



CITY COUNCIL AGENDA

OCTOBER 6, 2015

SYNOPSIS

CHAPPIE JONES
ASH KALRA
RAUL PERALEZ
MANH NGUYEN
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, Tower 14th 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**
9:00 a.m. - Closed Session, Call to Order in Council Chambers
Absent Councilmembers: All Present.
1:34 p.m. - Regular Session, Council Chambers, City Hall
Absent Councilmembers: All Present.
- **Invocation (District 9)**
Professor Gus Lease, San José State University, sang “America the Beautiful” and “The Grand Old Flag” for the Invocation.
- **Pledge of Allegiance**
Mayor Liccardo led the Pledge of Allegiance.
- **Orders of the Day – *Heard after Ceremonial Items***
The Orders of the Day and the Amended Agenda were approved, with Item 3.5 deferred to 10/27/15.
- **Closed Session Report**
None provided.

1. CEREMONIAL ITEMS

- 1.1 Presentation of a proclamation declaring City of San José's participation in the 2015 Combined Giving Campaign from October 6 through November 13, 2015. (Parks, Recreation and Neighborhood Services/Herrera).
Mayor Sam Liccardo and Vice Mayor Rose Herrera declared the City of San José's participation in the 2015 Combined Giving Campaign, and Director of Parks, Recreation and Neighborhood Services, Angel Rios invited participation.
- 1.2 Presentation of a proclamation proclaiming the month of October as Breast Cancer Awareness Month in the City of San José. (Herrera)
Mayor Sam Liccardo and Vice Mayor Rose Herrera proclaimed the month of October as Breast Cancer Awareness Month in the City of San José.
- 1.3 Presentation of a proclamation to declare Hindu American Awareness Month in the City of San José. (Kalra)
Mayor Sam Liccardo and Councilmember Ash Kalra proclaimed October Hindu American Awareness Month in the City of San José.

2. CONSENT CALENDAR

2.1 **Approval of Minutes.**
None provided.

2.2 **Final Adoption of Ordinances.**

Recommendation: Final adoption of ordinances.

- (a) ORD. NO. 29616 – Rezoning certain real property of approximately 3.34 acres situated at the southern terminus of Dove Hill Road, approximately 1,890 feet southerly of Yerba Buena Road (3830 Dove Hill Road) from the Agricultural Zoning District to the R-1-2 Single-Family Residence Zoning District. CEQA: Addendum to the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041).

Ordinance No. 29616 adopted.

- (b) ORD. NO. 29617 – Rezoning certain real property of approximately 0.4 acre on the northeast corner of Lincoln Avenue and Savaker Street (590 Lincoln Avenue) from IP Industrial Park Zoning District to the CIC Combined Industrial/Commercial Zoning District. CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041).

Ordinance No. 29617 adopted.

(Item continued on the next page)

2. CONSENT CALENDAR

2.2 Final Adoption of Ordinances. (Cont'd.)

Recommendation:

- (c) ORD. NO. 29618 – Rezoning certain real property of approximately 5.54 acres on the southwesterly corner of McLaughlin Avenue and Carnelian Drive (1523 McLaughlin Avenue) from the R-1-8 Single Family Residence District to the PQP Public/Quasi Public Zoning District. CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041).

Ordinance No. 29618 adopted.

- (d) ORD. NO. 29619 – Rezoning certain real property of approximately 42.53 acres situated on the southeast corner of Winchester and Stevens Creek Boulevards (Santana Row) from the A(PD) Planned Development Zoning District to the A(PD) Planned Development Zoning District. CEQA: Santana Row Expansion Project Environmental Impact Report (Resolutions No. 77532), File No. PDC13-050.

Ordinance No. 29619 adopted.

- (e) ORD. NO. 29620 – Rezoning certain real property of approximately 0.72 gross acre situated at the northwest corner of North Capitol Avenue and Hostetter Road (1601 North Capitol Avenue) from the A(PD) Planned Development Zoning District to the CN(PD) Planned Development Zoning District. CEQA: Exempt, Guidelines Section 15303(c) for New Construction of Small Structures.

Ordinance No. 29620 adopted.

- (f) ORD. NO. 29623 – Rezoning certain real property of approximately 0.16 acre situated on the north side of South Almaden Avenue approximately 100 feet west of Sutter Street (863 South Almaden Avenue), from the CN Commercial Neighborhood Zoning District to the R-M Multiple Residence Zoning District. CEQA: Exempt, Guidelines Section 15303 New Construction or Conversion of Small Structures. File No. C15-015.

Ordinance No. 29623 adopted.

2. CONSENT CALENDAR

2.3 Approval of Council Committee Minutes.

Recommendation: Approval of Council Committee Minutes.

- (a) Rules and Open Government Committee Minutes of September 2, 2015. (Mayor) [Deferred from 9/22/2015 – Item 2.3(a)]
- (b) Neighborhood Services and Education Committee Minutes of September 10, 2015. (Rocha)
- (c) Transportation and Environment Committee Minutes of September 14, 2015. (Kalra)
- (d) Rules and Open Government Committee Minutes of September 16, 2015. (Mayor)
- (e) Public Safety, Finance, and Strategic Support Committee Minutes of September 17, 2015. (Oliverio)

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

Approved.

2.4 Mayor and Council Excused Absence Requests.

None provided.

2.5 City Council Travel Reports.

None provided.

2.6 Report from the Council Liaison to the Retirement Boards.

None provided.

2.7 Agreement with Bank of America, N.A. for Automated Teller Machine Concessions at the Airport.

Recommendation: Approve an Automated Teller Machine Concession Agreement with Bank of America, N.A., for a term of seven years starting January 1, 2016 with a concession fee to the City in the amount of \$313,500 for the first year. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Airport)

Approved.

2.8 Ratification of Final Expenditures for 2014-2015.

Recommendation:

- (a) Adopt an ordinance ratifying final 2014-2015 expenditures in various appropriations detailed in this report.
Ordinance No. 29624 adopted.

(Item Continued on the next page)

2. CONSENT CALENDAR

2.8 Ratification of Final Expenditures for 2014-2015 (Cont'd.)

Recommendation:

(b) Adopt the following 2014-2015 Appropriation Ordinance and Funding Sources Resolution amendments in the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund:

- (1) Increase the Earned Revenue estimate by \$1,431,298;
- (2) Increase the Needs-Based Allocation Transfer to Council District 1 by \$77,450;
- (3) Increase the Needs-Based Allocation Transfer to Council District 2 by \$56,962;
- (4) Increase the Needs-Based Allocation Transfer to Council District 3 by \$88,745;
- (5) Increase the Needs-Based Allocation Transfer to Council District 4 by \$60,735;
- (6) Increase the Needs-Based Allocation Transfer to Council District 5 by \$109,598;
- (7) Increase the Needs-Based Allocation Transfer to Council District 6 by \$91,061;
- (8) Increase the Needs-Based Allocation Transfer to Council District 7 by \$102,475;
- (9) Increase the Needs-Based Allocation Transfer to Council District 8 by \$60,371;
- (10) Increase the Needs-Based Allocation Transfer to Council District 9 by \$96,268;
- (11) Increase the Needs-Based Allocation Transfer to Council District 10 by \$63,568;
- (12) Increase the Transfer to the Parks City-Wide Construction and Conveyance Tax Fund by \$403,113; and
- (13) Increase the Transfer to the General Fund – Parks Eligible Maintenance Costs by \$220,952.

Ordinance No. 29625 adopted.

Resolution No. 77539 adopted.

(c) Adopt the following 2014-2015 Appropriation Ordinance amendments in the General Fund:

- (1) Increase the City-Wide Expenses Sick Leave Payments Upon Retirement appropriation by \$564,064; and
- (2) Decrease the City-Wide Expenses Workers' Compensation Claims – Police appropriation by \$564,064.

Ordinance No. 29626 adopted.

(Item Continued on the next page)

2. CONSENT CALENDAR

2.8 Ratification of Final Expenditures for 2014-2015. (Cont'd.)

Recommendation:

(d) Adopt the following 2014-2015 Appropriation Ordinance and Funding Sources Resolution amendments in the 1943 Gas Tax Maintenance and Construction Fund:

- (1) Increase the estimate for Earned Revenue by \$256,584; and
- (2) Increase the Transfer to the General Fund for Street Maintenance by \$256,584.

Ordinance No. 29627 adopted.

Resolution No. 77540 adopted.

(e) Adopt the following 2014-2015 Appropriation Ordinance and Funding Sources Resolution amendments in the 1990 Gas Tax Maintenance and Construction Fund:

- (1) Increase the estimate for Earned Revenue by \$200,106; and
- (2) Increase the Transfer to the General Fund for Street Maintenance by \$200,106.

Ordinance No. 29628 adopted.

Resolution No. 77541 adopted.

(f) Adopt the following 2014-2015 Appropriation Ordinance and Funding Sources Resolution amendments in the 1964 Gas Tax Maintenance and Construction Fund:

- (1) Increase the estimate for Earned Revenue by \$31,258; and
- (2) Increase the Transfer to the General Fund for Street Maintenance by \$31,258.

Ordinance No. 29629 adopted.

Resolution No. 77542 adopted.

(g) Adopt the following 2014-2015 Appropriation Ordinance and Funding Sources Resolution amendments in the Construction Tax and Property Conveyance Tax Fund: Parks Maintenance Yards Purposes:

- (1) Increase the Earned Revenue estimate by \$1,857; and
- (2) Increase the Transfer to the Park Yards Operating and Maintenance Expenses appropriation by \$1,857.

CEQA: Not a Project, File No. PP10-067(b), Appropriation Ordinance. (City Manager)

Ordinance No. 29630 adopted.

Resolution No. 77543 adopted.

2. CONSENT CALENDAR

2.9 Actions Related to the Agreement with Bonkowski & Associates, Inc. for the Water Well Evaluation Pre-Design Services.

Recommendation:

- (a) Approve the Master Service Agreement with Bonkowski & Associates, Inc. for Water Well Evaluation Pre-Design Services for San José Municipal Water System for the term beginning on the date of Council approval of the agreement through September 30, 2017, with a not-to-exceed amount of \$1,500,000.

Approved.

- (b) Adopt a resolution authorizing the Director of Environmental Services to exercise two options: one option to extend the term for one additional year after the initial term; and a second option to extend the term for one additional year after the first option year, with no increase in the maximum compensation for exercise of the options.

CEQA: Exempt, Guidelines Section 15306. Information Collection, File No. PP15-080. (Environmental Services)

Resolution No. 77544 adopted.

2.10 Westfield Oakridge Winter Walk.

Recommendation: As recommended by the Rules and Open Government Committee on September 23, 2015:

- (a) Approve the Westfield Oakridge Winter Walk (WOWW) scheduled on February 26, 2016 as a City Council sponsored Special Event and approve the expenditure of funds;
- (b) Approve and accept donation from various individuals, businesses or community groups to support the event.

CEQA: Not a Project, File No. PP15-077, Temporary Special Events. (Khamis)
[Rules and Open Government Committee referral 9/23/15 – Item G(1)(a)]

Approved.

2.11 Crime Prevention Forum.

Recommendation: As recommended by the Rules and Open Government Committee on September 23, 2015:

- (a) Approve the Crime Prevention Forum scheduled on October 22, 2015 as a City Council sponsored Event and approve the expenditure of funds; and
- (b) Approve and accept donation from various individuals, businesses or community groups to support the event.

CEQA: Not a Project, File No. PP15-077, Temporary Special Events. (Khamis)
[Rules and Open Government Committee referral 9/23/15 – Item G(1)(b)]

Approved.

2. CONSENT CALENDAR

2.12 Sponsored Travel to Cape Town, South Africa for the International Network for Emerging Library Innovators – Cohort 2 Conference. – *DROP*

Recommendation:

- (a) Accept an invitation from the Bill and Melinda Gates Foundation to attend the International Network of Emerging Library Innovators – Cohort 2 (INELI) - from October 18 to October 22, 2015. The Bill and Melinda Gates Foundation will pay the cost for travel and lodging within Cape Town during the event.
- (b) Approve travel to Cape Town, South Africa for Jill Bourne, Library Director, who will represent the City of San José as a featured presenter at the INELI conference.

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Library)
Dropped per Administration.

2.13 “STEM with Mayor Sam.”

Recommendation: As recommended by the Rules and Open Government Committee on September 23, 2015:

- (a) Approve “STEM with Mayor Sam” as a City Council sponsored Event and approve the expenditure of funds; and
- (b) Approve and accept donation from various individuals, businesses or community groups to support the event.

CEQA: Not a Project, File No. PP15-077, Temporary Special Events. (Mayor)
[Rules and Open Government Committee referral 9/23/15 – Item G(1)(c)]
Approved.

2.14 Actions Related to the San José Curb Café Pilot Program.

Recommendation:

- (a) Accept staff report on the status of the San José Curb Café pilot program.
Accepted.
- (b) Adopt a resolution that reauthorizes and expands the San José Curb Café pilot program and associated guidelines to authorize the Director of Public Works to issue encroachment permits to no more than ten total Curb Café’s in San José from the date of reauthorization until December 31, 2016.

CEQA: Exempt, Guidelines Section 15304(b). Minor Alterations to Land, File No. PP12-103. (Public Works)

Resolution No. 77545 adopted, including Mayor Sam Liccardo’s memorandum, dated October 5, 2015, with direction to staff to create a 1-page flyer outlining the guidelines of the pilot program, which Councilmembers may use to promote the Curb Cafe Program within their Council Districts, and including staff’s original recommendation to end the pilot program by December, 2016.

2. CONSENT CALENDAR

2.15 Report on Bids and Award of Contract for the 7978 – 2015 ADA Accessibility Ramps Project.

Recommendation: Report on bids and award of a construction contract for the 7978 – 2015 ADA Accessibility Ramps Project to the low bidder Spenco Construction, Inc. in the amount of \$1,033,475 with a contingency of \$103,348. CEQA: Exempt, Guidelines Section 15301. Existing Facilities, File No. PP13-051. (Transportation)
Accepted.

3. STRATEGIC SUPPORT SERVICES

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

City Manager Norberto Dueñas invited participation in Viva Calle San José which will close miles of San José streets on October 11, bringing communities together to walk, bike, skate, play, and explore the city. Additionally he announced that Super Bowl trophies are currently on display at St. James Park.

Councilmember Pierluigi Oliverio requested follow-up on the City's ability to mandate netting for bird-nesting cleanup under CalTrain freeway and railroad overpasses.

3.2 Labor Negotiations Update.

Recommendation: Accept Labor Negotiations Update.
None provided.

3.3 Actions Related to the Agreement with CalPine/Metcalf Energy for Air Monitoring Stations. DEFERRED

Recommendation: Approve one of the following alternatives related to the two required air monitoring stations in the 2001 Cooperation Agreement with CalPine/Metcalf Energy and delegate authority to the City Manager to execute the steps outlined in the memorandum to Council for the selected option:

- (a) Alternative 1: Calpine Reimburses City to Build and Operate Northern and Southern Station for A Term of 25 Years.
- (b) Alternative 2: Calpine Makes Payment In Lieu For Both Stations, City Builds And Operates Both Stations.
- (c) Alternative 3: Calpine Reimburses City To Build And Operate Northern Station Only For A Term Of 25 Years.
- (d) Alternative 4: Calpine Makes Payment In Lieu For Both Stations, City Earmarks Monies For Community Project.

CEQA: Exempt, CEQA Guidelines Section 15303(e), New Construction or Conversion of Small Structures, File No. PP15-056. (City Manager)

Deferred to 10/20/15 per Administration.

3. STRATEGIC SUPPORT SERVICES

3.4 Proposed Revisions to Title 12 of the San José Municipal Code relating to Municipal Elections and Campaigns and Officeholder Contributions.

Recommendation: Discussion and direction relating to modifications to Title 12 of the San José Municipal Code regarding Disclosure of Electioneering Communications, Duties of the City Clerk in Publishing Campaign Statement Information, Voluntary Spending Limits Program, and Late Contribution Disclosure requirements. CEQA: Not a Project, File No. PP10-068(c), Code of Policy change that involves no physical changes to the environment. (City Attorney/City Clerk)

Proposed changes to municipal elections provisions of the Municipal Code were heard separately as indicated below:

A. Disclosure of Electioneering Communication.

Recommendations for Item (A) in the memoranda from Mayor Sam Liccardo, dated October 2, 2015 and from Councilmember Chappie Jones, dated October 5, 2015 were accepted: amend Title 12 of the San José Municipal Code to make it consistent with the requirements under the FPPC.

B. City of San José Form 503.

Recommendations for Item (B) in the memoranda from Mayor Sam Liccardo, dated October 2, 2015 and from Councilmember Chappie Jones, dated October 5, 2015 were accepted: maintain the Form 503 filing requirement as a one-time requirement for the candidate-controlled committee receiving or making expenditures in a city election.

C. Duties of the City Clerk – Publishing Campaign Statement Information.

Recommendation for Item (C) in the memorandum from Mayor Sam Liccardo, dated October 2, 2015 was accepted: amend the ordinance to eliminate the requirement of publishing an ad in the San Jose Mercury News, but require the City Clerk to issue a press release, in multiple languages, with the required information enumerated in this section, to a list of media maintained by the Public Information Officer. The Clerk is further required to post the information on the City's website.

D. Deadlines to Close Out Campaign Committees.

Recommendation for Item (D) in Councilmember Chappie Jones' memorandum dated October 5, 2015, to change all three of the deadlines to six (6) months from the date of the election was accepted.

E. Voluntary Campaign Expenditure Limits.

Recommendation for Item (E) in Councilmember Chappie Jones' memorandum dated October 5, 2015, to eliminate the program in its entirety was accepted.

Noes: Liccardo, Rocha.

(Item Continued on the next page)

F. Campaign Contribution Limits-Special Elections.

Recommendations for Item (F) in the memoranda from Mayor Sam Liccardo, dated October 2, 2015 and from Councilmember Chappie Jones, dated October 5, 2015, was accepted: allowing separate contributions limits for both the special municipal election and the special run-off election, and to ensure the uniformity of those limits with standard election cycles.

G. Political Signs.

Recommendation for Item (G) in the memorandum from Mayor Sam Liccardo, dated October 2, 2015, was accepted: move all electioneering communications rules for content of signs to Title 12, so that one can readily understand the rules with reference to a single section of the Code governing elections, and to direct the City Clerk to continue to provide outreach and education.

H. Minimum Penalty.

Recommendation for Item (H) in the memorandum from Mayor Sam Liccardo, dated October 2, 2015, was accepted, directing the City Attorney to modify the Ethics Commission recommendation to mandate a standard minimum penalty of \$1,000 for failure to file late contribution reports, but allow the Commission the discretion to reduce the penalty upon making written findings of unusual mitigating circumstances that make a \$1,000 fine unreasonable.

I. Late Contributions.

Recommendations for Item (I) were accepted with modifications as stated in Councilmember Chappie Jones' memorandum dated October 5, 2015, to eliminate the City's late contribution filing requirements and require a third pre-election campaign statement (Form 460) to be submitted 1 day before the election.

Noes: Manh Nguyen.

J. Clarifying terms, Clean up, and Other Items.

Recommendation for Item (J) in Councilmember Chappie Jones' memorandum dated October 5, 2015, were approved, directing the Ethics Commission to review the pre- and post-election 180-day fundraising rules and come back to the Council with recommendations.

Noes: Kalra.

3.5 Police Department Hiring Audit.

Recommendation: As recommended by the Public Safety, Finance, and Strategic Support Committee on September 17, 2015, accept the audit report on Police Hiring: Additional Efforts to Recruit Qualified Candidates Urgently Needed to Fill Vacancies. CEQA: Not a Project, File No. PP10-069(a), Staff Reports, Assessments and Annual Reports that involve no approval of City actions with a potential change in the environment. (City Auditor)

[Public Safety, Finance, and Strategic Support Committee referral 9/17/15 – Item d(4)]
Accepted.

3. STRATEGIC SUPPORT SERVICES

3.6 Process to Fill an Unanticipated Vacancy on the Board of Administrations – Police and Fire Department Retirement Plan. – DROP

Recommendation: As recommended by the Rules and Open Government Committee on September 30, 2015, direct the City Clerk to initiate the appointment process for the unanticipated, unscheduled vacancy for a police department employee member on the Board of Administration of the Police and Fire Department Retirement Plan to appoint a City police department employee to the end of the resigned member's term, November 30, 2017. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (City Clerk)
[Rules Committee referral 9/30/15 – Item F(1)(a)]

Dropped per Orders of the Day.

3.7 Information Technology Projects Status and Future Technology Investment Strategies Semi-Annual Report.

Recommendation: As recommended by the Public Safety, Finance, and Strategic Support Committee on September 17, 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 that involve no approval of City actions with a potential change in the environment. (Information Technology)
[Public Safety, Finance, and Strategic Support Committee referral 9/17/15 – Item d(7)]
Accepted.

3.8 Planning Commission Interviews.

Recommendation:

- (a) Interview applicants for appointment to the Planning Commission; and
- (b) Appoint one (1) applicant to the Planning Commission to an unexpired term ending June 30, 2016.

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

[Deferred from 9/29/15 – Item 3.3]

Interviews were held, and Michelle Yesney was appointed to the Planning Commission to an unexpired term ending June 30, 2016.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Actions Related to the Exclusive Negotiation Agreement with Insight Realty Company for Parkside Hall.

Recommendation: Adopt a resolution to approve the selection of Insight Realty Investments Inc., dba Insight Realty Company in response to the Parkside Hall Request for Qualifications, and authorize the City Manager, or his designee, to execute an Exclusive Negotiation Agreement with the selected developer, thereby allowing staff to continue non-binding discussions with the developer for the purposes of preparing a Purchase and Sale Agreement for City Council's consideration. CEQA: Not a Project, File No. PP10-066(e), Agreements and Contracts for services that involve no physical change to the environment. Council District 3. (Economic Development)

Resolution No. 77546 adopted, including the joint memorandum from Mayor Sam Liccardo and Councilmembers Peralez, Carrasco, Rocha and Khamis, dated October 2, 2015, with item 3.vi. modified to "require the developer to enter into a labor peace agreement with the appropriate union to locate the City's interests from a hotel-land dispute."

4.2 Amendment to the Lease Extension with Sun Garden Tenants in Common for Use of the Police Vehicle and Evidence Warehouse.

Recommendation: Adopt a resolution authorizing the City Manager, or his designee, to execute a First Amendment to extend the current lease between Sun Garden Tenants in Common, as Landlord, and the City of San José, as Tenant, for an additional three-year period (expiring on May 31, 2019), allowing for the continued use and operation of the Police Vehicle and Evidence Warehouse, consisting of approximately 99,819 square feet of warehouse space located at 1598 Monterey Road in San José. The lease amount is \$712,419 for the first year, \$733,792 for the second year, \$755,805 for the third year. The total rental cost is \$2,202,016 for the three-year term of this lease extension. CEQA: Not a Project, File No. PP10-066(f), Lease of equipment of existing space for the same use. Council District 7. (Economic Development)

Resolution No. 77547 adopted, including the joint memorandum from Mayor Sam Liccardo and Councilmember Tam Nguyen, dated October 2, 2015.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.3 Issuance of a Tax-Exempt Multifamily Housing Revenue Note and Loan of Note Proceeds for the Town Park Towers Project.

Recommendation: Adopt a resolution:

- (a) Authorizing the issuance of a tax-exempt multifamily housing revenue note designated as “City of San José Multifamily Housing Revenue Note (Town Park Towers), Series 2015C” (the “Series 2015C Note”) in a principal amount not to exceed \$48,000,000;
- (b) Approving a loan of Series 2015C Note proceeds to Town Park Towers L.P., a California limited partnership created by Northern California Presbyterian Homes and Services, Inc., a California nonprofit public benefit corporation, to finance the acquisition and rehabilitation of the Town Park Towers located at 60 North Third Street in San José;
- (c) Approving in substantially final form the Funding Loan Agreement, Borrower Loan Agreement, Assignment of Deed of Trust, and Regulatory Agreement and Declaration of Restrictive Covenants (the “Series 2015C Documents”); and
- (d) Authorizing and directing the City Manager, Director of Finance and Interim Director of Housing, or their designees, to execute and deliver the Series 2015C Documents and related Series 2015C Documents as necessary.

CEQA: Addendum to the North San José Development Policies Update Final Program EIR (Resolution No. 72768, adopted June 21, 2005), File No. PDC07-101. Council District 3. (Housing/Finance)

Resolution No. 77548 adopted, with corrections read into the record for CEQA Guidelines Section 15071(b)(3) “No potential for causing a significant impact on the environment and 15301(d). Existing Facilities, File No. PP15-104.”

4.4 Issuance of a Tax-Exempt Multifamily Housing Revenue Note and Loan of Note Proceeds for the Canoas Terrace Apartments Project.

Recommendation: Adopt a resolution:

- (a) Authorizing the issuance of a tax-exempt multifamily housing revenue note designated as “City of San José Multifamily Housing Revenue Note (Canoas Terrace), Series 2015B (the “Series 2015B Note”) in a principal amount not to exceed \$22,700,000;
- (b) Approving a loan of Series 2015B Note proceeds to ISG Canoas Terrace L.P., a California limited partnership created by Impact Development Group LLC and Sierra Point Group LLC, California limited liability corporations, to finance the acquisition and rehabilitation of the Canoas Terrace Apartments located at 420 Sands Drive, in San José;
- (c) Approving in substantially final form the Funding Loan Agreement, Borrower Loan Agreement, and Regulatory Agreement and Declaration of Restrictive Covenants (the “Series 2015B Documents”); and

(Item Continued on the next page)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.4 Issuance of a Tax-Exempt Multifamily Housing Revenue Note and Loan of Note Proceeds for the Canoas Terrace Apartments Project.

Recommendation: Adopt a resolution:

- (d) Authorizing and directing the City Manager, Director of Finance, and Interim Director of Housing, or their designees, to execute and deliver the Series 2015B Documents and related Series 2015B Documents as necessary.

CEQA: Addendum, North San José Development Policies Update Final Program EIR (Resolution No. 72768, adopted June 21, 2005), File No. PDC07-101. Council District 6. (Housing/Finance)

[Deferred from 9/29/15 – Item 4.2]

Resolution No. 77549 adopted, with corrections read into the record for CEQA Guidelines Section 15061(b)(3) “No potential for causing a significant impact on the environment and 15301(d). Existing Facilities, File No. PP15-103.”

4.5 Amendment to Title 20 related to Art Display Structures and Lighting Displays in the Downtown and clarifying certain provisions related to the Downtown Zoning Districts.

Recommendation: Approve an Ordinance to amend Title 20 of the San José Municipal Code to add new Sections 20.70.140 and 20.70.150 and to amend sections 20.70.020 and 20.70.100 of Chapter 20.70; to add new Sections 20.200.111.5, 20.200.625 and 20.200.835 and amend Sections 20.200.070, 20.200.100, 20.200.700, 20.200.1090 and 20.200.1110 of Chapter 20.200 to add and regulate Art Display Structures and Lighting Displays as allowable uses and modify the permitting process for Amusement Game Arcades in the DC-Downtown Primary Commercial Zoning District, to add auction, second-hand stores, photography studios, weight loss centers, interior decorating, auditoriums and community centers as allowable uses in the DG-Downtown Ground-floor Space Overlay Area, to clarify that residential uses are only allowed in the Downtown Zoning Districts where the General Plan designation for a Site supports Residential Use, to add new definitions related to Outdoor Art, Art Display Structure and Lighting Displays and to clarify definitions related to Adult Entertainment Establishments, Amusement Game Arcades, Lot Line, Front Setback Area and Side Setback Area. CEQA: Addendum, Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041); Addendum, Downtown Strategy EIR (Resolution No. 72767), Addendum, Diridon Station Area Plan EIR (Resolution No. 77096). Planning Commission recommends approval (5-0-1, Bit-Badal absent). (Planning, Building and Code Enforcement)

Ordinance No. 29631 passed for publication, including Mayor Sam Liccardo’s memorandum dated October 6, 2015, approving amendments to Title 20, and with the sign district concept forwarded to the Rules and Open Government Committee for further review, returning to City Council by December 2015.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.6 Agreement for Non-Exclusive Installation and Property Use of Telecommunications Facilities in the Right-of-Way and on City-Owned Property.

Recommendation: Adopt a resolution:

- (a) Approving a Master Agreement for the Non-Exclusive Installation and Property Use of Small-Scale Telecommunications Facilities in the Right-of-Way and on City-Owned Property ("Master Agreement") for a 15 year term;
- (b) Approving a standard Site License Agreement for a fifteen year term;
- (c) Approving a standard usage fee schedule based on a site's location within the City, equipment space requirements, and effective radiated power output of the antenna facility; and
- (d) Authorizing the City Manager to execute the Master Agreements and Site License Agreements and all other documents necessary to complete a transaction.

CEQA: Exempt, Guidelines Section 15303(d), New Construction or Conversion of Small Structures, File No. PP15-093. (Economic Development)

[Deferred from 9/22/15 – Item 4.3 and 9/29/15 – Item 4.3]

Note: Corrections read into record: the last sentence in the recital reads: "(1) For the purpose of this agreement, *property* does not include public rights-of-way owned or controlled by *City* but does include existing improvements owned by the *City* that may lie within the right-of-way, such as light poles and utility cabinets. (2) The Usage Fee is based on cubic footage measurements, not square footage, which erroneously appears in one or more places within the agreement".

Resolution No. 77551 adopted, with an option of considering 5-8 cell antenna based on negotiations with providers.

Noes: M. Nguyen,

Abstain: Khamis Rocha.

5. NEIGHBORHOOD SERVICES

5.1 Audit of the Golf Course Fund of the Parks, Recreation and Neighborhood Services Department. *DEFERRED*

Recommendation: As recommended by the Neighborhood Services and Education Committee on September 10, 2015, accept the report with information on the causes of decline in net operating and maintenance income to the Golf Course Fund. CEQA: Not a Project, File No. PP10-069(a), Staff Reports, Assessments and Annual Reports. (City Auditor)

[Neighborhood Services and Education Committee referral 9/10/15 – Item d(1)]

Deferred To 10/20/15 per Administration

6. TRANSPORTATION & AVIATION SERVICES

6.1 Actions Related to the 7981 – Mineta San José International Airport – Airfield Fence Improvements 2015 RE-BID Project.

Recommendation:

- (a) Reject all bids received on July 9, 2015 for the 7981 – Mineta San José International Airport - Airfield Fence Improvements 2015 Project, Federal Aviation Administration, Airport Improvement Program Project No. 87.
- (b) Report on bids and award of contract for the 7981 – Mineta San José International Airport – Airfield Fence Improvements 2015 RE-BID Project to the low bidder, Granite Rock Company, Inc., for the base bid and Add Alternate No. 1 in the amount of \$3,730,629; and approve a ten percent contingency in the amount of \$373,063, all subject to the appropriation of funds, and subject to award and execution of an Airport Improvement Program grant from the Federal Aviation Administration.

CEQA: Determination of Conformance, San José International Airport Master Plan Update, Supplemental Final EIR (Resolution Nos. 67380 and 71451), File No. PP15-053. (Public Works/Airport)

Approved, with staff to investigate potential flexibility in FAA regulations regarding setbacks from the fence line versus the end of the runway.

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 Actions Related to the Agreement with the Bay Area Dumpsters for Commercial Solid Waste and Recyclables Collection Franchise.

Recommendation:

- (a) Conduct a Public Hearing on the application of Bay Area Dumpsters for Commercial Solid Waste and Recyclables Collection Franchise for the non-exclusive collection and transport of residential clean-out material and construction and demolition debris; **Public hearing held.**
- (b) Adopt an ordinance granting the franchise; and **Ordinance No. 29633 passed for publication.**
- (c) Approve the Commercial Solid Waste and Recyclables Collection Franchise Agreement for the non-exclusive collection and transport of residential clean-out material and construction and demolition debris for a term from November 1, 2015 to June 30, 2017 with the option of three one-year extensions.

CEQA: Exempt, Guidelines Section 15308. Actions by Regulatory Agencies for the Protection of the Environment. File No. PP08-228. (Environmental Services)

Approved.

8. PUBLIC SAFETY SERVICES

8.1 Fire Department Emergency Medical Services Patient Transport Feasibility Study Status Report.

Recommendation: As recommended by the Public Safety, Finance, and Strategic Support Committee on September 17, 2015:

- (a) Accept the status report on the feasibility of the San José Fire Department assuming emergency medical services patient transport responsibility within Santa Clara County.
- (b) Authorize the Fire Department to issue a Request for Qualifications for a potential public/private partnership for emergency medical services patient transport.

CEQA: Not a Project, File No. PP10-069(a), Staff Reports, Assessments and Annual Reports that involve no approval of City actions with a potential change in the environment. (Fire)

[Public Safety, Finance, and Strategic Support Committee referral 9/17/15 – Item d(6)]

Accepted, with staff directed to continue to work with the County, particularly in examining Option 4 as outlined in Interim Fire Chief Curtis Jacobson’s memorandum of September 10, 2015, describing a fire-based EMS patient transport model.

Items 8.2 and 8.3 were heard concurrently.

8.2 Cardroom Compliance with Title 16 Gaming Control Regulatory Program Annual Report.

Recommendation: As recommended by the Public Safety, Finance, and Strategic Support Committee on September 17, 2015, accept the annual report on cardroom compliance with Title 16 of the San José Municipal Code (Gaming Control Regulatory Program). CEQA: Not a Project, File No. PP10-069(a), Staff Reports, Assessments and Annual Reports that involve no approval of City actions with a potential change in the environment. (Police)

[Public Safety, Finance, and Strategic Support Committee referral 9/17/15 – Item d(2)]

Accepted.

8.3 Impact of Cardroom Gambling on Crime Annual Report.

Recommendation: As recommended by the Public Safety, Finance, and Strategic Support Committee on September 17, 2015, accept the report on the impact of cardroom gambling on crime in the San José metropolitan area. CEQA: Not a Project, File No. PP10-069(a), Staff Reports, Assessments and Annual Reports that involve no approval of City actions with a potential change in the environment. (Police)

[Public Safety, Finance, and Strategic Support Committee referral 9/17/15 – Item d(3)]

Accepted, with the Asian Americans for Community Involvement (AACI) to provide supplemental data on problem gambling for next years’ crime report, and directing staff to audit financials to ensure proper payment under the agreement.

9. REDEVELOPMENT – SUCCESSOR AGENCY

9.1 Approval of an Amended and Restated Promissory Note and Amendment to Loan Agreement with Camera 12.

Recommendation: Approve an Amended and Restated Promissory Note and Amendment to Loan Agreement between the Successor Agency to the Redevelopment Agency of the City of San José and Camera Pavilion Management Corporation (Camera 12) to restructure the repayment terms under a Promissory Note. CEQA: Not a Project, File No. PP10-066, Agreements and Contracts resulting in no physical change in the environment. (Successor Agency)

Approved.

9.2 Actions Related to the North San Pedro Housing Project.

Recommendation:

- (a) The Successor Agency Board adopt a resolution authorizing the Executive Officer or his designee to negotiate and execute:
 - (1) A Second Amendment to the Amended and Restated Off-Site Improvement and Disbursement Agreement (“Improvement Agreement”) among the Successor Agency to the Redevelopment Agency of the City of San José (“SARA”), North San Pedro Townhomes LLC, San Pedro Life 1 LLC, and First Community Housing (“FCH”), the Affordable Housing Developer for the Project, to amend the Agreement to (a) delete FCH’s right to use up to \$1,600,000 of Grant Funds for the Affordable Housing Project, (b) allow the SARA or another party to the Improvement Agreement to use up to, or a portion of, the \$1,600,000 of Grant Funds to reimburse itself for costs previously incurred in connection with the development and construction of the Project as defined in the Disposition and Development Agreements (“DDAs”), and (c) provide that, upon receipt of such funds, the party receiving such Grant Funds shall disburse such funds to FCH to satisfy the remainder of the SARA obligation to provide Affordable Housing Assistance to FCH as defined in the DDAs; and
 - (2) Any other documents as may be necessary to effectuate and finalize the SARA obligations related to the North San Pedro Housing Project.

Successor Agency Resolution No. 7043 adopted.

- (b) The City Council adopt a resolution:
 - (1) Approving a predevelopment loan in an amount not to exceed \$800,000 to FCH, or its legal affiliate, to support the development of 135 affordable apartments known as the North San Pedro Affordable Apartments to be located at Bassett and Terraine Streets; and
 - (2) Authorizing the Interim Director of Housing to negotiate and execute all documents to effectuate and finalize this transaction.

Resolution No. 77550 adopted.

9. REDEVELOPMENT – SUCCESSOR AGENCY

9.2 Actions Related to the North San Pedro Housing Project. (Cont'd.)

Recommendation:

- (c) The City Council adopt the following Appropriation Ordinance amendments in the Low and Moderate Income Housing Asset Fund:
- (1) Increase the appropriation to the Housing Department for Housing Loans and Grants in the amount of \$800,000; and
 - (2) Decrease the Housing Project Reserve appropriation in the amount of \$800,000.

CEQA: Brandenburg Mixed Use Project/North San Pedro Housing Sites Project EIR (Resolution No. 72170), File No. GPT03-03-01a and GP03-03-01b. Council District 3. (Successor Agency/Housing/City Manager)

Ordinance No. 29634 adopted.

- **Notice of City Engineer's Pending Decision on Final Maps**

In accordance with Sec. 19.16.140d of the San José Municipal Code, this is notice of the City Engineer's receipt of the following Final Maps for review:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>
10323	6055 Guadalupe Mines Road	10	La Encina Development LLC	7/6	SFD

- **Open Forum**

Blair Beekman spoke on a variety of topics, including cell phones as a cause of radiation and developing a mediation process between homeless individuals and the City.

- **Adjournment**

The Council of the City of San José adjourned at 8:55 p.m.