

MINUTES OF THE CITY COUNCIL

SAN JOSÉ, CALIFORNIA

TUESDAY, OCTOBER 31, 2017

The Council of the City of San José convened in Regular Session at 9:37 a.m. in the Council Chambers at City Hall.

Present: Councilmembers - Arenas, Carrasco, Davis, Diep, Jimenez, Jones, Khamis, Nguyen, Peralez, Rocha; Liccardo.

Absent: Councilmembers - All Present.

STRATEGIC SUPPORT SERVICES

3.2 Accept Labor Negotiations Update.

There was no report.

CLOSED SESSION

Upon motion unanimously adopted, Council recessed at 9:45 a.m. to a Closed Session in Room W133; (A) To confer with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): (1) In re: Claim of Vallecilla; Amount of Money or Other Relief Sought: Administrative Appeal; (2) In re: Claim of Kozlowski; Amount of Money or Other Relief Sought: Administrative Appeal; (3) In re: Claim of Tapia; Amount of Money or Other Relief Sought: Administrative Appeal; (4) City of San José v. Joes, et al.; Names Of Partie(s) Involved: City of San José, Greg Jones dba Diversified Buildiners; Ramona Enterprises, LLC.; Court: Superior Court of California, County of Santa Clara, Unlimited Jurisdiction; Case No.: 16-CV-30062; Amount of Money or Other Relief Sought: Damages according to proof; (5) City of San José v. City of Santa Clara; Names Of Partie(s) Involved: City of San José, City of Santa Clara; Court: Superior Court of California, County of San Mateo; Case No.: 16-CIV-02303; Amount of Money or Other Relief Sought: Petition for Writ of Mandate and Complaint for Declaratory Relief; (6) City of Santa Clara v. City of San José, et al.; Names Of Partie(s) Involved: City of Santa Clara, City of San José, City of San José City Council, Does I through X; Federal Realty and Investment Trust, and Does 1-20; Court: Superior Court of California, County of San

CLOSED SESSION (Cont'd.)

Mateo; Case No.: 17-CIV-00547; Amount of Money or Other Relief Sought: Petition for Writ of Mandate and Complaint for Declaratory Relief; (B) To confer with Legal Counsel Regarding Potential Threat to Public Services or Facilities Pursuant to Government Code Section 54957(a); Consultation with: Airport Director; (C) To confer with Real Property Designated Representatives Pursuant to Government Code Section 54956.8: (1) Property Street Address, Parcel Number, or other Unique Reference of Property: Francia Property, 525 West St. John Street; Negotiation Parties: Martin Chiechi – Seller Representative; Nanci Klein and Bill Ekern for the City of San José; Under Negotiation: Direction will concern price and terms of payment; Likely Range of Value of Property: Negotiated price based on appraisal and comparable property values; (2) Property Street Address, Parcel Number, or other Unique Reference of Property: Milligan News Property, 130 & 150 Autumn Street and 405, 407 and 447 West St. John; Negotiation Parties: John Machado - Seller Representative; Nanci Klein and Bill Ekern for the City of San José; Under Negotiation: Direction will concern price and terms of payment; Likely Range of Value of Property: Negotiated price based on appraisal and comparable property values;

Present: Councilmembers - Arenas, Carrasco, Davis, Diep, Jimenez, Jones, Khamis, Nguyen, Peralez, Rocha; Liccardo.

Absent: Councilmembers - All Present.

INVOCATION

Camden Line Dancers provided a dance routine for the Invocation.

PLEDGE OF ALLEGIANCE

Mayor Sam Liccardo led the Pledge of Allegiance.

ORDERS OF THE DAY

Upon motion by Councilmember Chappie Jones, seconded by Councilmember Tam Nguyen, and carried unanimously, the Orders of the Day and the Amended Agenda were approved, with Item 4.1 deferred one week at the request of the Applicant. (11-0.)

CEREMONIAL ITEMS

- 1.1 17-180 Mayor Sam Liccardo and Councilmember Dev Davis presented a commendation to the Director of the San Jose State University Coach Alonzo Carter, Sports Authority John Poch, and Tobruk Blaine for San José State University Beyond Football.**

- 1.3 17-261 **Mayor Sam Liccardo and Councilmember Dev Davis presented a commendation to Farm Drive Neighborhood Center.**
- 1.2 17-254 **A proclamation recognizing October as Disability Awareness Month in the City of San José to celebrate all individuals with differing abilities that continue to enrich our community every day, was presented by Mayor Sam Liccardo and Councilmember Chappie Jones.**

CONSENT CALENDAR

Upon motion by Councilmember Donald Rocha, seconded by Councilmember Tam Nguyen, and carried unanimously, the Consent Calendar was approved and the below listed actions were taken as indicated. (11-0.)

2.1 17-232 Approval of City Council Minutes.

(a) Regular Minutes of May 23, 2017.

CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (City Clerk)

Documents Filed: Council Meeting Minutes of May 23, 2017.

Action: The City Council Minutes were approved. (11-0.)

2.2 17-234 Final Adoption of Ordinances.

ORDINANCE NO. 30015 - An ordinance of the City of San José amending Chapter 10.32 of Title 10 of the San José Municipal Code to add a new Part 5 to require Safe Storage of Firearms in a residence, as defined. CEQA: Not a Project, File No. PP17-009, Staff Report, Assessments, Annual reports, and Informational Memos that involve no approvals of any City action. (City Manager/City Attorney)

Documents Filed: (1) Corrected supplemental memorandum from City Attorney Richard Doyle, dated October 26, 2017, regarding the second reading of the firearms safe storage ordinance. (2) Proof of Publication of the Title of Ordinance No. 30015 executed on October 20, 2017 by the City Clerk. (3) Thirty (30) email from the public offering comments regarding firearm storage, and Local Government Update from the CRPA (California Rifle & Pistol Association) News.

Action: Ordinance No. 30015 was adopted. (11-0.)

2.2 17-234 Final Adoption of Ordinances (Cont'd.)

ORDINANCE NO. 30019 - An ordinance of the City of San José amending Section 12.06.910 of Chapter 12.06 of Title 12 of the San José Municipal Code regarding campaign disclosure statements and repealing Section 12.06.920 of Title 12 related to the duties of the City Clerk. CEQA: Not a Project, File No. PP17-010, City Organization & Administrative Activities resulting in no change to the physical environment. (City Clerk)

Documents Filed: Proof of Publication of the Title of Ordinance No. 30019 executed on October 27, 2017 by the City Clerk.

Action: Ordinance No. 30019 was adopted. (11-0.)

2.3 17-231 Approval of Council Committee Minutes.

- (a) Rules and Open Government Committee Minutes: (Mayor)
 - (1) September 27, 2017.
 - (2) October 4, 2017.
 - (3) October 11, 2017.
 - (b) Neighborhood Services and Education Committee Minutes of September 14, 2017. (Rocha)
 - (c) Public Safety, Finance and Strategic Support Committee Minutes of September 21, 2017. (Perez)
 - (d) Community and Economic Development Committee Minutes of September 25, 2017. (Khamis)
 - (e) Transportation and Environment Committee Minutes of October 2, 2017. (Carrasco)
- CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (City Clerk)

Documents Filed: (1) Rules and Open Government Committee Minutes, dated September 27, October 4 and October 11, 2017. (2) Neighborhood Services and Education Committee Minutes of September 14, 2017. (3) Public Safety, Finance and Strategic Support Committee Minutes of September 21, 2017. (4) Community and Economic Development Committee Minutes of September 25, 2017. (5) Transportation and Environment Committee Minutes of October 2, 2017.

Action: The Council Committee Minutes were accepted. (11-0.)

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.

Councilmember Dev Davis pulled Item 2.6 to report on the formation of the Ad hoc Committee and the asset allocation policy options, and responded to questions from Council.

Action: Upon motion by Councilmember Dev Davis, seconded by Councilmember Chappie Jones and carried unanimously the report was accepted. (11-0.)

- 2.7 17-218** Approve a Master Consultant Agreement with Paradigm Environmental to provide services related to green infrastructure planning and reasonable assurance analysis from the date of execution through October 31, 2020, in an amount not to exceed \$500,000, subject to the appropriation of funds. CEQA: Exempt, File No. PP17-001, CEQA Guidelines Section 15262, Feasibility and Planning Studies; and Not a Project, File No. PP17-002, Consultant services for design, study, inspection, or other professional services with no commitment to future action. (Environmental Services)

Documents Filed: Memorandum from Director, Environmental Services, Kerrie Romanow, dated October 10, 2017, recommending approval of an agreement.

Action: The Master Consultant Agreement was approved. (11-0.)

- 2.8 17-219** Approve a Second Amendment to the Lease with Allied Housing Inc. (aka Abode Services) to modify the monthly rental subsidy amounts per room at the City-owned Plaza Hotel located at 96 South Almaden Avenue from \$1,225 to \$1,525 for 47 rooms. CEQA: Exempt, File No. PP15-078, CEQA Guidelines Section 15301, Existing Facilities. Council District 3. (Housing)

Documents Filed: City Council Action Request from Director of Housing Jacky Morales-Ferrand, dated October 31, 2017, recommending approval of an amendment.

Action: the approval of a Second Amendment to the Lease with Allied Housing Inc. (aka Abode Services) to modify the monthly rental subsidy amounts per room at the City-owned Plaza Hotel located at 96 South Almaden Avenue, was approved. (11-0.)

- 2.9 17-200** Adopt the following 2017-2018 Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund:
- (a) Establish the estimate for Financing Proceeds in the amount of \$2,234,000; and
 - (b) Increase the Energy and Utility Conservation Measures Program City-Wide Appropriation to the Public Works Department in the amount of \$2,234,000.

2.9 (Cont'.d)

Documents Filed: Joint memorandum from Director of Public Works Barry Ng and Senior Deputy City Manager/Budget Director Jennifer Maguire, dated October 13, 2017 recommending adoption of Appropriation Ordinance and Funding Sources Resolution amendments.

Action: Ordinance No. 30024, entitled: "A Ordinance of the Council of the City of San José Amending Ordinance No. 29962 to Appropriate Moneys in the General Fund for the Energy and Utility Conservation Measures Program; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption; and Resolution No. 78397, entitled: "A Resolution of the Council of the City of San José Amending Resolution No. 78229 Setting Forth the Estimated Sources of Funds for the Fiscal Year 2017-2018 to Adjust Revenues in the General Fund", were adopted. (11-0.)

- 2.10 17-318** Approve travel payments and authorize travel for Mayor's staff, Henry Tsai, to Boston, MA, from November 6, 2017 to November 8, 2017 for the Civic Analytics Network Convening and the Harvard Summit on Data-Smart Government. Source of Funds: Harvard Kennedy School Ash Center's Civic Analytics Network (cost of travel, food, and lodging). CEQA: Not a Project, File No. PP17-010, City Organization & Administrative Activities resulting in no change to the physical environment. (Mayor)

Documents Filed: Memorandum from Mayor Sam Liccardo, dated October 18, 2017, requesting approval of travel, including travel payments for a member of staff.

Action: The travel request was approved. (11-0.)

2.11 17-319 Ice Cream Social.

Recommendation: As recommended by the Rules and Open Government Committee on October 25, 2017:
(a) Retroactively approve the Ice Cream Social held on October 13, 2017 as a City Council sponsored Special Event and approve 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. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Carrasco)

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated October 27, 2017, transmitting the recommendations of the Rules and Open Government Committee.

Action: The Ice Cream Social held on October 13, 2017 as a City Council Sponsored Special Event was approved, and expenditure of funds and authorization to accept donations from various individuals, businesses or community groups to support the event, was approved. (11-0.)

- 2.12 17-320** As recommended by the Rules and Open Government Committee on October 25, 2017:
(a) Retroactively approve Arbuckle Neighborhood Dumpster Day held on October 21, 2017 as a City Council sponsored Special Event and approve the expenditure of funds.
(b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated October 27, 2017, transmitting the recommendations of the Rules and Open Government Committee.

Action: The Arbuckle Neighborhood Dumpster Day as a City Council Sponsored Special Event was retroactively approved, and expenditure of funds and authorization to accept donations from various individuals, businesses or community groups to support the event, was retroactively approved. (11-0.)

- 2.13 17-321** As recommended by the Rules and Open Government Committee on October 25, 2017:
(a) Approve District 5 Faith Leaders Breakfast scheduled on November 16, 2017 as a City Council sponsored Special Event and approve the expenditure of funds.
(b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated October 27, 2017, transmitting the recommendations of the Rules and Open Government Committee.

Action: The District 5 Faith Leaders Breakfast as a City Council Sponsored Special Event was approved, and expenditure of funds and authorization to accept donations from various individuals, businesses or community groups to support the event, was approved. (11-0.)

- 2.14 17-322** As recommended by the Rules and Open Government Committee on October 25, 2017: (a) Retroactively approve Halloweentown at Welch Park scheduled on October 28, 2017 as a City Council sponsored Special Event and approve the expenditure of funds.
(b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated October 27, 2017, transmitting the recommendations of the Rules and Open Government Committee.

Action: The District 5 Faith Leaders Breakfast as a City Council Sponsored Special Event was approved, and expenditure of funds and authorization to accept donations from various individuals, businesses or community groups to support the event, was approved. (11-0.)

- 2.15 17-323** As recommended by the Rules and Open Government Committee on October 25, 2017:
- (a) Retroactively approve the Crossgate and Jeffrey Fontana Park Neighborhoods Beautification Day held on October 21, 2017 as a City Council sponsored Special Event and approve the expenditure of funds.
 - (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated October 27, 2017, transmitting the recommendations of the Rules and Open Government Committee.

Action: The Crossgate and Jeffrey Fontana Park Neighborhoods Beautification Day as a City Council Sponsored Special Event was approved, and expenditure of funds and authorization to accept donations from various individuals, businesses or community groups to support the event, was approved. (11-0.)

- 2.16 17-324** As recommended by the Rules and Open Government Committee on October 25, 2017:
- (a) Approve the Senior Winter Walk and Resource Fair scheduled on Friday, February 23, 2018 as a City Council sponsored Special Event and approve the expenditure of funds.
 - (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated October 27, 2017, transmitting the recommendations of the Rules and Open Government Committee.

Action: The Senior Winter Walk and Resource Fair as a City Council Sponsored Special Event was approved, and expenditure of funds and authorization to accept donations from various individuals, businesses or community groups to support the event, was approved. (11-0.)

END OF CONSENT CALENDAR

STRATEGIC SUPPORT SERVICES

- 3.3 17-042** Adopt a resolution authorizing the City Manager to:
- (a) Negotiate and execute amendments to the Agreements for City Generated Tow Services for a term commencing on or around January 1, 2018 and ending on or around June 30, 2019 with the following tow operators:
 - Alongi Brothers, Inc. (San José, CA)
 - Century Tow (San José, CA)
 - City Towing, Inc. (San José, CA)
 - Courtesy Tow Services, Inc. (San José, CA)
 - Matos Auto Towing & Transport (San José, CA)
 - Motor Body Company, Inc. (San José, CA)

3.3 (Cont'd.)

The proposed amendments include the following terms and conditions and would revert to the original terms and conditions after June 30, 2019 absent future Council action:

(1) Decrease the contract fee that the operators remit to the City from \$80 per tow to \$59 per towed vehicle to offset increased labor costs.

(2) Credit the tow operators for lost profits and expenses related to disposing of vehicles that have no value, against the \$59 contract fee that is required to be remitted to the City.

(3) Reduce each tow operator's security deposit by \$20,000, from \$25,000 to \$5,000.

(b) Report back to the City Council, on or before March 2019, the results of an independent audit and assessment of the current tow program as discussed in the staff memorandum, with recommendations for any program restructuring or further changes to compensation, as appropriate.

CEQA: Not a Project, File No. PP17-033, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Finance/Planning, Building and Code Enforcement)

Documents Filed: Joint memorandum from Director of Finance Julia H. Cooper and Rosalynn Hughey, Interim Director, Planning, Building and Code Enforcement, dated October 18, 2017, recommending adoption of a resolution.

Director of Finance Julia H. Cooper provided an introduction, and Deputy Director of Finance, Mark Giovanetti, offered a presentation.

Public Comments: Expressing concerns, offering comments and criticism, were: Scott Largent, Art Amirkhas, Nick Alongi, Bill Spencer, Kenny Carvala and Ray Perez.

Extensive Council discussion followed, and staff responded to questions.

Councilmember Sylvia Arenas voiced misgivings with the recommendations, commenting that money is flowing the wrong way.

Action: Upon motion by Councilmember Donald Rocha, seconded by Councilmember Sergio Jimenez and carried, Resolution No. 78398, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute Amendments to the Agreements for City Generated Tow Services for a Term Commencing on or Around January 1, 2018 and Ending on or Around June 30, 2019 with Alongi Brothers, Inc., Century Tow, City Towing, Inc., Courtesy Tow Services, Inc., Matos Auto Towing & Transport, and Motor Body Company, Inc.; and Report Back to Council on an Independent Audit and Assessment of the Tow Program", was adopted. (10-0-1. Noes: Arenas.)

- 3.4 17-220** (a) Adopt a resolution to authorize staff to apply for Federal Emergency Management Agency Disaster Mitigation Grants.
(b) Approve commitment to provide City contribution to support the proposed mitigation projects and ongoing maintenance.
CEQA: Not a Project, File No. PP17-006, Grant Application with no commitment or obligation to enter into an agreement at the time of application. (City Manager)

Documents Filed: Memorandum from Director of Emergency Management, Ray Riordan, dated October 20, 2017, recommending adoption of a resolution.

Action: Upon motion by Councilmember Raul Peralez, seconded by Councilmember Chappie Jones and carried unanimously, Resolution No. 78399, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Apply for Federal Emergency Management Agency Disaster Mitigation Grants”, was adopted. (11-0.)

COMMUNITY & ECONOMIC DEVELOPMENT

- 4.1 17-170** As recommended by the Community and Economic Development Committee on September 25, 2017, accept the report and adopt a resolution authorizing the City Manager to negotiate and execute an amendment to the Team San José contract to revise its performance measures and enhance its reporting requirements in accordance with the recommendations outlined in the memorandum to Council. CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical change to the environment. (Economic Development)

Documents Filed: (1) Joint memorandum from Mayor Sam Liccardo and Councilmember Raul Peralez, dated October 27, 2017, recommending adoption of a resolution with additional direction. (2) Memorandum from City Clerk Toni J. Taber, CMC, transmitting recommendations from the Community and Economic Development Committee.

Director of Cultural Affairs/Deputy Director Economic Development, Kerry Adams Hapner provided a report, and members of Team San José were available to responded to questions.

Action: Upon motion by Councilmember Raul Peralez, seconded by Councilmember Sergio Jimenez and carried unanimously, Resolution No. 78400, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute an Amendment to the Team San José Agreement to Revise its Performance and Incentive Measures, and Reporting Requirements”, was adopted. (11-0.)

4.2 17-221

Adopt a resolution to authorize the City Manager to negotiate and execute all documents, including any amendments or modifications, necessary for the acquisition of the property located at 525 West St. John Street, San José, California, which property can be further identified as Assessor's Parcel Number 259-29-001, -002, in an amount not to exceed \$2,966,436 from the Francia Family Trust. CEQA: Determination of Consistency with the San Jose Downtown Strategy 2000 Final Environmental Impact Report, (Resolution No. 72767), and addenda thereto; the Diridon Station Area Plan Final Environmental Impact Report (Resolution No. 77096), and addenda thereto; and the Final Program EIR for the Envision San José 2040 General Plan (Resolution No. 76041) and the Envision San Jose 2040 General Plan Supplemental Environmental Impact Report (Resolution 77617), and addenda thereto; File No. PP17-065. Future redevelopment would be subject to subsequent environmental review. Council District 3. (Economic Development/Transportation)

Documents Filed: Joint memorandum from Deputy City Manager/Director of Economic Development Kim Welsh and Director of Transportation Jim Ortbal, dated October 10, 2017, providing recommendations.

Public Comments: Matthew Warren, representing the Law Foundation of Silicon Valley; Jeffrey Buchanan and Jocelyn Hernandez, Abukar Naday, Working Partnerships USA; Sara McDermott, UniteCare Local 19; expressed the needs for community involvement and transparency and offered further comments.

Economic Development Assistant Director, Nanci Klein responded to questions.

Action: Upon motion by Councilmember Raul Peralez, seconded by Councilmember Chappie Jones, and carried unanimously, Resolution No. 78401, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute all Documents, including any Amendments or Modifications, Necessary for the Acquisition of the Property Located at 525 West St. John Street, San José, California, which Property Can be Further Identified as Assessor's Parcel Number 259-29-001, 002, in an Amount Not to Exceed \$2,966,436 from the Francia Family Trust", was adopted. (11-0.)

4.3 17-222

(a) Adopt a resolution to authorize the City Manager to negotiate and execute all documents necessary for the acquisition of the property located at 130 & 150 North Autumn Street and 405,407, and 447 West St. John Street (former Milligan News property), Assessor's Parcel Numbers 259-29-033, -102, -072, -071, -032, in an amount not to exceed \$11,724,750 from the Milligan Family Trust including any amendments or modifications.

(b) Approve the Relocation Plan for commercial and residential tenants as in compliance with California Code of Regulations Section 6038.

CEQA: Determination of Consistency with the Coleman Avenue/Autumn Street Improvement Project Final Integrated Focused Environmental Impact Report (Resolution No. 74870); the San Jose Downtown Strategy 2000 Final Environmental Impact Report, (Resolution No. 72767), and addenda thereto; the Diridon Station Area Plan Final Environmental Impact Report (Resolution No. 77096), and addenda thereto; and the Final Program EIR for the Envision San José 2040 General Plan (Resolution No. 76041) and the Envision San Jose 2040 General Plan Supplemental Environmental Impact Report (Resolution 77617), and addenda thereto; File No. PP17-066. Future redevelopment would be subject to subsequent environmental review. Council District 3. (Economic Development/Transportation)

Documents Filed: Joint memorandum from Deputy City Manager/Director of Economic Development Kim Walesh and Director of Transportation Jim Ortbal, dated October 10, 2017, providing recommendations.

Action: Upon motion by Councilmember Raul Peralez, seconded by Councilmember Lan Diep and carried unanimously, Resolution No. 78402, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute all Documents Necessary for the Acquisition of the Property Located at 130 and 150 North Autumn Street and 405, 407 and 447 West St. John Street (Former Milligan News Property), Assessor's Parcel Numbers 259-29-033, -102, - 072, -071, -032, in an Amount not to Exceed \$11,924,750 from the Milligan Family Trust including any Amendments or Modifications", was adopted. (11-0.)

4.4 17-266

Discussion of staff analysis in response to Councilmember Rocha's Evergreen Ballot Initiative direction, set forth in his memorandum to Council dated October 13, 2017. CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Economic Development)

Documents Filed: (1) Memorandum from Councilmember Donald Rocha, dated October 30, 2017, recommending approval of staff recommendations with additional analysis. (2) Joint supplemental memorandum from Rosalynn Hughey, Interim Director, Planning, Building and Code Enforcement and Deputy City Manager/Director of Economic Development Kim Walesh, dated October 27, 2017, providing information on additional items proposed for study.

4.4 (Cont'd.)

Public Comments: Offering concerns, criticism and comments, were: Steve Burnett; Wesley Lee; Burton Smith, President of Senior Advisory Council at Evergreen Community Center; and Mackenzie Mossing.

Deputy City Manager/Director of Economic Development Kim Walesh responded to questions, and discussion ensued.

Action: Upon motion by Councilmember Lan Diep, seconded by Councilmember Sylvia Arenas, and carried unanimously, staff analysis in response to Councilmember Rocha's Evergreen Ballot Initiative memorandum, dated October 13, 2017, was accepted. (11-0.)

4.5 17-205

Adopt a resolution authorizing the City Manager to execute a non-binding Memorandum of Understanding with Adobe Systems Incorporated addressing Adobe's contemplated headquarters expansion project and pedestrian bridge. CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. Council District 3. (Economic Development)

Documents Filed: (1) Memorandum from Mayor Sam Liccardo, dated October 20, 2017, recommending approval of the staff report. (2) Memorandum from Deputy City Manager/Director of Economic Development Kim Walesh, dated October 12, 2017, recommending adoption of a resolution.

Deputy City Manager/Director of Economic Development Kim Walesh and Rosalynn Hughey, Interim Director, Planning, Building and Code Enforcement presented a report and responded to questions.

Scott Eckman, from Adobe, Senior Director of Corporate Real Estate, offered comments on the growth of Adobe. Encourage the Council to approve and allow Adobe to grow in Downtown.

Public Comments: Jeffrey Buchanan, representing Silicon Valley Rising Coalition offered concerns, and Scott Kniess, Executive Director of San José Downtown Association urged support.

Action: Upon motion by Councilmember Raul Peralez, seconded by Councilmember Tam Nguyen and carried unanimously, Resolution No. 78403, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Execute a Non-Binding Memorandum of Understanding with Adobe Systems Incorporated Addressing Adobe's Contemplated Headquarters Expansion Project and Pedestrian Bridge", was adopted. (10-0-1. Absent: Rocha.)

TRANSPORTATION & AVIATION SERVICES

6.1 17-210

(a) Approve a First Amendment to the Funding Agreement between the City of San José and the Santa Clara Valley Transportation Authority (VTA) to initiate preliminary engineering and obtain environmental clearance for the U.S. 101/Zanker Road Interchange Project to increase City's share of the funding and the total not to exceed amount from \$1,500,000 to \$4,100,000 and to extend the term of the Agreement to December 31, 2020.

(b) Adopt the following 2017-2018 Appropriation Ordinance amendments in the Construction Excise Tax Fund:

(1) Increase the North San José Improvement - 101/Zanker appropriation in the amount of \$2,600,000; and

(2) Decrease the North San José Traffic Impact Fees Reserve in the amount of \$2,600,000.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts resulting in no physical change to the environment, and Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.

(Transportation/City Manager)

Documents Filed: Memorandum from Director of Transportation Jim Ortbal and Senior Deputy City Manager/Budget Director Jennifer Maguire, dated October 16, 2017, recommending approval of a first amendment and adoption of an ordinance.

John Ristow, Deputy Director of Department of Transportation, responded to questions regarding the 880-101 interchange.

Action: Upon motion by Councilmember Raul Peralez, seconded by Councilmember Lan Diep and carried unanimously, Ordinance No. 30025, entitled: "A Ordinance of the Council of the City of San José Amending Ordinance No. 29962 to Appropriate Moneys in the Construction Excise Tax Fund for the North San José Improvement – 101/Zanker; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption", was adopted. (11-0.)

OPEN FORUM

- (1) Dave Eisbach, Duane Gifford, Cheryl Lubow, Seigi Tadokoro, Sean Reinhart, and Ken Schneebeli spoke regarding the Apartment Rent Ordinance.
- (2) Scott Largent offered additional comments on tow companies.

ADJOURNMENT

Mayor Sam Liccardo adjourned the meeting of the San José City Council at 5:00 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

DRAFT

Toni J. Taber, CMC
City Clerk

SG/rmk/10-31-17 MIN

JOINT CITY OF SAN JOSE CITY COUNCIL/FINANCING AUTHORITY AGENDA

1. Call to Order and Roll Call

The Joint City of San Jose City Council/Financing Authority was called to order at 4:44 p.m. on Tuesday, October 31, 2017.

2. 17-317

City of San José Financing Authority Board adopt a resolution to authorize its Executive Director to consent to the proposed Lateral Tie-Back Agreement and Crane Easement with SJSC Properties LLC, for subterranean tie-back anchors and two cranes to operate non-live loads over the City's Parking Garage located at 43 North Fifth Street, in connection with the construction of two 28-story residential towers at North Fourth Street and East Santa Clara Street directly adjacent to the City's Parking Garage, subject to the consent of Wells Fargo Bank, National Association, as trustee for the City of San José Financing Authority Lease Revenue Refunding Bonds, Series 2013B (Civic Center Garage Project) and the City. CEQA: Addendum to the Downtown Strategy 2000 EIR, the Envision San José 2040 General Plan and the Envision San José 2040 General Plan Supplemental EIR, Planning File No. SP17-009. Council District 3. (Finance/Economic Development)

Documents Filed: Two memoranda from Deputy City Manager/Director of Economic Development Kim Walesh, dated October 16 and October 25, 2017, recommending adoption of a resolution.

City Attorney Richard Doyle provided clarifications regarding the trustee's consent to an agreement.

Action: Upon motion by Councilmember Sergio Jimenez, seconded by Councilmember Raul Peralez and carried unanimously, San José Financing Authority Resolution No. 139, entitled: "A Resolution of the Governing Board of the City of San José Financing Authority Authorizing its Executive Director to Consent to the Proposed Lateral Tie-Back Agreement and Crane Easement with SJSC Properties LLC, for Subterranean Tie-Back Anchors and Two Cranes to Operate Non-Live Loads Over the City's Parking Garage as Set Forth Therein, Located at 43 North Fifth Street, Subject to the Consent of Wells Fargo Bank, National Association, as Trustee for the City of San José Financing Authority Lease Revenue Refunding Bonds, Series 2013B (Civic Center Garage Project), and the City, and Authorizing and Directing the Trustee to Consent to the Lateral Tie-Back Agreement and Crane Easement", was adopted, with direction to the City Manager to sign a letter specifically stating the City of San Jose and the Financing Authority authorize and direct the trustee to consent to the agreement.

The Joint City of San Jose City Council/Financing Authority adjourned at 4:46 p.m.