

CITY COUNCIL AGENDA

JUNE 9, 2015

SYNOPSIS

CHAPPIE JONES
ASH KALRA
RAUL PERALEZ
MARJORIE MATTHEWS
MAGDALENA CARRASCO

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

SAM LICCARDO MAYOR

PIERLUIGI OLIVERIO
TAM NGUYEN
ROSE HERRERA VICE MAYOR
DONALD ROCHA
JOHNNY KHAMIS

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

The City of San José is committed to open and honest government and strives to consistently meet the community's expectations by providing excellent service, in a positive and timely manner, and in the full view of the public.

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- ***Strategic Support Services*** — The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- ***Community & Economic Development*** — Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- ***Neighborhood Services*** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- ***Transportation & Aviation Services*** — A safe and efficient transportation system that contributes to the livability and economic health of the City; and provide for the air transportation needs of the community and the region at levels that is acceptable to the community.
- ***Environment and Utility Services*** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- ***Public Safety Services*** — Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

You may speak to the City Council about any discussion item that is on the agenda, and you may also speak during Open Forum on items that are not on the agenda and are within the subject matter jurisdiction of the City Council or Successor Agency to the Redevelopment Agency Board. If you wish to speak to the City Council, please refer to the following guidelines:

- **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item(s) that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
- When the Council reaches your item on the agenda, the Mayor will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City Clerk's table.
- Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
- To assist you in tracking your speaking time, there is a display on the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and Tuesday at 7 p.m. as needed, unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <http://www.sanjoseca.gov/index.aspx?NID=3549>. Council Meetings are televised live and rebroadcast on Channel 26.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at San José City Hall, 200 E. Santa Clara Street, Council Wing, 2nd Floor, San José, CA 95113 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for the final document.

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events or printed materials, please call (408) 535-1260 or (408) 294-9337 as soon as possible, but at least three business days before the meeting.

On occasion the City Council may consider agenda items out of order.

- **Call to Order and Roll Call**
 - 9:33 a.m.** - Closed Session, Call to Order in Council Chambers
Absent Councilmembers: Herrera. (Excused)
 - 1:35 p.m.** - Regular Session, Council Chambers, City Hall
Absent Councilmembers: All Present.
 - 7:00 p.m.** - Public Hearings, Council Chambers, City Hall
Absent Councilmembers: All Present.
- **Invocation (District 6)**
Rabbi Menachem Levine, Congregation Am Echad, provided the Invocation.
- **Pledge of Allegiance**
Mayor Liccardo led the Pledge of Allegiance.
- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved, with Item 4.1 to be heard directly following the Consent Calendar.

- Closed Session Report
None.

1. CEREMONIAL ITEMS

- 1.1 Presentation of commendations to the winners of the 2015 Falcon Naming Contest. (Mayor)
Mayor Reed provided a commendation to winners of the 2015 Falcon Naming Contest.
Heard in the evening.
- 1.3 A commendation acknowledging the importance of the San José Police Department's School Safety & Education Unit in promoting school safety throughout the City. (Mayor)
Mayor Reed and Councilmembers Oliverio, Rocha and Matthews honored the San José Police Department's School Safety & Education Unit for promoting school safety throughout the City.
- 1.4 Presentation of a commendation recognizing former Supervisor Blanca Alvarado for the contributions she made to the families in East San Jose as a Councilmember and to the families in Santa Clara County serving as Supervisor. (Carrasco)
(Rules Committee referral 6/3/15)
Councilmembers Carrasco and Matthews, Vice Mayor Herrera and Mayor Liccardo honored former Supervisor Blanca Alvarado for her enduring contributions as a Councilmember, as Santa Clara County Supervisor and leader in the Community.
- 1.5 Presentation of a commendation to Patricia Diaz for her leadership with the Services, Immigrant Rights and Education Network (SIREN). (Kalra)
(Rules Committee referral 6/3/15)
Mayor Liccardo and Councilmember Kalra offered a commendation to Patricia Diaz for her leadership and years of service with the Services, Immigrant Rights and Education Network (SIREN).
- 1.6 Presentation of a proclamation to declare International Yoga Day in the City of San José. (Kalra)
(Rules Committee referral 6/3/15)
Mayor Liccardo and Councilmember Kalra proclaimed June 21, 2015 as International Yoga Day in the City of San José.
Heard in the evening.

2. CONSENT CALENDAR

2.1 Approval of Minutes. None provided.

2.2 Final Adoption of Ordinances.

Recommendation: Final adoption of ordinances.

- (a) ORD. NO. 29576 – Amending Title 9 of the San José Municipal Code to add a new Chapter 9.46 to regulate tobacco product sampling. CEQA: Not a Project; File No. PP10-068(c), Municipal Code or Policy that involves no changes in the physical environment. (City Attorney)
Ordinance No. 29576 adopted.

2.3 Approval of Council Committee Reports.

Recommendation: Approval of Council Committee Reports.

- (a) Rules and Open Government Committee Report of May 13, 2015. (Mayor)
(b) Neighborhood Services and Education Committee Report of May 14, 2015. (Rocha)
(c) Community and Economic Development Committee Report of May 18, 2015. (Khamis)

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities.
Approved.

2.4 Mayor and Council Excused Absence Requests.

Recommendation: Request for an excused absence for Vice Mayor Herrera from the Regular Meeting of the Rules and Open Government Committee on May 27, 2015 due to Authorized City Business: San José Silicon Valley Chamber of Commerce State Legislative Summit. . CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Herrera)
Approved.

2.5 City Council Travel Reports. None provided.

2.6 Report from the Council Liaison to the Retirement Boards. None provided.

2. CONSENT CALENDAR

2.7 Amendments to the Agreements with Landrum and Brown, Inc. and Ricondo and Associates, Inc. for Airport Economic Analysis Services.

Recommendation:

- (a) Approve First Amendments to the Consultant Master Agreements with Landrum & Brown, Inc. and Ricondo & Associates, Inc. for Airport economic analysis services to extend the term of each agreement from June 30, 2015 to June 30, 2018, with the City's option for one additional two-year extension, with no additional compensation.

Approved.

- (b) Adopt a resolution authorizing the City Manager to exercise options to extend the Consultant Master Agreements with Landrum & Brown, Inc. and Ricondo & Associates, Inc. for Airport economic analysis services for an additional two-year period from June 30, 2018 to June 30, 2020, with no change in maximum compensation.

CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Airport)

Resolution No. 77367 adopted.

2.8 AB 24 (Nazarian) – Transportation Network Companies Public Safety Requirements.

Recommendation: As recommended by the Rules and Open Government Committee on May 27, 2015, adopt a position of support for AB 24 (Nazarian) – Transportation Network Companies: Public Safety Requirements. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Airport)

[Rules Committee referral 5/27/15 – Item G(2)]

Position of support adopted.

2.9 Amendment to Agreement with Hanson Bridgett, LLP for services as the Evaluator to the San José Ethics Commission.

Recommendation: Adopt a resolution authorizing the City Attorney to execute a Second Amendment to Agreement for services between the City of San José and Hanson Bridgett, LLP to provide legal and investigative services as the Evaluator to the San José Ethics Commission for services through June 30, 2015, and increasing compensation by \$10,000 for a total amount of compensation not to exceed \$310,000. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (City Attorney)

Resolution No. 77368 adopted.

2. CONSENT CALENDAR

2.10 Amendment to the Lease Agreement with Our City Forest for Community Nursery.

Recommendation: Adopt a resolution authorizing the City Manager or his designee to execute the First Amendment to the Lease by and between the City of San José and Our City Forest to extend the term for use of the property to April 30, 2016, amend the City's right for termination to allow the Director of Economic Development to terminate the agreement instead of the Director of General Services, and to update the mailing address for the City and the Our City Forest. CEQA: Not a Project, File No. PP10-066(f), Lease of existing space for the same use. (Economic Development)

Resolution No. 77369 adopted.

2.11 Amendment to the Sublease Agreement for Spartan Keys Neighborhood Action Center.

Recommendation: Adopt of a resolution authorizing the City Manager or his designee to execute a Second Amendment to the Sublease for the use of real property for the Spartan Keys Neighborhood Action Center, between the City of San José and Roem Development Corporation, allowing for continued use of 2,256 square feet of commercial space for community gatherings as well as office space for staff. CEQA: Mitigated Negative Declaration, File No PDC03-018, as addended by File No PD04-065.

(Economic Development)

Resolution No. 77370 adopted.

2.12 Setting Public Hearings on the Downtown Business Improvement District, Hotel Business Improvement District, and Japantown Business Improvement District for FY 2015-2016 Reports.

Recommendation:

(a) Preliminary approval of the report as filed by the Downtown Business Improvement District Advisory Board, or as modified by Council; and adoption of a resolution of intention to levy the annual assessment for Fiscal Year 2015-2016, to suspend collection of the Downtown BID assessments for businesses that qualify for the business tax financial hardship exemption under the City's general business tax ordinance, and set June 23, 2015 at 1:30 p.m. as the date and time for the public hearing on the foregoing matters.

Resolution No. 77371 adopted.

(b) Preliminary approval of the report as filed by the Hotel Business Improvement District Advisory Board, or as modified by Council; and adoption of a resolution of intention to levy the annual assessment for Fiscal Year 2015-2016 and set June 23, 2015 at 1:30 p.m. as the date and time for the public hearing on the levy of the proposed assessments.

Resolution No. 77372 adopted.

(Item Continued on the next page)

2. CONSENT CALENDAR

2.12 **Setting Public Hearings on the Downtown Business Improvement District, Hotel Business Improvement District, and Japantown Business Improvement District for FY 2015-2016 Reports (Cont'd.)**

- (c) Preliminary approval of the report as filed by the Japantown Business Improvement District Advisory Board, or as modified by Council; and adoption of a resolution of intention to levy the annual assessment for Fiscal Year 2015-16, and set June 23, 2015 at 1:30 p.m. as the date and time for the public hearing on the levy of the proposed assessments.

CEQA: Exempt, File No. PP08-048. Council District 3. (Economic Development)
Resolution No. 77373 adopted.

2.13 **Actions Related to Councilmember Khamis' Travel to Beijing, China.**

Recommendation:

- (a) Approve travel by Councilmember Khamis to Beijing, China from June 15– 21, 2015 to represent the City of San José on the Inaugural Flight of the new, direct Boeing 787 Dreamliner Air Service between San José Mineta International Airport and Beijing Capital International Airport in the People's Republic of China. Source of Funds: Councilmember Khamis' Personal Funds.
- (b) Request for an excused absence for Councilmember Khamis from the following meetings:
 - (1) The Closed Session and the Regular Meeting of the City Council on June 16, 2015;
 - (2) The Regular Meeting of the Rules and Open Government Committee on June 17, 2015; and
 - (3) The Regular Meeting of the Public Safety, Finance, and Strategic Support Committee on June 18, 2015.

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Khamis)
Approved.

2.14 **Annual Status Reports on the Safe Neighborhood Parks and Recreation Bond Projects, Branch Library Bond Projects, and the Public Safety Bond Program for FY 2013-2014.**

Recommendation:

- (a) Accept the Annual Status Report on the Safe Neighborhood Parks and Recreation Bond Projects for the FY 2013-2014.
- (b) Accept the Annual Status Report on the Branch Library Bond Projects for the FY 2013-2014.
- (c) Accept the Annual Status Report on the Public Safety Bond Program for the FY 2013-2014.

CEQA: Not a Project, File No. PP10-069(a), Annual Reports. (Public Works)
Accepted.

2. CONSENT CALENDAR

2.15 Actions Related to the 7177 – Autumn Parkway Extension Project – Phase 1C.

Recommendation:

- (a) Approve award of a Construction Contract for the 7177 – Autumn Parkway Extension Project - Phase 1C (Coleman Avenue to West Julian Street) to the lowest responsive bidder, Ghilotti Construction Company, Inc. in the amount of \$3,040,240;
- (b) Approve a ten percent contingency in the amount of \$304,024;

Approved.

- (c) Adopt a resolution authorizing the City Manager to negotiate and execute a Compensation Agreement between the City and various local taxing entities so that the City can obtain the property required for the Autumn Parkway Extension Project - Phase 1C from the Successor Agency to the Redevelopment Agency of the City of San José and authorizing the City Manager to accept such property upon transfer.

CEQA: The Coleman Avenue/Autumn Street Improvement Project EIR, File No. PP06-166, Resolution No. 74870, adopted April 7, 2009. Council District 3. (Public Works/Transportation/Successor Agency)

Resolution No. 77374 adopted.

2.16 Actions Related to the Agreement with BKF Engineers for the Charcot Avenue Extension Over I-880 Project.

Recommendation:

- (a) Approve an agreement with BKF Engineers for engineering consultant services for the Charcot Avenue Extension Over I-880 project for a term from date of full execution to June 30, 2017 with the City's option to extend for up to two additional six-month periods, subject to the appropriation of funds, and in the amount not to exceed \$991,367.

Approved.

- (b) Adopt the following Appropriation Ordinance Amendments in the Construction Excise Tax Fund:
 - (1) Increase the appropriation to the Department of Transportation for the North San José Improvements - Route 880/Charcot project by \$300,000; and
 - (2) Decrease the North San José Traffic Impact Fees Reserve by \$300,000

CEQA: Not a Project, File No. PP10-066(d), Consultant Services. (Transportation/City Manager)

Ordinance No. 29582 adopted.

2. CONSENT CALENDAR

2.17 Sponsored Travel to Madrid, Spain for the ReadMagine Conference.

Recommendation:

- (a) Accept an invitation from the Fundación Germán Sánchez Ruipérez (Fundación GSR) and to attend ReadMagine - an educational conference that explores library/reading services, digital innovation, and an initiative to improve libraries throughout Latin America from June 9 - 13, 2015. The Fundación GSR will pay the cost for travel to/from and lodging within Madrid during the event.
- (b) Approve travel to Madrid, Spain for Jill Bourne, Library Director, who will represent the City of San José as a featured presenter at the ReadMagine conference.

CEQA: Not a Project, File No. PP10-069, City Organizational and Administrative Activities. (Library)

(Rules Committee referral 6/3/15)

Approved.

2.18 Philippine Flag Raising.

Recommendation: As recommended by the Rules and Open Government Committee on June 3, 2015:

- (a) Approve the Philippine Flag Raising as a City Council sponsored Special Event and approve the expenditure of fund; and
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Kalra)
[Rules Committee referral 6/3/15 – Item G(1)(a)]

Approved.

2.19 District 10 Leadership BBQ.

Recommendation: As recommended by the Rules and Open Government Committee on June 3, 2015:

- (a) Approve the District 10 Leadership BBQ as a City Council sponsored Special Event and approve the expenditure of fund; and
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Khamis)
[Rules Committee referral 6/3/15 – Item G(1)(b)]

Approved.

2. CONSENT CALENDAR

2.20 Eritrean Flag Raising.

Recommendation: As recommended by the Rules and Open Government Committee on June 3, 2015:

- (a) Retroactively approve the Eritrean Flag Raising as a City Council sponsored Special Event and approve the expenditure of fund; and
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Mayor/Peralez)

[Rules Committee referral 6/3/15 – Item G(1)(c)]

Approved.

2.21 Portuguese Flag Raising.

Recommendation: As recommended by the Rules and Open Government Committee on June 3, 2015:

- (a) Approve the Portuguese Flag Raising as a City Council sponsored Special Event and approve the expenditure of fund; and
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Mayor/Carrasco/Matthews/Peralez)

[Rules Committee referral 6/3/15 – Item G(1)(d)]

Approved.

2.22 SB 661 (Hill) Property Taxation: State Assessment: Commercial Air Carrier Personal Property.

Recommendation: As recommended by the Rules and Open Government Committee on June 3, 2015, adopt a position of opposition for SB 661 (Hill) Property Taxation: State Assessment: Commercial Air Carrier Personal Property. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities.

[Rules Committee referral 6/3/15 – Item G(2)]

Position of opposition adopted.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the City Manager, Norberto Dueñas (Verbal Report).

City Manager Norberto Dueñas lauded Fire Station #9 for taking the initiative to replace their brown lawn with low-maintenance, drought-resistant plants. Additionally he noted constituents' praise of City's DOT staff members for outstanding service on a recent call for service.

3. STRATEGIC SUPPORT SERVICES

3.2 Labor Negotiations Update.

Recommendation: Accept Labor Negotiations Update.
None provided.

3.3 Mayor's 2015 June Budget Message.

Recommendation:

(a) Review, discussion and approval of the Mayor's 2015 June Budget Message.
Approved.

(b) Adopt a resolution by the City Council authorizing the City Manager to negotiate and execute agreements addressed in the Mayor's Budget Message which are for amounts that exceed the City Manager's contract authority, provided that any required environmental review has been completed.

CEQA: Not a Project, File No. PP10-069, City Organizational and Administrative Activities. (Mayor)

Resolution No. 77375 was adopted, and Mayor Liccardo's supplemental memorandum dated June 8, 2015, was accepted, approving the June Budget Message with changes to: (1) Authorize the additional changes proposed in the Manager's Budget Addendum #27 that were brought forward in the replacement memorandum including an additional \$5 million in savings to the Police Staffing and Operations Reserve and clarification of the function of the Reserve to include retention, hiring, and recruitment; (2) Amend Spending Proposal 2C "Residential Parking Permit Program" to support a limited date position of an Associate Transportation Specialist, rather than a Transportation Specialist; and (3) Defer approval of San Jose Recycle Plus rates contingent on City Council action on June 16, 2015.

The memorandum from Councilmember Matthews, dated June 8, 2015, was approved, to (1) Include Item 5.h. containing the funding amounts of \$250,000 for the Alviso Park Masterplan; (2) Approve an additional \$478,000 in funding from Council District 4 for the Alviso Park Improvements and Development.

The memorandum from Councilmember Khamis dated June 8, 2015, was approved, to (1) Direct the City Manager to add 1.00 FTE Park Maintenance Assistant FT at Almaden Lake Park and open Almaden Lake Park and trail on Mondays on a one-time basis for FY 2015-2016, utilizing \$60,327 in funding from the District 10 Office Rebudget; (2) Direct the City Manager to explore opportunities for providing for the opening of all four regional parks on Mondays on an ongoing basis when planning for FY 2016-2017

(Item Continued on the next page)

3.3 Mayor's 2015 June Budget Message (Cont'd.)

Also approved, was Councilmember Rocha's memorandum dated June 9, 2015, to (1) Direct staff to return with a strategy to fund an additional position in the Housing Department at or before approval of the Annual Report, using eligible sources, as appropriate, to ensure that the Housing Department can make an accelerated hire for a position to provide key Housing Department services, such as administering City's rental rights and referrals program, administering other affordable housing programs, or providing homeless services, and (2) To make textual changes on page IX-9 of the proposed budget as indicated:

Homeless Response Team:

As directed in the Mayor's March Budget Message for Fiscal Year 2015-2016, as approved by the City Council, this action allocates \$1.5 million from a 2015-2016 Earmarked Reserve that was set aside as part of the 2014-2015 Adopted Budget to continue the Homeless Response Team for a third year and continues the funding on an ongoing basis. ~~This program addresses the community's concerns about the growing and visible homeless encampments.~~ This program provides the City with a stronger infrastructure for addressing the needs of our homeless residents ~~homelessness~~, including the response relating to encampments and the concerns of community members and businesses ~~regarding individuals living in encampments.~~ This funding will allow staff to continue to respond to the health and safety concerns ~~needs~~ of encampment occupants, public safety and health concerns of neighborhoods, and any environmental damage caused by encampments. (Ongoing costs: \$1,500,000)

And with use of additional money to be decided by the Housing Department contingent upon Council approval of Recycle Plus rates, approval of the sewer service and use charges and storm service charge rates on June 23, 2015. Also per Councilmember Rocha's memorandum of June 9, 2015, to assess end funding balances in CDBG, housing restricted funds fees or charges as appropriate, and to return in August with feedback from the Budget Office on funds that might be available.

3.4 Municipal Water System Water Rate Increase for 2015-2016.

Recommendation:

- (a) Hold a Public Hearing on proposed San José Municipal Water System 2015-2016 potable water rates and charges; and

Public hearing held.

- (b) Adopt a resolution increasing the San José Municipal Water System potable water rates and charges by up to 29%, effective July 1, 2015, except for quantity charges in the McCarthy/Dixon zone, which are indexed to the cost of potable water purchased from the City of Milpitas.

CEQA: Statutorily Exempt, File No. PP10-067(a), Increase or Adjustment to Fees, Rates and Fares. Council Districts 2, 4, 7, and 8. (Environmental Services)

(Item Continued on the next page)

3. STRATEGIC SUPPORT SERVICES

3.4 Municipal Water System Water Rate Increase for 2015-2016.

City Clerk Toni J. Taber, reported that subsequent to the Environmental Services Department supplemental memorandum dated June 8, 2015, the Office of the City Clerk has received valid written protests representing zero additional customers. The total number of valid written protests is 94 total for the proposed municipal water system rate increase. The total of all written protests received during the public protest period represents less than one half of 1% of all customers impacted by the change in water retail rates, allowing Council to consider staff's recommendation for Municipal Water System rate increase. Resolution No. 77376 adopted.

3.5 Actions Related to the Amendment to the Resolution to Increase Recycle Plus Rates.

Recommendation: Adopt a resolution to supersede Resolution No. 76971 and to amend the Recycle Plus rates effective July 1, 2015, as follows:

- (a) Increase rates for single-family households by up to five percent;
- (b) Increase rates for multi-family households by five percent;
- (c) Increase the rates for large item collection services by 1.33 percent;
- (d) Increase the rates for subscription yard trimmings cart services by 1.49 percent.

CEQA: Not a Project, File No. PP10-067(a), Increase or Adjustment to Fees, Rates & Fares. (Environmental Services)

Deferred to 6/16/15 per Council.

3.6 Actions Related to the Schedule of Parking Penalties and Late Payment Penalty for Parking Violations.

Recommendation: Adopt a resolution to repeal Resolution 75677 and set forth the Schedule of Parking Penalties and Late Payment Penalty for Parking Violations to increase certain parking penalties, and include the cost of special collections on any unpaid delinquent parking citation that is collected through special collection efforts, effective July 1, 2015. CEQA: Not a Project, File No. PP10-067(a), Increase or Adjustment to Fees, Rates & Fares. (Transportation)

Resolution No. 77377 adopted, including the Proposed Budget recommendations by Councilmember Peralez to increase the fines for parking in disabled and crosshatch spaces an additional \$90 to \$410.

3.7 Actions Related to the Citation Schedule of Fines for Tree Removal Violations.

Recommendation: Adopt a resolution to repeal Resolution 77336 and adopt an amended administrative citation schedule of fines for certain violations of the San José Municipal Code in order to establish and increase fines for tree removal, effective July 1, 2015. CEQA: Not a Project, File No. PP10-067(a), Increase or Adjustment to Fees, Rates & Fares. (Transportation)

Resolution No. 77378 adopted. (10-1. Noes: Khamis.)

3. STRATEGIC SUPPORT SERVICES

3.8 Approve the 2015-2016 Operating and Capital Budgets for the City of San José and Schedule of Fees and Charges.

- (a) Adopt a resolution approving the Operating Budget for 2015-2016 for the City of San José, the Capital Budget for 2015-2016 for the City of San José, and the Five-Year Capital Improvement Program for 2016-2020 for the City of San José as revised by the Mayor's Budget Message and directing the City Manager to prepare final documents for adoption, contingent upon approval of the Sewer Service and Use Charges and Storm Sewer Service Charge Rates for which the public hearing is scheduled for June 23, 2015.
Resolution No. 77379 adopted.
Resolution No. 77380 adopted.
Resolution No. 77381 adopted.
With the inclusion of Mayor Liccardo's memorandum, dated June 4, 2015, directing the City Manager to return to Public Safety, Finance and Strategic Support Committee in Fall 2015 with a proposal to add a new section to the Police Department Fees and Charges to: (1) Include a Temporary Street Closure Series permit, issued by the Chief of Police, for a duration not to exceed 6 months, for a series of events that: i. Take place at the same location; ii. Consist of the same activities, is of similar size and involves same set-up; iii. Only occur once a week; iv. Comply fully with permit conditions; (2) Review the process and cost structure for issuing a Temporary Street Closing Permit and Block Party Permit for neighborhood associations with the intent to either eliminate or significantly reduce fees where the event is open to all residents living within the boundary of the neighborhood. To be contingent upon approval of the sewer service and use charge rates before Council on the June 23, 2015, and contingent on adoption of the recycled plus fees.
- (b) Adopt a resolution establishing the Schedule of Fees and Charges for 2015-2016.
Resolution No. 77382 adopted
- (c) Adopt a resolution amending Council Policy 1-18, Operating Budget and Capital Improvement Program Policy, to amend Operating Budget, Section 3 (Contingency Funds or Accounts) and Section 4 (Fund Balance).
Resolution No. 77383 adopted
- (d) City Council certification that the net operating and maintenance costs for the new Lake Cunningham Bike Park, estimated at \$120,000 once the park opens in Fiscal Year 2016-2017, will not require a decrease in existing basic neighborhood services.

CEQA: Not a Project, File No. PP10-069, City Organizational and Administrative Activities. (City Manager)

Certified.

3. STRATEGIC SUPPORT SERVICES

3.9 Adoption of Statement of Policy and Questions for the Director of Public Works.

Recommendation: Adopt a Statement of Policy and City Council Questions related to the selection of a permanent Director of Public Works, in compliance with City Charter Section 411.1. CEQA: Not a Project, File No. PP10-069(b), Personnel Related Decisions. (City Manager)
Adopted.

3.10 Adoption of Statement of Policy and Questions for the Director of Parks, Recreation and Neighborhood Services.

Recommendation: Adopt a Statement of Policy and City Council Questions related to the selection of a permanent Director of Parks, Recreation and Neighborhood Services, in compliance with City Charter Section 411.1. CEQA: Not a Project, File No. PP10-069(b), Personnel Related Decisions. (City Manager)
Adopted.

3.11 Investment Policy Revisions.

Recommendation: As recommended by the Public Safety, Finance, and Strategic Support Committee on May 21, 2015, adopt a resolution by the Council of the City of San José to approve the proposed revisions to the City of San José's Investment Policy. CEQA: Not a Project, File No. PP10-068(b), General Procedure & Policy Making. (Finance)
[Public Safety, Finance, and Strategic Support Committee referral 5/21/15 – Item D(5)]
Resolution No. 77384 adopted.

3.12 Debt Management Policy Revisions.

Recommendation: As recommended by the Public Safety, Finance, and Strategic Support Committee on May 21, 2015, adopt a resolution by the Council of the City of San José to approve the proposed revisions to the City of San José's Debt Management Policy. CEQA: Not a Project, File No. PP10-068(b), General Procedure & Policy Making. (Finance)
[Public Safety, Finance, and Strategic Support Committee referral 5/21/15 – Item D(6)]
Resolution No. 77385 adopted.
(Note: Heard concurrently with Item 9.1.)

3. STRATEGIC SUPPORT SERVICES

3.13 Information Technology Project Status and Future Technology Investment Strategies Semi-Annual Report.

Recommendation: As recommended by the Public Safety, Finance, and Strategic Support Committee on April 16, 2015, accept the semi-annual report on the status of City-wide technology projects and future information technology investment strategies. CEQA: Not a Project, File No. PP10-069(a), Staff Reports, Assessments and Annual Reports. (Information Technology)

[Public Safety, Finance, and Strategic Support Committee referral 4/16/15 – Item D(5)]
Accepted, including the joint memorandum from Mayor Liccardo, Vice Mayor Herrera, and Councilmembers Jones and Khamis, dated June 5, 2015 to explore the following recommendations related to the City's Technology Investment Strategy and return to the Rules Committee with a workload assessment that prioritizes measures that can be quickly implemented, but refers items requiring more extensive staff work to the Council's prioritization process: (1) Include, as part of the Employee Suggestion Program, rewards for City employees who develop and deploy technological solutions that improve City services and drive a culture of innovation; (2) Develop a framework that forges partnerships with technology companies and local research universities that support City objectives. Establish an Information Technology (IT) Advisory Group, consisting of key private sector, university, and foundation experts, to provide strategic recommendations to the City on current and future opportunities in technology; (3) Develop an Information Communication Technology Master Plan that focuses on ensuring San Jose's internet infrastructure remains competitive in its economic development efforts to recruit companies and talent to San Jose; (4) Develop a technological baseline that allows for connectivity and collaboration among Departments and systems through compatibility with open source, mobile, and open data platforms. Create a Customer Relationship Management Strategic Plan to integrate systems across Departments and function; (5) Develop a framework for increased use of data analytics to improve City services and infrastructure; (6) Review IT systems, expertise, and capacity to determine whether we can improve efficiencies and avoid inconsistent technology adoption by centralizing IT services. Identify Department IT functions that are not currently managed by Information Technology Department (ITD) and analyze the costs and benefits of direct ITD. management.

3.14 Third Quarter Financial Reports for Fiscal Year 2014-2015.

Recommendation: As recommended by the Public Safety, Finance, and Strategic Support Committee on May 21, 2015, accept the following Third Quarter Financial Reports for Fiscal Year 2014-2015 for the following programs:

- (a) Debt Management Report;
- (b) Investment Report; and
- (c) Revenue Collection Report.

CEQA: Not a Project, File No. PP10-069(a), City Organizational & Administrative Activities. (Finance)

[Public Safety, Finance, and Strategic Support Committee referral 5/21/15 – Item D(4)]
Accepted.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Agreement with San José State University for the Hammer Theatre Reuse.

Recommendation: As recommended by the Community and Economic Development Committee on May 18, 2015, adopt a resolution authorizing the City Manager to negotiate and execute an agreement with San José State University for the operations and maintenance of the Hammer Theatre for an initial incubation period of three years, in an amount not to exceed \$285,000 per year, subject to the annual appropriation of funds. CEQA: Not a Project, File No. PP10-066, Agreements/Contracts. (Economic Development)
[Community and Economic Development Committee referral 5/18/15 – Item D(2)]
Resolution No. 77386 adopted.

4.2 Acquisition of the Plaza Hotel from Successor Agency to the Redevelopment Agency for Housing the Homeless. - *DEFERRED*

Recommendation: Adopt a resolution directing the Interim Director of Housing to pursue the acquisition of the Plaza Hotel located in San José at 96 South Almaden Boulevard from the Successor Agency to the Redevelopment Agency of the City of San José for housing the homeless. CEQA: Not a Project, File No. PP10-069(a), Staff Report. (Housing)
Deferred to 6/16/15 per Administration

4.3 Actions Related to the Vacation of a Portion of Elester Court.

Recommendation: Conduct a Public Hearing and adopt a resolution to vacate a portion of Elester Court, reserving a public service easement over the area proposed for vacation. CEQA: Exempt, File No. PP15-021. Council District 9. (Public Works)
Public hearing held.
Resolution No. 77387 adopted.

4.4 Status Report on the Downtown Strategy 2000 EIR.

Recommendation: As recommended by the Community and Economic Development Committee on May 18, 2015, accept the status report on project scope, project schedule and workplan action items to complete an update to the Downtown Strategy 2000 Environmental Impact Report. CEQA: Not a Project, File No. PP10-069(a), Staff Report. (Planning, Building and Code Enforcement)
[Community and Economic Development Committee referral 5/18/15 – Item D(4)]
Accepted, with the incorporation of a nexus study that will examine developing a policy for preservation of commercial land near future BART and other transit stations and to explore methods to fund and mitigate future traffic impacts.

5. NEIGHBORHOOD SERVICES

5.1 Neighborhoods Commission Update.

Recommendation: As recommended by the Neighborhood Services and Education Committee on May 14, 2015, accept the Neighborhoods Commission Update on FY 2014-2015 activities. CEQA: Not a Project, File No. PP10-069, City Organizational and Administrative Activities. (City Manager)

[Neighborhood Services and Education Committee referral 5/14/15 – D(5)]

Heard in the evening.

Accepted, with the Neighborhood Services and Education Committee instructed to add the use of police body-worn cameras to the work plan.

5.2 Report on the Youth Commission Activities and Collaboration.

Recommendation: Accept the updated report on the Youth Commission's activities and collaboration with the Youth Advisory Councils. CEQA: Not a Project, File No. PP10-069(a), Staff Report. (Parks, Recreation and Neighborhood Services)

Heard in the evening.

Accepted.

5.3 Alviso Park Master Plan and Improvements.

Recommendation: Accept the work plan for preparation of the Alviso Master Plan Project. CEQA: Not a Project, File No. PP10-069(a), Staff Report. (Parks, Recreation and Neighborhood Services)

(Continued from 6/2/15 – Item 5.3)

Heard in the evening.

Accepted, and the task force members were appointed.

6. TRANSPORTATION & AVIATION SERVICES

6.1 Actions Related to the Airport Airfield Improvements 2015 Project.

Recommendation: Report on bids and award of contract for the 7714 - Mineta San José International Airport - Airfield Improvements 2015 Project to the low bidder, Granite Rock Company, to include the base bid in the amount of \$2,700,170, and approval of a contingency in the amount of \$270,017. CEQA: San Jose International Airport Master Plan Update Final Environmental Impact Report, Resolution Nos. 67380 and 71451, File No. PP14-066. (Airport/Public Works)

(Continued from 6/2/15 – Item 6.1 and deferred from 5/19/15 – Item 6.2)

(Note: Item 6.1 was bifurcated into parts (1) and (2) to include two separate votes)

(1) Report on bids and award of the contract were accepted. (11-0)

(Item Continued on the next page)

6. TRANSPORTATION & AVIATION SERVICES

6.1 Actions Related to the Airport Airfield Improvements 2015 Project (Cont'd.)

- (2) Acceptance of the memorandum from Councilmembers Kalra, Jones, Peralez and Matthews, dated May 29, 2015 to accept staff recommendations and direct the City Manager, with assistance from the City Attorney, to: (a) Develop a standard outreach process with measurements of success based upon feedback from women and minority-owned businesses to increase Disadvantaged Business Enterprise (DBE) participation with assistance from community partners; (b) Create protocol to detail DBE outreach as part of the staff reports on all City projects; and (c) Develop the strongest language possible under the law to encourage maximum DBE participation from prime contractors, including the subcontractors they bring onto projects. (10-1. Noes: Oliverio.)

7. ENVIRONMENTAL & UTILITY SERVICES

8. PUBLIC SAFETY SERVICES

9. REDEVELOPMENT – SUCCESSOR AGENCY

9.1 Debt Management Policy Revisions.

Recommendation: Adopt a resolution by the Board of the Successor Agency to the Redevelopment Agency of the City of San José requiring the Successor Agency to conform to the City of San José's Debt Management Policy, as modified from time to time. CEQA: Not a Project, File No. PP10-068(b), General Procedure & Policy Making. (Finance) [Public Safety, Finance, and Strategic Support Committee referral 5/21/15 – Item D(6)] (*Note: Heard concurrently with Item 3.12*)
Successor Agency Resolution No. 7041 adopted.

10. GENERAL PLAN PUBLIC HEARINGS

No General Plan Public Hearing at this time.

11. PUBLIC HEARINGS ON CONSENT CALENDAR

11.1 Public Hearings on Consent Calendar.

Recommendation:

- (a) **Rezoning of the Real Property Located On The Southeast Corner Of Great Oaks Boulevard And Via Del Oro.**

Recommendation: Consideration of an ordinance rezoning the real property located on the southeast corner of Great Oaks Boulevard and Via Del Oro (100 Great Oaks Boulevard) from the A(PD) Planned Development Zoning District to the CIC Combined Industrial/Commercial Zoning District on a 2.35 gross acre site (PD Development LLC, Owners). CEQA: Envision San José 2040 General Plan Final Program EIR, Resolution No. 76041. (Planning, Building and Code Enforcement)

C15-013 – District 2

Ordinance No. 29583 passed for publication.

11.2 Conditional Use Permit for the Real Property Located on the East Side of South 1st Street, Approximately Feet Southerly of East Santa Clara Street. - *DEFERRED*

Recommendation: Consideration of a Conditional Use Permit to allow a drinking establishment (for more than 250 people) and late night use until 2:00 a.m. in an existing 8,684 square foot public eating establishment in the DC Downtown Primary Commercial Zoning District on an approximately 0.15 gross acre site, located on the east side of South 1st Street, approximately 400 feet southerly of East Santa Clara Street (58 South 1st Street). CEQA: Exempt per Section 15303(c) for conversion of small structures.

Planning Commission recommends approval (4-1-1-1) (Abelite absent and Yob recused). (Planning, Building and Code Enforcement)

CP15-016 – District 3

Deferred to 6/23/15 per Administration

11. PUBLIC HEARINGS

11.3 Historic Landmark Nomination for the San José Mercury News Building.

Recommendation: Conduct a Public Hearing and adopt a resolution designating the “San José Mercury News Building” as a landmark of special historic, architectural, cultural, aesthetic or engineering interest, or value of a historic nature. CEQA: The Landmark designation is not considered a project under CEQA. Pursuant to CEQA Guidelines Section 15378, a project means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The designation of the subject building as a City Landmark in itself would not result in any physical changes to the structure, and therefore, would not have any direct or indirect physical change on the environment. Historic Landmarks Commission recommends that the Council approve the proposed Landmark Designation for the San Jose Mercury News building (6-0-1, Schultz absent). (Planning, Building and Code Enforcement)

HL15-215 – District 3

(Rules Committee referral 6/3/15)

Public hearing held.

The recommendation to designate the “San José Mercury Building” as a City Landmark was denied; Councilmember Rocha’s memorandum dated June 9, 2015, to approve Mayor Liccardo’s memorandum dated June 5, 2015 and with the following items to be accomplished by the applicant along with the redevelopment of the Mercury News site was accepted: (1) Accomplish the de-installation, restoration and storage of the Jagger sculpture that currently hangs in the loggia of the former Mercury News building, and make best efforts to identify a new location to install the sculpture in a venue that is open for public viewing; (2) Establish a plaque on the site in a prominent place that commemorates its history; (3) Complete Historical American Buildings Surveys Level III documentation of the existing building prior to demolition; (4) Work with History San José to establish an online exhibit that would document the history of the San José Mercury News at its former Ridder Park location.

- **Open Forum**

- (1) Blair Beekman provided observations on the drone use program.**
- (2) Brian Darby expressed the concerns of fellow residents of the Winchester Mobile Home Park, that they will lose their homes if the park is rezoned.**
- (3) Jon Max Reger offered reflections on the City’s budget, opining that discretionary funds should be based on need.**
- (4) David Andre, Gary Galiotto and Warren Cox all offered criticism of the inadequate signage on the west side of O’Connor Way, poor street markings and parking issues, and the need for the City’s Department of Transportation to develop a permanent solution.**

- **Adjournment**

The Council of the City of San José was adjourned at 10:24 p.m.