



CITY COUNCIL AGENDA

MAY 19, 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**
9:31 a.m. - Closed Session, Call to Order in Council Chambers
Absent Councilmembers: All Present.

1:35 p.m. - Regular Session, Council Chambers, City Hall
Absent Councilmembers: All Present.
- **Invocation (District 5)**
Bishop Noel Sanchez of the Apostolic Catholic Church of our Lady of Hope Parish 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 4.5(a) dropped and Item 4.5(b) to be heard concurrently with Item 4.7.
- **Closed Session Report**
None provided.

1. CEREMONIAL ITEMS

- 1.1 Presentation of a proclamation declaring the week of May 15 – 22, 2015 as “Affordable Housing Week” in the City of San José. (Rocha)
Mayor Liccardo and Councilmember Rocha recognized the week of May 15 – 22, 2015 as “Affordable Housing Week” in the City of San José.
- 1.2 Presentation of a commendation to Match and Code Program for their exemplary achievements in Math and Code technology. (Carrasco)
Mayor Liccardo and Councilmember Carrasco commended Match and Code Program for their exemplary achievements in Math and Code technology.
- 1.3 Presentation of a commendation to Enrique Tovar and German Felipe Gonzalez for winning the 2015 Inaugural Arena Soccer World Championship for Team USA. (Carrasco)
Mayor Liccardo and Councilmember Carrasco commended Enrique Tovar and German Felipe Gonzalez for winning the 2015 Inaugural Arena Soccer World Championship for Team USA.

2. CONSENT CALENDAR

- 2.1 **Approval of Minutes.**
None.
- 2.2 **Final Adoption of Ordinances.**

Recommendation: Final adoption of ordinances.

- (a) ORD. NO. 29560 – Renewing the grant of a potable water franchise to Great Oaks Water Company. CEQA: Exempt, File No. PP10-066, Agreements and Contracts. (Environmental Services).
Ordinance No. 29560 adopted.
- (b) ORD. NO. 29561 – Adding Section 9.10.525 and amending Section 9.10.1610 of Chapter 9.10 of Title 9 of the San José Municipal Code to clarify commercial solid waste collection requirements. CEQA: Not a Project, File No. PP10-068(b), General Procedure & Policy Making. (Environmental Services).
Ordinance No. 29561 adopted.
- (c) ORD. NO. 29562 – Amending Chapter 9.10 Of Title 9 of the San José Municipal Code to add an alternate procedure for the billing and collection of fees for solid waste collection service by placing such charges on the Santa Clara County secured property tax roll. CEQA: Not a Project, File No. PP10-068(b), General Procedure & Policy Making. (Environmental Services/Finance).
Ordinance No. 29562 adopted.

(Item continued on the next page)

2. CONSENT CALENDAR

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

- (d) ORD. NO. 29566– Rezoning certain real property of approximately 0.47 acre situated at the northwest corner of Olinder Court and Story Road (1299 Story Road) from the IP Industrial Park Zoning District to the CIC Combined Industrial/Commercial Zoning District. CEQA: Negative Declaration, Resolution No. 77343. C14-069
Ordinance No. 29566 adopted.

2.3 Approval of Council Committee Reports.

Recommendation: Approval of Council Committee Reports.

- (a) Community and Economic Development Committee Report of April 27, 2015. (Khamis)
- (b) Rules and Open Government Committee Report of April 29, 2015. (Mayor)
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 Amendment to the Lease of Airport Premises Agreement with Jet Center Property Services.

Recommendation: Approve the First Amendment to Lease of Airport Premises with Jet Center Property Services, LLC to extend the term to June 30, 2020, with total annual revenue to the City of approximately \$131,000. CEQA: Not a Project, File No. PP10-066(f), Lease of equipment or existing space for the same use. (Airport)
Approved.

2.8 City Attorney's Travel to Kansas City, MO.

Recommendation: Authorize travel for City Attorney Richard Doyle to Kansas City, MO on June 12-14, 2015 to attend the International Municipal Lawyers Association (IMLA) Top 50 Meeting. Source of Funds: City Attorney's Office Non Personal Services Appropriation. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (City Attorney)
Approved.

2. CONSENT CALENDAR

2.9 Amendment to Agreement with Hawkins, Delafield & Wood LLP for the Regional Wastewater Facility Capital Program.

Recommendation: Approve a First Amendment to the legal services contract with Hawkins, Delafield & Wood LLP, to increase the amount of compensation for the initial one-year term in the amount of \$220,000 for a total initial term amount not to exceed \$400,000 and to increase the amount of compensation for each of the two one-year option terms from \$160,000 to \$300,000, subject to appropriation of funds by City Council, for a total contract amount not to exceed \$1,000,000 to support the San José-Santa Clara Regional Wastewater Facility capital improvement program. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical change to the environment. (City Attorney)

Approved.

2.10 Actions Related to Agreement for Consultant Services with Bartel Associates, LLC for Fiscal Reform Plan Labor Matters.

Recommendation:

- (a) Adopt a resolution authorizing the City Manager to execute a First Amendment to the Agreement with Bartel Associates, LLC, for actuarial consulting services in connection with labor matters related to various retirement benefits for both pension and retiree healthcare, extending the term to June 30, 2017 and increasing the total compensation to an amount not to exceed \$300,000, subject to the appropriation of funds as recommended below.

Resolution No. 77346 adopted.

- (b) Adopt the following Appropriation Ordinance amendments in the General Fund:
- (1) Increase the City-wide Expenses appropriation to the City Manager's Office for Retirement Actuarial Services in the amount of \$150,000; and
 - (2) Decrease the Fiscal Reform Plan Implementation Reserve in the amount of \$150,000.

CEQA: Not a Project, File No. PP10-069(e), Services that involve no physical change to the environment. (City Manager)

Ordinance No. 29569 adopted.

2.11 Preparation for Hosting the League of California Cities 2015 Annual Conference.

Recommendation: As recommended by the Rules and Open Government Committee on May 6, 2015, adopt a resolution of support for Administrative activities necessary to coordinate the planning host City responsibilities for the 2015 League of California Cities Annual Conference. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (City Manager)

[Rules Committee referral 5/6/15 –Item G(4)]

Resolution No. 77347 adopted.

2. CONSENT CALENDAR

2.12 Amendment to the Agreement with County of Santa Clara for Household Hazardous Waste Collection Program. - *DEFERRED*

Recommendation: Approve the Second Amendment to the Sublease Agreement between the City of San José and the County of Santa Clara for the use of City Property for the Household Hazardous Waste Collection Program. CEQA: Mitigated Negative Declaration, File No. PP09-138. Council District 3. (Environmental Services)
Deferred to 6/2/15 per Administration.

2.13 Actions Related to the Gift Trust Fund for the Independent Police Auditor's Teen Leadership Council.

Recommendation: Adopt the following 2014-2015 Appropriation Ordinance and Funding Sources Resolution amendments in the Gift Trust Fund:
(a) Increase the estimate for Earned Revenue in the amount of \$5,361; and
(b) Increase the appropriation to the Office of the Independent Police Auditor for the IPA's Teen Leadership Council in the amount of \$5,361.
CEQA: Not a Project, File No. PP10-066(g), Grant Agreements and MOUs. (Independent Police Auditor/City Manager)
Resolution No. 77348 adopted.
Ordinance No. 29570 adopted.

2.14 Mayor's Vietnamese Heritage Flag Raising at Half-Mast.

Recommendation: As recommended by the Rules and Open Government Committee on May 6, 2015:
(a) Retroactively approve the Vietnamese Heritage Flag Raising at half-mast as a City Council sponsored Special Event on April 30, 2015 and approving the expenditure of funds;
(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)
[Rules Committee referral 5/6/15 – Item G(1)(a)]
Approved.

2.15 City Council Committee and Boards and Commissions Appointments.

Recommendation: As recommended by the Rules and Open Government Committee on May 6, 2015, appoint the following to the Santa Clara Valley Habitat Agency:
(a) Councilmember Kalra to the Santa Clara Valley Habitat Agency Governing Board; and
(b) Councilmember Matthews as an alternative to the Santa Clara Valley Habitat Agency Governing Board and Implementation Board.
CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Mayor)
[Rules Committee referral 5/6/15 – Item G(2)]
Approved.

2. CONSENT CALENDAR

2.16 2013-2014 Park Trust Fund Annual Report.

Recommendation: Accept the 2013-2014 Park Trust Fund Annual Report. CEQA: Not a Project, File No. PP10-069(a), Annual Reports and Assessments. (Parks, Recreation and Neighborhood Services)

Accepted.

2.17 Vacation of a Portion of Elester Court for Public Service Easement.

Recommendation: Adopt a resolution of intention to vacate a portion of Elester Court, reserving a public service easement over the area proposed for vacation, and setting a public hearing on June 9, 2015 at 1:30 p.m. CEQA: Exempt, File No. PP15-021.

Council District 9. (Public Works)

Resolution No. 77349 adopted.

2.18 Actions Related to the Rule 20A and Rule 20B (In-Lieu Fee) Underground Utility Program Workplan and Undergrounding Master Plan.

Recommendation: Approve the proposed Fiscal Year 2014/15- 2019/20 Workplan for the Rule 20A and Rule 20B (In-Lieu Fee) Underground Utility Program and the Fiscal Year 2013-2014 Rule 20B (In-Lieu Fee) Undergrounding Master Plan. CEQA: Exempt, File No. PP15-003. (Public Works)

Approved.

2.19 Actions Related to the Transportation Development Act, Article 3 State Grant Funding for the Bicycle and Pedestrians Project.

Recommendation: Adopt a resolution:

- (a) Authorizing the City Manager or designee to submit a request to the Metropolitan Transportation Commission (MTC) for the allocation of Fiscal Year 2015-16 Transportation Development Act, Article 3 State grant funding in the amount of \$1,486,009 for bicycle and pedestrian projects;
- (b) Making the certifications and assurances required under the grant program as explained in this memorandum; and
- (c) Authorizing the City Manager or designee to accept any grant funding awarded from MTC and to negotiate and execute any grant documents to effectuate the grant.

CEQA: Exempt, File Nos. PP13-037 and PP09-189. (Transportation)

Resolution No. 77350 adopted.

2. CONSENT CALENDAR

2.20 ACA 4 (Frazier) – Local Government Transportation Projects: Special Taxes: Voter Approval.

Recommendation: As recommended by the Rules and Open Government Committee on May 13, 2015, adopt a position of support for ACA 4 (Frazier) – Local Government Transportation Projects: Special Taxes: Voter Approval. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Transportation)
[Rules Committee referral 5/13/15 – Item G(4)]

Position of Support adopted.
(10-1. Noes: Khamis.)

2.21 SB 16 (Beall) – Transportation Funding.

Recommendation: As recommended by the Rules and Open Government Committee on May 13, 2015, reaffirm a position of support of SB 16 (Beall). CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Transportation)
[Rules Committee referral 5/13/15 – Item G(5)]

Position of Support reaffirmed.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the City Manager, Norberto Dueñas (Verbal Report). Assistant City Manager Dave Sykes reported on a Summit hosted by the City of San José on May 18, 2015 relating to the complex issue of immigration affairs.

3.2 Labor Negotiations Update.

Recommendation: Accept Labor Negotiations Update.
None provided.

3.3 Actions Related to Salary Setting Commission Recommendations.

Recommendation:

- (a) As recommended by the Salary Setting Commission, approve the following recommendations:
 - (1) Approve an ordinance establishing the following salaries and benefits for the Mayor and City Council for the next two Fiscal Years, the period July 1, 2015 through June 30, 2017:
 - (a) For the Mayor, increase the authorized salary from \$114,000 annually to \$125,000 annually;
 - (b) For each Councilmember, increase the authorized salary from \$81,000 annually to \$92,000 annually.

(Item continued on the next page)

3. STRATEGIC SUPPORT SERVICES

3.3 Actions Related to Salary Setting Commission Recommendations. (Cont'd.)

Recommendation:

- (a) (1) (c) Retain the levels of health, dental, life insurance and other benefits in accordance with the benefits provided to management employees in Unit 99.
- (d) Retain the current retirement benefits offered under the CalPERS Tier 2 Plan and the PTC 457 Defined Contribution Plan.
- (e) Increase the vehicle allowance from \$350 per month to \$500 per month for the Mayor and each member of the City Council.
- (f) Continue to require Councilmembers to pay \$250 for each unexcused absence at scheduled Council meetings, pursuant to City Charter Section 407.

Deferred pending results of the City's bargaining units' negotiations regarding wages and benefits, and tentatively calendared for June 23, 2015 to return to full Council for serious consideration.

Note: Item 3.3 (a)(1) was bifurcated from 3.3 (a)(2) and 3.3(b).

- (a) (2) Adopt a resolution increasing the stipend for non-City employee members of the retirement boards from \$150 to \$225 per monthly board meeting.
- (b) Approve an ordinance amending Chapter 2.08 of Title 2 of the San José Municipal Code to provide a process for the City Council to set stipends for Non-City Employee Members of the Retirement Boards.

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

Resolution No. 77481 adopted.

Ordinance No. 29574 passed for publication.

3.4 Actions Related to the Amendment to Title 6 Medical Marijuana Ordinance.

Recommendation: Approve an ordinance to amend Chapter 6.88 of Title 6 of the San José Municipal Code to:

- (a) Extend the deadline for Medical Marijuana Collectives that meet certain criteria to obtain a Notice of Completed Registration from the City Manager;
- (b) Require the City Manager Regulations for Medical Marijuana to be posted on the City's website to become effective;
- (c) Clarify when Medical Marijuana Collectives are required to submit a new or amended Application for Registration as a Medical Marijuana Collective;
- (d) Replace language requiring the use of specific security mechanisms to prevent unauthorized entry into a Medical Marijuana Collective with language that requires the use of appropriate security mechanisms to prevent unauthorized entry into a Medical Marijuana Collective;
- (e) Allow Medical Marijuana Collectives to maintain records required under Chapter 6.88 of Title 6 in electronic format;

(Item Continued on the next page)

3. STRATEGIC SUPPORT SERVICES

3.4 Actions Related to the Amendment to Title 6 Medical Marijuana Ordinance (Cont'd.)

- (f) Change the date by when a Medical Marijuana Collective must file an audit of its financial operations for the previous calendar year; and
- (g) Make other technical, non-substantive, or typographical changes to Chapter 6.88 of Title 6.

CEQA: Negative Declaration, File No. PP11-039, adopted on June 15, 2011 and addenda thereto (File Nos. PP11-076 and PP14-030). (City Manager)

Ordinance No. 29575 passed for publication, with direction as outlined in the joint memorandum from Councilmember Kalra, Peralez and Jones, dated May 15, 2015: (1) That Council approve the creation of a Division of Marijuana Control headed by an Administrator to be appointed by and report to the City Manager; (2) That Council direct the City Manager to look closely at the Division of Gaming Control and the organizational structure in creating the Division of Marijuana Control; (3) That Council direct the City Manager to create a zero cost to the General Fund to operate the Division of Marijuana Control; and (4) That Council direct the City Manager, in coordination with the City Attorney, to return to the Council for final adoption prior to October 2015. Additionally, for Staff to return at some later date with recommendations for limitations on the square footage of 'back yard grows' and bringing those options back to Council; and with Staff to determine some mechanism for evaluation and reporting, possibly to the Police Chief, and similar to that used by the Division of Gaming.

3.5 Actions Related to the Police Gaming Unit Office Lease.

Recommendation: Approve a five-year lease with 4th Street San José Partners, LLC for the use of approximately 3,320 square feet of office space located at 210 North 4th Street, Suite 202 in San José, at a rental rate of \$69,720 for the first year, \$71,812 for the second year, \$73,966 for the third year, \$76,185 for the fourth year, and \$78,471 for the fifth year. The total rental cost for the five-year term of this lease is \$370,154. CEQA: Not a Project, File No. PP10-066, Lease of equipment of existing space. Council District 3. (Economic Development)

Approved.

3. STRATEGIC SUPPORT SERVICES

3.6 Amendment to the Agreements with Sharks Sports and Entertainment Related to the Extension of the Management of SAP Center.

Recommendation:

- (a) Adopt a resolution authorizing the City Manager to negotiate and execute:
 - (1) A Second Amended and Restated Arena Management Agreement (Management Agreement) for the management of the SAP Center between the City of San José and Sharks Sports and Entertainment extending the term of the Management Agreement and amending other lease terms, and consistent with the attached Term Sheet; and
 - (2) A Fourth Amendment to the Amended and Restated Lease and Management Agreement for the Ice Centre reducing lease payments consistent with the attached Term Sheet.

Resolution No. 77352 adopted.

- (b) Adopt the following 2014-2015 Appropriation Ordinance amendments in the General Purpose Parking Fund:
 - (1) Establish a Transfer to the San José Arena Capital Reserve Fund in the amount of \$3,514,000; and
 - (2) Reduce the Debt Service Payments Reserve by \$3,514,000.

Ordinance No. 29571 adopted.

- (c) Adopt the following 2014-2015 Appropriation Ordinance and funding Sources Resolution amendments in the San José Arena Capital Reserve Fund:
 - (1) Increase the estimate for Transfers by \$3,514,000;
 - (2) Increase the appropriation to the Office of Economic Development for Structures Repairs by \$2,750,000; and
 - (3) Increase the appropriation to the Office of Economic Development for Electrical Repairs by \$764,000.

CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. (Economic Development/City Manager)

Ordinance No. 29572 adopted.

Resolution No. 77353 adopted.

3.7 Actions Related to the Report on Request for Proposal for a Fee Study and Liability Analysis Consulting Services in Development Services.

Recommendation:

- (a) Accept the report on the Request for Proposal for Fee Study and Liability Analysis Consulting Services and adopt a resolution authorizing the City Manager to execute an Agreement with Management Partners (San José, CA) for the procurement of Fee Study and Liability Analysis Consulting services, for a two-year term ending May 31, 2017, with a maximum compensation not-to-exceed \$412,737;

Resolution No. 77354 adopted.

(Item Continued on the next page)

3. STRATEGIC SUPPORT SERVICES

3.7 Actions Related to the Report on Request for Proposal for a Fee Study and Liability Analysis Consulting Services in Development Services (Cont'd.)

- (b) Adopt the following Appropriation Ordinance amendments in the General Fund:
 - (1) Increase an appropriation to the Planning, Building and Code Enforcement Department for the Building Development Fee Program – Non-Personal/Equipment in the amount of \$135,000;
 - (2) Decrease the Building Development Fee Program Reserve by \$135,000;
 - (3) Increase an appropriation to the Public Works Department for the Public Works Development Fee Program – Non-Personal/Equipment in the amount of \$76,000; and
 - (4) Decrease the Public Works Development Fee Program Reserve by \$76,000.

CEQA: Not a Project, File No. PP10-066(a), Agreements and Contracts.
(Finance/Planning, Building and Code Enforcement/City Manager)

Ordinance No. 29573 adopted.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Actions Related to the Agreement with ABB Inc. for the Relocation of Facilities.

Recommendation:

- (a) Conduct a Public Hearing regarding an economic subsidy in connection with a Capital Equipment and Assistance Agreement with ABB Inc., pursuant to California Government Code Section 53083;

Public hearing held.

- (b) Adopt a resolution authorizing the City Manager or his designee to execute a Capital Equipment and Assistance Agreement with ABB Inc., in which the City will provide an amount not to exceed \$100,000 for the acquisition of production and assembly equipment at ABB Inc.'s manufacturing and production facilities in San José.

CEQA: Not a Project, File No. PP10-066(a), Purchase of Equipment with no changes in the physical environment. Council District 4. (Economic Development)

Resolution No. 77355 adopted.

4.2 Actions Related to the Purchase and Ground Lease of Property for the San Carlos Seniors Apartments.

Recommendation: Adopt a resolution:

- (a) Authorizing the Interim Director of Housing to: (i) negotiate and execute an amendment, if necessary, to that certain Option Agreement and Agreement to Ground Lease (“Option Agreement”) dated May 1, 2013 (“Option Agreement”) to allow for less than 90 days’ notice to exercise the option to acquire the real property located at 1535 West San Carlos Street (“Property”) from San Carlos Willard Associates, L.P. (“Developer”), an affiliate of Core Development Corporation, for the San Carlos Seniors Apartments (“Development”), (ii) exercise the option to acquire the Property from Developer for \$1, and (iii) negotiate and execute such documents and take such actions, including acceptance of the grant deed, to effectuate the City’s acquisition of the Property;
- (b) Accepting the summary of costs and findings of the Summary Report Pursuant to Section 33433 of the California Health and Safety Code for the disposition of the Property to Developer under the terms and conditions of the proposed Ground Lease and approving the Ground Lease; and
- (c) Authorizing the Interim Director of Housing to: (i) enter into a ground lease with Developer for 85 years for a nominal rent payment of \$1 per year payable in advance at closing (“Ground Lease”), and (ii) negotiate and execute such documents and take such actions, including execution of the Ground Lease, to effectuate the ground lease of the Property to Developer.

CEQA: Mitigated Negative Declaration, File No. PDC02-102. Council District 6. (Housing)

Resolution No. 77356 adopted.

4.3 Actions Related to the Agreement with HomeFirst for Emergency Solutions Grant.

Recommendation:

- (a) Adopt a resolution authorizing the Interim Director of Housing to negotiate and execute an amendment to the existing grant agreement between the City and HomeFirst to increase federal Emergency Solutions Grant (ESG) ESG funding by \$146,287, from \$85,319 to \$231,606, to pay for an increased number of shelter beds at the Boccardo Reception Center and to extend the term of the agreement to August 1, 2015;

Resolution No. 77357 adopted.

- (b) Adopt a resolution authorizing the Interim Director of Housing to negotiate and execute a separate grant agreement between the City and HomeFirst, providing \$25,000 of new funding from the City’s Housing Trust Fund to support financial management improvements, and allowing funds previously advanced under a prior grant in the amount of \$138,300 to be reallocated and retroactively applied to costs previously expended for general shelter operations from October 1, 2013 through December 31, 2014. CEQA: Not a Project, File No. PP10-066(a), Purchase Order/Cooperative Purchase of Supplies, Equipment and Professional Services with no changes to the physical environment. (Housing)

Resolution No. 77358 adopted.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.4 Final Environmental Impact Report for the Three Creeks Pedestrian Bridge Project.

Recommendation: The project being considered is located at the Three Creeks Trail Pedestrian Bridge Project is situated between a residential neighborhood and a commercial/industrial area on a crossing over Los Gatos Creek, between Lonus Street and Coe Avenue in San José.

- (a) Accept Environmental Impact Report for a Public Project to replace an existing wood railroad trestle with a pre-fabricated, 210-foot-long, single-span steel truss bridge with a poured concrete deck. The new bridge would be on the same alignment as the existing bridge. The wood abutments would be replaced with new concrete abutments. (Planning, Building and Code Enforcement)

PP13-085 – District 6

Dropped per Administration – item addressed in Item 4.5(b)

4.5 Actions Related to the Three Creeks Trail Pedestrian Bridge Project.

Recommendation:

- (a) Adopt a resolution to repeal Resolution No. 76904, which was adopted on January 14, 2014, approving the mitigated negative declaration and the mitigation monitoring and reporting plan for the Three Creeks Trail Pedestrian Bridge Project, and withdraw approval of the Project based on the mitigated negative declaration.

Item (a) dropped per Orders of the Day.

- (b) If the Council confirms that the Three Creeks Trestle Bridge is not a historic landmark, then:
 - (1) Adopt a resolution certifying the final environmental impact report for the Three Creeks Pedestrian Bridge Project and making findings related to significant impacts, mitigation measures and alternatives, and adopting a mitigation monitoring and reporting program identified in the final environmental impact report for the preferred alternative of replacing the existing structure with a new pedestrian bridge, all in accordance with the California Environmental Quality Act (CEQA); and
 - (2) Affirm the Three Creeks Trail Pedestrian Bridge construction contract with Gordon N Ball and proceed with implementing the project contingent upon the Superior Court's determination that the City has complied with CEQA.

CEQA: Environmental Impact Report to be adopted. Council District 6. (Planning, Building and Code Enforcement/Public Works/Parks, Recreation and Neighborhood Services)

Resolution No. 77359 adopted, with the original design of the trestle incorporated into the new structure where possible.

(7-2-2. Noes: Peralez, Rocha. Absent: Herrera, Kalra.)

Note: Heard jointly with item 4.7, with each item voted on separately.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.6 Actions Related to the Proposed Annexation to Maintenance District 15 – Silver Creek Valley.

Recommendation: Conduct a public meeting to receive public comment on a proposal to annex Annexation Area No. 2 into Zone C of Maintenance District 15 (Silver Creek Valley). CEQA: Mitigated Negative Declaration, File No. PDC09-007, Exempt, File No. PD10-019. Council District 8. (Public Works)

Public hearing held.

4.7 Historic Landmark Nomination for the Los Gatos Creek Trestle.

Recommendation: Conduct a Public Hearing on the Historic Landmark Commission nomination of the Los Gatos Creek Trestle, located on the former Western Pacific right-of-way between Coe Avenue and Lonus Street, for designation as a historic landmark of special historic, architectural, aesthetic or engineering interest, or value of a historic nature; and adopt a resolution disapproving the proposed designation of the Los Gatos Creek Trestle as a historic landmark. 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 Los Gatos Creek Trestle as a City Landmark in itself would not result in any physical changes to the structure; therefore, would not have any direct or indirect physical change on the environment. The Historic Landmarks Commission recommends that the City Council approve the proposed Landmark Designation for the Los Gatos Creek Trestle, located on the former Western Pacific right-of-way between Coe Avenue and Lonus Street (6-0-1, Schultz absent). (Planning, Building, and Code Enforcement)

HL15-216 – District 6

Public hearing held.

Resolution No. 77362 adopted, disapproving the City Landmark designation. (7-2-2. Noes: Peralez, Rocha. Absent: Herrera, Kalra.)

Note: Heard jointly with item 4.7, with each item voted on separately.

5. NEIGHBORHOOD SERVICES

6. TRANSPORTATION & AVIATION SERVICES

6.1 Management and Operating Plan for the Transportation Network Companies at the Airport. - *DEFERRED*

Recommendation: Approve a Management and Operating Plan for Transportation Network Companies that meet all requirements necessary to issue a Ground Transportation Permit at the Norman Y. Mineta San José International Airport. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Airport) (Deferred from 4/14/15 – Item 6.1)

Deferred to 6/2/15 per Administration.

6.2 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: Resolution Nos. 67380 and 71451, File No. PP14-066. (Airport/Public Works)

Deferred to 6/2/15 per Council.

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 Report on the San José-Santa Clara Regional Wastewater Facility Ten-Year Funding Strategy.

Recommendation:

- (a) Accept the staff report on the San José-Santa Clara Regional Wastewater Facility (RWF) Ten-Year Funding Strategy.
- (b) Approve staff recommendation to have all agencies contribute to a 60 day operating reserve beginning in FY 2016-17; direct staff to continue to work with all agencies on optimal reserve levels for operational purposes.
- (c) Direct staff to pursue State Revolving Fund loans for RWF capital improvement projects to the maximum extent possible.
- (d) Direct staff to continue to work with City of Santa Clara (Santa Clara) and all tributary agencies to confirm participation in a commercial paper program and/or long term revenue bonds through the Clean Water Financing Authority (CWFA), by August 2015.
- (e) Direct staff to work with Santa Clara and all tributary agencies to amend the 1983 Master Agreement to incorporate terms related to operating reserve contributions, as well as terms related to financing of the RWF improvements through the CWFA.

CEQA: Not a Project, File PP10-069(a), City Organizational & Administrative Activities. (Environmental Services/Finance)

(Deferred from 4/21/15 – Item 7.1)

Deferred to 6/2/15 per Council.

7. ENVIRONMENTAL & UTILITY SERVICES

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

Recommendation: Adopt a resolution to amend the current Recycle Plus rate resolution 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 1.35 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 from 5/12/15 – Item 7.1)

Dropped per Administration.

7.3 Actions Related to the Commercial Solid Waste Customer Service Rates.

Recommendation:

- (a) Adopt a resolution authorizing the City Manager to negotiate and execute a Third Amendment to the Commercial Solid Waste and Recyclable Material Collection Franchises Agreement with Allied Waste Services of North America, LLC, dba Republic Services, to modify the annual rate adjustment methodology and to include service enhancements;

Resolution No. 77360 adopted.

- (b) Adopt a resolution setting Maximum Commercial Solid Waste Services Rates in the City of San José pursuant to the Commercial Solid Waste and Recyclable Materials Collection Franchises Agreement between the City of San José and Allied Waste Services of North America, LLC, dba Republic Services, including the total costs for organic processing services.

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

Resolution No. 77361 adopted.

8. PUBLIC SAFETY SERVICES

9. REDEVELOPMENT – SUCCESSOR AGENCY

9.1 Action Related to the Investment of Monies in the Local Agency Investment Fund.

Recommendation:

- (a) Adopt a resolution by the Council of the City of San José (the “City”) authorizing the Director of Finance and other authorized officers of the City, who routinely conduct investment management activity on behalf of the City, to order the deposit or withdrawal of monies in the Local Agency Investment Fund on behalf of the City and repealing Resolution No. 76153.
- (b) Adopt a resolution by the Board of the Successor Agency to the Redevelopment Agency of the City of San José (the “Successor Agency”) authorizing the Chief Financial Officer of the Successor Agency and the Director of Finance and other authorized officers of the City, as Successor Agency, who routinely conduct investment management activity on behalf of the Successor Agency, to order the deposit or withdrawal of monies in the Local Agency Investment Fund on behalf of the Successor Agency and repealing Successor Agency Resolution No. 7002.

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

Deferred to 6/2/15 per Council.

9.2 Approval of the July – December 2015 Administrative Budget and Recognized Obligation Payment Schedule 15-16A.

Recommendation: Adopt resolutions of the Successor Agency Board to:

- (a) Approve the Administrative Budget for July 1 through December 31, 2015; and
- (b) Approve the Recognized Obligation Payment Schedule 15-16A and authorize payment of expenditures for items on ROPS 15-16A, which details the obligations of the Successor Agency for the period of July 1, 2015 through December 31, 2015, as revised by the California Department of Finance.

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

Deferred to 6/2/15 per Council.

9.3 Sale of Successor Agency Owned Property at 167-193 East Santa Clara Street.

Recommendation: Approve a Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San José and SJSC Properties LLC for the real properties located at 167-193 East Santa Clara Street for a purchase price of \$12,800,000. CEQA: Exempt, File No. PP15-047. (Successor Agency)

Approved.

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 pending decision on the following Final Maps:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>	<u>Proposed Decision</u>
10191	E. side of San Felipe Rd and W. side of Livery Lane, approx. 650' S. of Running Springs Road	8	T.L. Properties, LP	7 Lots	SFD	Approve
10300	Communications Hill Blvd and Casselino Dr.	7	KB Home, Inc.	177 Lots/ 314 Units	SFD, MFA	Approved

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>
10307	W side Monterey Rd, N and S of Esfahan Dr.	7	Taylor Morrison Homes	9 Lots, 22 Units 2 Comm.	MFA/ Commercial
10308	Bound by Goble Lane, Esfahan Dr., Montecito Vista Dr and Montecito Vista Wy	7	Taylor Morrison Homes	23 Lots/ 162 units	MFA

- **Open Forum**
None provided.

- **Adjournment**

The Council of the City of San José adjourned at 7:10 p.m. in memory of formerly interned San José native, athlete, coach and community leader Chitoshi Akizuki. Chitoshi Akizuki passed April 28, 2015 in San José and is survived by his wife Kim, his sons Dennis, Bruce and Kevin, and grandchildren Leslie and Mark. (Rocha)

**JOINT CITY OF SAN JOSE CITY COUNCIL/
FINANCING AUTHORITY AGENDA**

2:05 P.M.

TUESDAY, MAY 19, 2015

CHAMBERS

- 1. Call to Order and Roll Call**
- 2. Actions Related to the Monies in the Local Agency Investment Fund for the City of San José Financing Authority Board.**

Recommendation: Adopt a resolution by the City of San José Financing Authority Board (Authority) authorizing the Treasurer of the Authority and Director of Finance and other authorized officers of the City, who routinely conduct investment management activity on behalf of the Authority, to order the deposit or withdrawal of monies in the Local Agency Investment Fund on behalf of the Authority and repealing San José Financing Authority Resolution No. 117. CEQA: Not a Project, PP10-069(a), City Organizational and Administrative Activities. (Finance)

San José Financing Authority Resolution No. 127 adopted.

- 3. Open Forum – none.**
- 4. The Joint City Council/San José Financing Authority was adjourned.**