



CITY COUNCIL MEETING

Draft Minutes

Tuesday, December 10, 2024

1:30 PM

LOCATION:

Council Chambers- 200 E. Santa Clara Street

MATT MAHAN, MAYOR
ROSEMARY KAMEI, VICE MAYOR, DISTRICT 1
SERGIO JIMENEZ, DISTRICT 2
VACANT, DISTRICT 3
DAVID COHEN, DISTRICT 4
PETER ORTIZ, DISTRICT 5
DEV DAVIS, DISTRICT 6
BIEN DOAN, DISTRICT 7
DOMINGO CANDELAS, DISTRICT 8
PAM FOLEY, DISTRICT 9
GEORGE CASEY, DISTRICT 10

8.2 Multifamily Housing Incentive Program and North San José Parks Fee Realignment.

- (a) Accept the following recommendations to create a temporary Multifamily Housing Incentive Program to a specified set of development proposals:
- (1) Adopt a resolution listing those projects eligible for the temporary Multifamily Housing Incentive Program as outlined in Attachment A of the staff memorandum.
 - (2) Adopt a resolution reducing the Inclusionary Housing Ordinance in-lieu fees to \$0 for projects eligible for the temporary Multifamily Housing Incentive Program that include at least 5% of units onsite at up to 100% area median income, and excluding projects otherwise eligible for the incentive that have an existing Affordable Housing Compliance Plan that includes onsite affordable units unless the Housing Director approves an alternative in accordance with the provisions of the temporary Multifamily Housing Incentive Program.
 - (3) Approve an ordinance adding Section 4.46.039.13 to Chapter 4.46 and adding Section 4.47.098 to Chapter 4.47 of Title 4 of the San José Municipal Code to provide:
 - i. A 50% reduction of the Commercial, Residential, and Mobile Home Park Construction Tax and a 50% reduction of the Building and Structure Construction Tax to the first 1,500 units in projects eligible for the temporary Multifamily Housing Incentive that also obtain a City building permit by December 31, 2025; and
 - ii. A 25% reduction of the Building and Structure Construction Tax for up to 8,539 additional units in projects eligible for the temporary Multifamily Housing Incentive Program.
- (b) Adopt a resolution amending Exhibit A of Resolution No. 78733, adopted on August 7, 2018, which sets forth the Schedule of Parkland Fees charged pursuant to Chapters 14.25 and 19.38 of the San José Municipal Code, to establish a new permanent per unit Parkland In-Lieu Fee for multi-family residential projects that have five units (or more) in Multiple Listing Service District 7B (North San José - south of State Route 237) at \$22,600 per unit.

CEQA: Statutorily Exempt, File No. PP17-005, CEQA Guidelines Section 15273, Adjustment to Fees, Rates and Fares without changes to or expansion of services. (Economic Development and Cultural Affairs/Housing/Parks, Recreation, and Neighborhood Services/Planning, Building, and Code Enforcement/Transportation

Nanci Klein, Director of the Office of Economic Development and Cultural Affairs; Chris Burton, Director of Planning, Building and Code Enforcement; Jon Cicirelli, Director of Parks, Recreation and Neighborhood Services; Erik Solivan, Director of the Housing Department; and John Ristow, Director of the Department of Transportation offered the presentation and responded to questions.

Public Comment: Armando Murillo, Matt Bernardis, Harvey, Francisco Salcedo, Rigo Gallardo, Oscar Mazariegos, Eli Robles, Alison Cingolani, Manuel Salazar, Humberto Nava, Erik Schoennauer, Jaime Vasquez, Genaro Diaz, Kat Angelou, Scott Youdall, Reyad L'atwan, Dolores Rodriguez, Steve Lynch, Anthony Montes, Kenneth Do, Mark Jones, Harry Neil, and Michael Lerner offered public testimony regarding the item.

Action: Upon motion by Councilmember Dev Davis, seconded by Vice Mayor Rosemary Kamei, and carried unanimously;

- (a) The following recommendations to create a temporary Multifamily Housing Incentive Program to a specified set of development proposals were accepted:

- (1) **Resolution No. RES2024-420** was adopted listing those projects eligible for the temporary Multifamily Housing Incentive Program as outlined in Attachment A of the staff memorandum.
- (2) **Resolution No. RES2024-421** was adopted reducing the Inclusionary Housing Ordinance in-lieu fees to \$0 for projects eligible for the temporary Multifamily Housing Incentive Program that include at least 5% of units onsite at up to 100% area median income, and excluding projects otherwise eligible for the incentive that have an existing Affordable Housing Compliance Plan that includes onsite affordable units unless the Housing Director approves an alternative in accordance with the provisions of the temporary Multifamily Housing Incentive Program.
- (3) **Ordinance No. 31160** was passed for publication adding Section 4.46.039.13 to Chapter 4.46 and adding Section 4.47.098 to Chapter 4.47 of Title 4 of the San José Municipal Code.
 - (b) **Resolution No. RES2024-422** was adopted amending Exhibit A of Resolution No. 78733.

Also including acceptance of the joint memorandum co-authored by Mayor Matt Mahan, Councilmember Dev Davis, and Councilmember Domingo Candelas dated December 6th, 2024, recommending the following:

1. Accept the staff recommendation.
2. Direct staff to brief the Council on the progress of projects under this incentive program during the regularly scheduled cost of development reports and/or study sessions.
3. Direct staff to issue an informational memo by August 2025 on the progress of the projects under this incentive program.

(9-1-0; Noes: Ortiz)

Council recessed from 4:47 p.m. to 6:01 p.m.

9. REDEVELOPMENT – SUCCESSOR AGENCY

CONVENE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE.

9.1 Successor Agency to The Redevelopment Agency of the City of San José - Audited Financial Statements for Fiscal Year Ended June 30, 2024. HEARD CONCURRENTLY WITH ITEMS 3.4 AND 3.5.

Accept the Fiscal Year 2023-2024 Independent Auditor's Reports and Basic Financial Statements for the Successor Agency to the Redevelopment Agency of the City of San José. CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Finance)

The presentations for items 3.4, 3.5 and 9.1 were heard concurrently and one public comment opportunity was provided.

Drew Corbett, Acting Director of Finance; Victor Lo, CPA, Deputy Director of Accounting; and Ben Lau, CPA, Partner at Macias, Gini & O'Connell LLP offered the presentation for items 3.4, 3.5 and 9.1 concurrently and responded to questions.