it, we're in competition with them (referring to Oakland, San Francisco, and Santa Clara). We wanted to protect our resources here.'² Taylor along with many other city representatives hoped it would result in a new San Jose. When asked his thoughts on the construction, Mayor McEnery had a positive response. He commented, "The San Jose Convention Center

is going to radically affect the economy of the city, and, in fact, the entire South Bay. When The Convention Center opens, San Jose will never again be the same place it is today. The magnitude of this project cannot be overstated.”³ He in no way gave any regret to the impact of the displacement of the residents in the area planned to be occupied by the new convention center.

The House of Pizza, a long time favorite of San Joseans, protested the demolition of the restaurant that served many community members as a place to just relax. It was a place for them to get away from everything. This would be the second move for the House of Pizza. Seven years before the plan to expand the Convention Center the city had moved The House Of Pizza, owned by George Kukar, in order to realign Almaden Avenue. “That move cost him over \$240,000.”⁴ The restaurant was thirty years old at the time the Convention Center wished to expand. Kukar was satisfied with the one million dollars offered to him by the city. “The city needs what they’re doing. They need the convention center. It was just a question of me being in the middle of it. I’m not bitter. I just want to make sure we don’t get hung up now, Kukar expressed.”⁵ The loved pizzeria was asked by 10,000 people to be spared during the expansion, but the outcome did not reflex this. The city offered him the money, and Kukar accepted. He moved his business further down Almaden Avenue.

The profit of the Convention Center was the issue on the minds of the city officials of the city of San Jose. All of the sales taxes would go to the city. Every hotel room that would be rented out would produce \$130,000 for the city. “Each family was projected to generate five hundred to seven hundred and fifty dollars per stay to the local economy. This means a yearly profit of \$471,000.”⁶ This new money would pay for street cleaning, tree trimming, and help improve the general quality of life, at least according to Frank Taylor. It was feared, though, that the Center could run up a deficit if it was not heavily promoted.

Acquisition of The Land

As the idea of the expansion of the San Jose Convention Center became more of a reality, several issues arose. The location of the proposed center, across from the convention and cultural center, the Civic Auditorium complex, the center for Performing Arts, and the Montgomery Theater, was key. It is easily accessible by the freeway and public transit, and is only three miles from the San Jose International Airport. The main obstacle, however, was that it was already being occupied. Eventually, the residents were forced to leave their homes. "Eighty families and 240 residents' homes were demolished for the construction of the Convention Center, in 1983-1984."⁷ This happened despite arguments that housing would have generated as much money as the expanded Convention Center as well as better served the needs of the San Jose residents. For example, the Small Business Association claimed redevelopment "results in unwarranted hardships and deprivation of property rights of the business and residential communities of downtown San Jose."⁸ The money could have and should have been spent on improving and developing housing, because that way it "could have eased the housing shortage and lower housing costs."⁹ The investments spent on the Convention Center could have "bought 2,860 low-income housing units, been used to improve transportation, or upgrade existing structures."¹⁰

Despite efforts of those trying to preserve the land, appraisers, hired by the city came out and put a value on the land or the house (whichever should be greater) and offered it to the residents. Vida Stathos is just one of the residents on the north side of Viola Avenue and was interviewed in 1983 on her thoughts on the expansion. She had intended on living in her fully paid for house the rest of her life. Stathos "worked like a dog" for what she had, and she rented a room just to make ends meet. She had

opened a flower shop in the 1930's. Most of her business was from conventions, but now it was the Convention Center's expansion that was making her move. "I feel hurt, I helped every way I could to bring business. I'm not in favor of giving up, of tearing all the homes up. They're beautiful old homes—made of redwood. All they need is a paint job," expressed Stathos.¹¹

"The developers as well as the appraisers are a bunch of fly-by -nights to San Jose. They do not live here, therefore how could they possible imagine the impact of the construction. As now, the people who come put a value on the homes do not live in the area, making it hard to put an accurate price on the land and the homes," Stathos also reported.¹²

Other residents had different feelings on the displacement of the area. Nick Kotsianis who was born and raised at 105 Viola Avenue said he would not mind as long as he got a fair deal for the land. "We can't win a fight with the city," he so simply stated.¹³ Miguel Billeas, on the other hand, said "it doesn't matter."¹⁴ He was a renter though, therefore could not form the same attachment with the house as one who was born and raised there. Eventually, all were, in the end, forced to move.

On the south side of Viola Avenue, which is currently directly behind the Convention Center, some neighbors were saddened at the thought of their neighbors being displaced. Soccorro Morales felt badly that all of the people lost their homes, especially her good friend Eleanor. Mrs. Morales had lived in the house at 160 Viola Avenue while the houses across the street were being demolished for the convenience of the Convention Center.

Even after the land was acquired there were still some problems. The project required plenty of hotel space for the incoming conventioners. Good transportation in and out of downtown and "something unique" was also needed to attract new people

to the city. Heavy marketing was in dire order to let the world know that San Jose had a convention center, but funding to carry this out was limited.

After all of the preparations the construction of the new San Jose Convention Center began in December of 1986, with a projected completion date of June 17, 1987. Those who worked on the center included: Deborah Keese, Bob Phelps, Bill Patheal, Roaldo Giurgola, Lin Utzon, and the Bount Construction Group of Bount Inc. Keese directed all of the sales of the Convention Center. She handled marketing and advertising as well. Phelps was the city inspector on the project. Both Patheal and Giurgola were architects for the Convention Center construction. The geometric patterns in the front of the building above the entrance were created by Utzon. Last but not least, the construction was done by the Bount Construction Group of Bount Inc.

The Finished Product

The Convention Center was finally completed in the year of 1989, two years later than officials had planned. The center was opened by Mayor Tom McEnery on Thursday April 13, 1989. "The total project cost \$143 million, used 78,000 cubic yards of concrete, and had many features that left the San Jose City officials proud."¹⁵ The ballroom is 22,000 square feet and can hold 1,500 occupants. "There are up to thirty meeting rooms with space for twenty-five groups of 2,000 people."¹⁶ The center also comes equipped with a kitchen. The fifteen loading bays with two drive-on ramps enable a tractor-trailor to drive onto each exhibit hall floor. Each exhibit hall comes with two full service concession stands. There are also 1,300 parking spaces in a two level garage. The exhibit hall ceilings are thirty feet high. In the front of the building is a fountain where water cascades from a pool on the ground to another ten feet below. "It's just gorgeous," said exhibitor Mary Edwards. " Sometimes these buildings seem to be so generic and this one is really attractive."¹⁷ On the other hand, "We get a lot of negative reactions, but the good news is that people who really know the city-local residents who are on national boards are speaking highly of it, said Deborah Keese, the Convention Center sales director."¹⁸

"The majority of the financing for the building came from the Business Improvement District, which was supported by Downtown businesses. Another \$2.1 came from membership dues and a tax on hotel rooms. Operating expenses, debt services, marketing, and other costs totaling \$21.2 million come out of taxes. To keep the center staffed, \$1.6 million was needed to pay their wages. Despite all of the costs to the taxpayers the center only accumulated \$4.9 million in revenue, in 1991. That was from center rentals, food and beverage sales, and parking and phone services."¹⁹

Due to the fact that the budget was very small the advertising of the San Jose Convention Center was very minimal. For that reason not many people even knew the center was new and improved. The advertising people were faced with the task of creating a low cost idea to spread the features of the Convention Center.

After holding a convention in the new center, Stephanie McCoubrey who was the director of CA Tire Dealers and Retreaders Association, said she would not be back soon. "Her (sic) and her company would not be back in the near future unless they get that new hotel next door."²⁰

With the booming business of the Convention Center, it was soon realized that the "1,300 parking spaces were just not enough for the average 15,000 people and their cars."²¹ Without accessible parking the center could lose business. Therefore, more parking lots were constructed near the center in order for the conventioners to be within walking distance of the Convention Center and their cars.

Today, the San Jose Convention Center is in a tight competition with the Santa Clara Convention Center. With the recent State Democratic Convention that was held in the San Jose Center on February 25-26, 2000, it has proved to be a successful win. The Center attracts many people to the Silicon Valley. There are many car shows and dances held at the center, many of which are quite populated by youth and adults alike.

The McEnery Convention Center

The suggestion of changing the San Jose Convention Center to the McEnery Convention Center evolved from ideas brought up during the planning of a farewell party for the mayor in 1991. Mayor McEnery paved the way for the Convention Center and supporters argued that he should be given the credit by having the center named after him. Before the name could be changed it had to have won the approval of the city's Landmarks Commission and the city council. "On the day the councils got together to vote on changing the name, Mayor McEnery was not to be found. He did not even show up for the decision that could or could not put his name on the front of the San Jose Convention Center. He was not found later either for questioning. The public was unaware of his feelings of this great honor."²²

The supporters of Mayor McEnery thought that the building of the Conventions Center should be named after a living person. By doing so that person would still be alive to be in the spotlight, so to speak. "McEnery, said Ray O'Flaherty, the president of S.J. Dublin Sister City Committee, is a living legend that did wonders for San Jose."²³ The name change even had the support of Mayor Susan Hammer, who said that "public buildings (should be named) after public officials."²⁴

On the opposing side, Kathy Chavez Napoli, a San Jose businesswoman who defended many of the city's Hispanic members, "remembered all of the low income, mostly Hispanic families who were displaced by the Convention Center construction."²⁵ She argued that McEnery, being the causer of all the displacement, should not be honored. It was also feared that the center would not be recognized as the Convention Center if the name were to be changed, thus making it harder to market.

Ultimately the center became the McEnery Convention Center decided by the city council on "April 17, 1991, by a vote of 8-3."²⁶

The Future of San Jose and the Convention Center

In 1989, Scott Knies, the executive director of the San Jose Downtown Association which represents downtown's 1,600 businesses, said "probably in twenty years we'll be talking about adding onto this building."²⁷ Last year, only ten years after that quote from Mr. Knies, the Convention Center was talking about another expansion. Today, the residents in the expansion area are once again being forced to leave their homes. After living here for about thirty-seven years, the city of San Jose has decided that the land which their homes occupy is to be the location of the new expansion intended for the Convention Center. This is not fair to any of the residents in the area. Most have lived here for much of their lives and now, because the expansion is needed for the overall wellbeing of the city, the families have no choice just as with the first Convention Center expansion. The appraisals are being done by agents who do not live in the area, and therefore are not able to fully comprehend the value of the land. The land these homes are on is especially expensive because of the location. They are in the middle of the whole downtown area and offer great accessibility to all of the accommodations the city has to offer. It is a sad thing for all of the residents. It is sad, but there is not a thing that any can do about it. The city of San Jose is once again displacing many low income families who do not have anywhere else to go. If it was decided to fight the city the process would drag on and end right where it started. The city would argue that it is for the better of the city and therefore is not questionable. The whole ordeal is just one big headache. The time and hard work it takes to make a move, especially out of a house that has been a part of one's life for almost forty years is not replaceable. The memories that the families have made in their homes, and the generations that have walked on the soils is irreplaceable. Yet the City of San Jose is

carrying out with the displacement of all of the families without much regard to their past lives and all of the memories that have occurred at their, our, homes. They will miss their homes, their lives, and their memories, but, if history teaches us a lesson, the desire for expansion will, inevitably, prevail.

Endnotes

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4. "S.J. Pizza Parlor Agrees to Move—for \$1 Million," San Jose Mercury News, January 17, 1984, pp. 1B.
5. Ibid.
6. Palo Alto/ Peninsula Times-Tribune, October 25, 1984 Op. Cit.
7. "Convention Center Go-ahead," San Jose Mercury, May 4, 1983, p. 5A.
8. Ibid.
9. "The Big Fix," San Jose Metro, April 13-19, 1989, p. 12.
10. Ibid.
11. "Conventions Were her Life; Now They're her Nemesis," San Jose Mercury News, March 12, 1983, p. 3B.
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14. Ibid.
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17. "Tire Group Rolls into S.J.," San Jose Mercury News, April 29, 1989, p. 2B.

18. "San Jose Ready to Compete as Convention Center," San Francisco Chronicle, December 19, 1988, p. A4.

19. "Center Runs in the Red," S.J. City Times, April 13-26, 1994, p.8.

20. San Jose Mercury News, April 29, 1989, Op. Cit.

21. "Parking Woes Increase at S.J. Convention Center," The Business Journal November 12, 1990, p. 5.

22. "McEnery Convention Center?," San Jose Mercury News, February 7, 1991, p. 2B.

23. "Panel Rejects Naming Center for McEnery," San Jose Mercury News, April 4, 1991, p. 4B.

24. San Jose Mercury February 7, 1991, Op. Cit. p. 1B.

25. Ibid.

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27. San Jose Metro April 13-19, 1989, Op. Cit.

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