



City Council Meeting

SYNOPSIS

Tuesday, May 22, 2018

SAM LICCARDO, MAYOR
CHAPPIE JONES, DISTRICT 1
SERGIO JIMENEZ, DISTRICT 2
RAUL PERALEZ, DISTRICT 3
LAN DIEP, DISTRICT 4
MAGDALENA CARRASCO, VICE MAYOR, DISTRICT 5
DEV DAVIS, DISTRICT 6
TAM NGUYEN, DISTRICT 7
SYLVIA ARENAS, DISTRICT 8
DONALD ROCHA, DISTRICT 9
JOHNNY KHAMIS, DISTRICT 10

- **Call to Order and Roll Call**

9:35 a.m.- Closed Session, Call to Order in Council Chambers
Absent Councilmembers: None.

1:32 p.m.- Regular Session, Council Chambers, City Hall
Absent Councilmembers: None.

6:02 p.m.- Public Hearings, Council Chambers, City Hall
Absent Councilmembers: None.

- **Invocation (District 5)**

Artistic Director of Akoma Arts, Keith Hames and members performed traditional African drumming for the Invocation.

- **Pledge of Allegiance**

Mayor Sam Liccardo led the Pledge of Allegiance.

- **Orders of the Day**

The Orders of the Day and the Amended Agenda were approved.

- **Closed Session Report**

None provided.

1. CEREMONIAL ITEMS

- 1.1** A proclamation was presented by Mayor Sam Liccardo and Councilmember Chappie Jones recognizing the month of May as Foster Youth Awareness Month in the City of San José to raise awareness and education on the needs of foster youth. (Jones)
- 1.2** A proclamation was presented by the Mayor, Vice-Mayor and all Councilmembers, recognizing May 2018 as National Bike Month in the City of San José. (Arenas)
- 1.3** Mayor Sam Liccardo and Councilmember Tam Nguyen presented a commendation to Boy Scout Troop 817 for their exemplary work on the beautification of the Vietnamese Heritage Garden. (Nguyen)
Heard in the Evening.

1. CEREMONIAL ITEMS (Cont'd.)

- 1.4 Mayor Sam Liccardo and Councilmembers Johnny Khamis and Chappie Jones presented a commendation recognizing Richard McCoy for his years of volunteer service to seniors and veterans in San Jose. (Khamis)
- 1.5 Mayor Sam Liccardo, Vice Mayor Magdalena Carrasco and Councilmember Sylvia Arenas presented a commendation to Community Leader Arun Singh. (Carrasco)
Heard in the Evening.

2. CONSENT CALENDAR

2.1 18-740 Approval of City Council Minutes.

Recommendation: (a) Regular City Council Meeting Minutes of January 23, 2018.
(b) Regular City Council Meeting Minutes of February 6, 2018.
CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.
Approved.

2.2 18-706 Final Adoption of Ordinances.

Recommendation: (a) ORD. NO. 30101 – An ordinance amending Section 3.28.030.05 of Chapter 3.28 of Title 3 of the San José Municipal Code to modify the definition of “Compensation” to exclude non-pensionable wage increases in the Federated Employees Retirement Plan.
CEQA: Not a Project, File No. PP17-008, General Procedure & Policy Making resulting in no changes to the physical environment.
Ordinance No. 30101 adopted.

(b) ORD. NO. 30103 – An ordinance of the City of San José rezoning a 15.12-gross acre site located at 12329 Mabury Road from the A -Agricultural Zoning District to the PQP Public/Quasi-Public Zoning District (San Jose Water Works, Owner).
CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program Environmental Impact Report (FEIR) (Resolution No. 76041), the Envision San José 2040 General Plan Supplemental Environmental Impact Report (EIR)(Resolution No. 77617), and Addenda thereto; and does not involve new significant impacts beyond those analyzed in the FEIR or the Supplemental EIR.
Ordinance No. 30103 adopted.

2.2 (Cont'd.)

(c) ORD. NO. 31014 – An ordinance of the City of San José rezoning an approximately 3.26-gross acre site, located on the northwest corner of Horning Street and Oakland Road (645 Horning Street) from the LI Light Industrial Zoning District to the CIC(PD) Planned Development Zoning District to allow a ministorage, retail store, gasoline station with six fuel dispensers and canopy, drive-through carwash, and drive-through restaurant uses (Rubnitz James E Et Al, Owner).

CEQA: Mitigated Negative Declaration for the 645 Horning Street Gas Station, Food and Storage Project.

Ordinance No. 30104 adopted.

2.3 18-700 Approval of Council Committee Minutes.

Recommendation:

(a) Rules and Open Government Committee Minutes of June 14, 2017. (Mayor)

(b) Community and Economic Development Committee Minutes of August 28, 2017. (Khamis)

(c) Rules and Open Government Committee Minutes of November 1, 2017. (Mayor)

(d) Rules and Open Government Committee Minutes of November 8, 2017. (Mayor)

(e) Rules and Open Government Committee Minutes of November 15, 2017. (Mayor)

(f) Rules In-Lieu Meeting Minutes of November 21, 2017. (Mayor)

(g) Rules and Open Government Committee Minutes of November 29, 2017. (Mayor)

(h) Ad-Hoc Committee for Development Service Minutes of November 30, 2017. (Davis)

(i) Rules and Open Government Committee Minutes of December 6, 2017. (Mayor)

(j) Smart Cities and Service Improvements Committee Minutes of December 7, 2017. (Jones)

(k) Neighborhood Services and Education Committee Minutes of December 14, 2017. (Rocha)

(l) Rules In-Lieu Meeting Minutes of December 20, 2017. (Mayor)

(m) Ad-Hoc Committee for Development Service Minutes of March 23, 2017. (Khamis)

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

2.4 Mayor and Council Excused Absence Requests.

None provided.

2.5 City Council Travel Reports.

Councilmember Lan Diep reported on his trip to Washington D.C. where he was sworn into the Supreme Court Bar, and he also spoke at a conference for Asian Pacific American Institute for Congressional Studies (APAICS).

2.6 Report from the Council Liaison to the Retirement Boards.

None provided.

2.7 18-702 City Attorney's Travel to Portland, OR.

Recommendation: Approve travel by the City Attorney, Richard Doyle, to Portland, Oregon, on June 8-10, 2018 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. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (City Attorney)
Approved. (11-0.)

2.8 18-672 Actions Related to the Disestablishment of the Hotel Business Improvement District.

Recommendation: Preliminarily approve the report, as prepared by San Jose Hotels Inc., or as modified by Council; and adopt a resolution of intention to set the time and date for the Public Hearing to disestablish the Hotel Business Improvement District, originally established under the Parking and Business Improvement Area Law of 1989, Streets and Highways Code Section 36500 et seq., on Tuesday, June 12, 2018 at 1:30 p.m., as the date and time for the Public Hearing on the proposed elimination of the assessed levy.
CEQA: Statutorily Exempt, CEQA Guidelines Section 15061(b), Review for Exemption, File No. PP08-048. (Economic Development)
Approved.
Resolution No. 78585 adopted. (11-0.)

2.9 18-673 Actions Related to the Japantown Business Improvement District.

Recommendation: Preliminarily approve the report as filed by the Japantown Business Improvement District Advisory Board, or as modified by Council, and adopt a resolution of intention to levy the annual assessment for Fiscal Year 2018-2019 and set Tuesday, June 5, 2018 at 1:30 p.m. as the date and time for the Public Hearing on the levy of the proposed assessments.
CEQA: Statutorily Exempt, CEQA Guidelines Section 15061(b), Review for Exemption, File No. PP08-048. Council District 3. (Economic Development)
Approved.
Resolution No. 78586 adopted. (11-0.)

2.10 18-674 Actions Related to the Downtown Business Improvement District.

Recommendation: Preliminarily approve the report as filed by the Downtown Business Improvement District Advisory Board, or as modified by Council, and adopt a resolution of intention to levy the annual assessment for Fiscal Year 2018-2019, to suspend collection of the Downtown BID assessments for businesses that qualify for the business tax financial hardship exemption under the City's general business tax ordinance and set Tuesday, June 5, 2018 at 1:30 p.m. as the date and time for the Public Hearing on the levy of the proposed assessments. CEQA: Statutorily Exempt, CEQA Guidelines Section 15061(b), Review for Exemption, File No. PP08-048. Council District 3. (Economic Development)
Approved.
Resolution No. 78587 adopted. (11-0.)

2.11 18-688 Actions Related to the Purchase Order for Fuel Tank Inspection, Testing, and Cleaning Services.

Recommendation: Adopt a resolution authorizing the City Manager to:
(a) Execute a Purchase Order with Elite IV (Stockton, CA) for fuel tank inspection, testing and cleaning services at Citywide fuel sites for an initial twelve-month period, starting on or about May 23, 2018 and ending on or about May 22, 2019, for an amount not-to-exceed \$116,065; and
(b) Execute up to four one-year options to extend the term of the Purchase Order with the last option year ending on or about May 22, 2023, subject to the annual appropriation of funds.
CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Finance)
Resolution No. 78588 adopted. (11-0.)

2.12 18-689 Actions Related to Purchase Order 54465 with Harris Blade Rental.

Recommendation: Adopt a resolution authorizing the City Manager to amend Purchase Order 54465 with Harris Blade Rental (Livermore, CA) for the rental of construction and earthmoving equipment, to increase compensation by \$40,000, for a revised maximum compensation not-to-exceed \$330,000, for the current term ending May 31, 2018.
CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Finance)
Resolution No. 78589 adopted. (11-0.)

2.13 18-591 Programmatic Agreement with the Federal Transit Administration and the California State Historic Preservation Officer, and Valley Transportation Authority for the BART Silicon Valley - Phase II Extension Project in Santa Clara County.

Recommendation: Adopt a resolution to authorize the City Manager to execute the Programmatic Agreement with the Federal Transit Administration, California State Historic Preservation Officer, the California Department of Transportation, and the Santa Clara Valley Transportation Authority with the City of San José as a Concurring Party for the Bay Area Rapid Transit Silicon Valley - Phase II Extension Project in Santa Clara County.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Planning, Building and Code Enforcement)

Deferred from 5/1/18 Item 2.8 to 5/22/18 per Administration.

Resolution No. 78590 adopted. (11-0.)

2.14 18-649 Amendment to Master Agreement with West Yost & Associates, Inc. for the Nordale Pump Station Replacement Project.

Recommendation: Approve a Sixth Amendment to the Master Agreement with West Yost & Associates, Inc. increasing the compensation by \$35,000, for a total contract amount not to exceed \$535,000, and increasing the term of the agreement by 3 months from June 30, 2018 to September 30, 2018 for the purpose of completing work on the Nordale Pump Station Replacement Project.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Public Works)

Approved. (11-0.)

2.15 18-697 Actions Related to the Pedestrian and Bicycle Project Grants.

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 2018-19 Transportation Development Act, Article 3 (TDA3) State grant funding in the amount of \$843,927 for bicycle and pedestrian projects;
- (b) Making the certifications and assurances required under the TDA3 grant; and
- (c) Authorizing the City Manager or designee to accept TDA3 grant funding awarded from MTC and to negotiate and execute any grant documents to effectuate the grant.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities, File No. PP18-029. (Transportation)

Resolution No. 78591 adopted. (11-0.)

2.16 18-705 Employee Member Vacancy on the Federated City Employees' Retirement System Board of Administration.

Recommendation: Direct the City Clerk to accept petitions for the unscheduled Employee Representative vacancy on the Federated City Employees' Retirement System Board of Administration for a term expiring November 30, 2021.
CEQA: Not a Project, File No. PP17-010, City Administrative Activities, resulting in no changes to the physical environment. (City Clerk)
Approved. (11-0.)

2.17 18-693 Forgiveness of Healthy Neighborhoods Venture Fund Loan to Center for Training and Careers.

Recommendation: Approve the forgiveness of a \$1,000,000 Healthy Neighborhoods Venture Loan to Center for Training and Careers, Inc. used for the acquisition and rehabilitation of the property at 749 Story Road, for fulfilling the conditions of its contract.
CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. Council District 7. (Housing)
Approved. (11-0.)

2.18 18-712 Approval of Oak Hill Memorial Day Observance Sponsored By Council District 10 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Event.

Recommendation: As recommended by the Rules and Open Government Committee on May 9, 2018:
(a) Approve the Oak Hill Memorial Day scheduled on May 28, 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.
CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Khamis)
[Rules Committee referral 5/9/18 - Item G.1.a]
Approved. (11-0.)

2.19 18-720 Retroactive Approval of Evergreen Business Walk Sponsored By Council District 8 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Event.

Recommendation: As recommended by the Rules and Open Government Committee on May 9, 2018:

- (a) Retroactively approve the Evergreen Business Walk scheduled on May 4, 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.

CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Arenas)
[Rules Committee referral 5/9/18 - Item G.1.b]
Approved. (11-0.)

2.20 18-650 Actions Related to the Agreements for the Diridon Integrated Station Concept Plan.

Recommendation:

- (a) Adopt a resolution authorizing the City Manager to negotiate and execute the Cooperative Agreement between the City of San José, the Santa Clara Valley Transportation Authority (VTA), Caltrain, and the California High-Speed Rail Authority (“Partner Agencies”).
Resolution No. 78592 adopted. (10-0-1. Absent: Carrasco.)
- (b) Adopt a resolution authorizing the City Manager to negotiate and execute the Funding Agreement between the City of San José and the VTA, in an amount not to exceed \$750,000, as the City’s share of an agreement between the VTA and Arcadis/Bentham Crowell for planning and design services to develop the Diridon Integrated Station Concept Plan.
Resolution No. 78593 adopted. (10-0-1. Absent: Carrasco.)
- (c) Adopt the following 2017-2018 Appropriation Ordinance amendments in the General Purpose Parking Capital Fund:
 - (1) Decrease the Unrestricted Ending Fund Balance in the amount of \$250,000; and
 - (2) Increase the Transfer to the Construction Excise Tax Fund in the amount of \$250,000.**Ordinance No. 30102 adopted. (10-0-1. Absent: Carrasco.)**
- (d) Adopt the following 2017-2018 Funding Source Resolution and Appropriation Ordinance amendments in the Construction Excise Tax Fund:
 - (1) Increase the estimated revenue for Transfer and Reimbursement in the amount of \$250,000; and
 - (2) Increase the San José Regional Transportation Hub appropriation in the amount of \$250,000.

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2.20 (Cont'd.) CEQA: 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/Economic Development/City Manager)
Renumbered from Item 6.1
Resolution No. 78594 adopted. (10-0-1. Absent: Carrasco.)
Ordinance No. 30105 adopted. (10-0-1. Absent: Carrasco.)

2.21 18-752 Tax Fairness, Transparency and Accountability Act of 2018.

Recommendation: As recommended by the Rules and Open Government Committee on May 16, 2018, adopt an oppose position for the Tax Fairness, Transparency and Accountability Act of 2018 and recommend Council to adopt a resolution opposing the initiative.
CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (City Manager)
[Rules Committee referral 5/16/18 - Item G.4]
Oppose position adopted.
Resolution No. 78595 adopted. (9-1-1. Noes: Khamis. Absent: Carrasco.)

2.22 18-751 AB 2504 (Low) - LGBT Education and Training for Peace Officers.

Recommendation: As recommended by the Rules and Open Government Committee on May 16, 2018 and pursuant to the City's streamlined bill process for responding quickly to legislative proposals, re-affirm a position in support of AB 2504 (Low).
CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Police)
[Rules Committee referral 5/16/18 - Item G.3]
Position of support reaffirmed. (10-0-1. Absent: Carrasco.)

2.23 18-750 AB 2463 (Quirk-Silva and Cervantes): Small Business Assistance Program.

Recommendation: As recommended by the Rules and Open Government Committee on May 16, 2018 and pursuant to the City's streamlined bill process for responding quickly to legislative proposals, re-affirm a position in support of AB 2463 (Quirk-Silva and Cervantes).
CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment.
(Economic Development)
[Rules Committee referral 5/16/18 - Item G.2]
Position of support reaffirmed. (10-0-1. Absent: Carrasco.)

3. STRATEGIC SUPPORT

3.1 Report of the City Manager, David Sykes (Verbal Report)

None provided.

3.2 Labor Negotiations Update.

Recommendation: Accept Labor Negotiations Update.
None provided.

3.3 18-701 Actions Related to the General Obligation Bond Measure for November 2018 Citywide Ballot.

Recommendation: (a) City Council discussion of community survey results on potential general obligation bond measure for possible placement on the November 6, 2018 citywide ballot.
(b) Direct the City Manager to conduct additional polling to further refine potential ballot language and projects and to return to the City Council by August 10, 2018 with recommendations regarding placing a general obligation bond on the November 6, 2018 citywide ballot.
CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (City Manager)
Accepted.

3.4 18-690 Report on Request for Bids for Microsoft Office 365 Software.

Recommendation: (a) Approve continued participation in the Microsoft Enterprise License Agreement for State and Local Governments (“Enterprise Agreement”), a cooperative agreement administered by the County of Riverside, California on behalf of State and Local public agencies.
(b) Approve enrollment with Insight Public Sector (Tempe, AZ), who provided the lowest responsive and responsible bid from authorized Microsoft Licensing Solutions Providers pursuant to the terms and conditions of the Enterprise Agreement.
Approved as recommended with additional direction to take a broader look at what Enterprise suites are available the next time this is evaluated.
(c) Adopt a resolution authorizing the City Manager to:
(1) Execute purchase orders and other required enrollment documentation to purchase Microsoft Office 365 and related enterprise licenses for an initial three-year term beginning on June 1, 2018, and ending on May 31, 2021, in an amount not to exceed \$5,272,776, subject to the appropriation of funds;

(Item continued on the next page)

3.4 (Cont'd.)

- (2) Execute additional purchase orders and required enrollment documents for up to two additional three-year options to extend the term through May 31, 2027, subject to the appropriation of funds; and
- (3) Execute amendments, change orders, and required enrollment documents as required to cover any unanticipated changes, including additional subscriptions at the Enterprise Agreement discounted rates as may be required, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Finance)
Resolution No. 78596 adopted. (10-0-1. Absent: Carrasco.)

3.5 18-657

Actions Related to the Design-Build Contract with Steve P. Rados, Inc. for the 4880-Fourth Street 84-inch Interceptor Phase VI-A Project.

Recommendation:

(a) Approve the design-build contract with Steve P. Rados, Inc. for the 4880-Fourth Street 84-Inch Interceptor Phase VI-A Project in an amount not to exceed \$42,526,881 for the performance of design and construction services under the contract.

(b) Approve a design-build contingency in the amount of \$2,126,400 for City-approved changes to the design scope and construction services.

Approved. (8-0-3. Absent: Carrasco, Nguyen, Rocha.)

(c) Adopt a resolution authorizing the Director of Public Works to negotiate and execute change orders in excess of \$100,000 for City-approved changes to the design scope of work and construction services in an amount not to exceed the design-build contingency.

Resolution No. 78597 adopted. (8-0-3. Absent: Carrasco, Nguyen, Rocha.)

(d) Adopt a resolution finding that the contract with Steve P. Rados, Inc. for the design and construction of the 4880-Fourth Street 84-Inch Interceptor Phase VI-A Project will result in lower costs and faster project completion than if the City used a traditional design-bid-build procurement process.

Resolution No. 78598 adopted. (8-0-3. Absent: Carrasco, Nguyen, Rocha.)

(e) Adopt the following 2017-2018 Appropriation Ordinance amendments in the Sewer Service and Use Charge Capital Improvement Fund:

- (1) Decrease the Unrestricted Ending Funding Balance in the amount of \$6,500,000;
- (2) Decrease the appropriation to the Public Works Department for the Immediate Replacement and Diversion Projects in the amount of \$2,300,000;
- (3) Decrease the appropriation to the Public Works Department for the Urgent Rehabilitation and Repair Projects in the amount of \$3,500,000; and

(Item continued on the next page)

3.5 (Cont'd.)

(4) Increase appropriation to the Public Works Department for the 60” Brick Interceptor, Phase VIA and VIB in the amount of \$12,300,000.
CEQA: Determination of Consistency with the Mitigated Negative Declaration for Sewer Interceptor Phase VIA Public Project (Resolution No. 77626), File No. PP10-160. (Public Works/City Manager)
Ordinance No. 30106 adopted. (8-0-3. Absent: Carrasco, Nguyen, Rocha.)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 18-694 Actions Related to the Transfer of Undeveloped Housing Asset Property (known as Sycamore Terrace) located at 15520 Almaden Expressway at Coleman Road.

Recommendation:

- (a) Adopt a resolution:
- i) approving the transfer on or before October 30, 2018, of an undeveloped Low and Moderate Income Housing Asset property (known as Sycamore Terrace) located at 15520 Almaden Expressway at Coleman Road (south San Jose), Assessor Parcel Numbers 694-02-002 and 694-02-015 from the Housing Department to the Parks, Recreation and Neighborhood Services Department for the future construction of additional park and open space for Almaden Lake Park at 15520 Almaden Expressway in exchange for the appraised value of the property consistent with California Community Redevelopment law; and
 - ii) authorizing the City Manager to submit a grant application and, if awarded, negotiate, and execute a grant agreement with the Santa Clara Valley Open Space Authority for an amount up to \$300,000 in funding for the transfer of the Sycamore Terrace property located at 15520 Almaden Expressway at Coleman Road and to take all actions necessary to effectuate the grant

Resolution No. 78599 adopted. (11-0.)

- (b) Adopt the following Fiscal Year 2017-2018 Appropriation Ordinance Amendments in the Subdivision Park Trust Fund:

(1) Decrease the Future PDO/PIO Projects Reserve appropriation by \$811,000; and

(2) Establish a Transfer to the Low and Moderate Income Housing Asset Fund appropriation to the Finance Department in the amount of \$811,000.

Ordinance No. 30107 adopted. (11-0.)

- (c) Adopt the following Fiscal Year 2017-2018 Appropriation Ordinance amendments in the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #10: Council District 10 Construction and Conveyance Tax Fund:

(1) Decrease the Unrestricted Ending Fund Balance by \$426,000; and

(2) Establish a Transfer to the Low and Moderate Income Housing Asset Fund appropriation to the Finance Department in the amount of \$426,000.

Ordinance No. 30108 adopted. (11-0.)

4.1 (Cont'd.)

- (d) Adopt the following 2017-2018 Appropriation Ordinance and Funding Sources Resolution amendments in the Low and Moderate Income Housing Asset Fund:
- (1) Increase the estimate for Transfers and Reimbursements in the amount of \$1,237,000; and
 - (2) Increase the Housing Project Reserve by \$1,237,000.
- CEQA: Categorically Exempt, CEQA Guidelines Section 15316, Transfer of Ownership of Land to Create Parks, File No. PP18-028. Council District 10. (Housing/Parks, Recreation and Neighborhood Services/City Manager)
Ordinance No. 30109 adopted.
Resolution No. 78604 adopted. (11-0.)

4.2 18-581

Actions Related to the Vacation of Setback Easements Located at 2823 Quinto Way within Tract No. 1098.

Recommendation:

- Conduct a Public Hearing and adopt a resolution:
- (a) Approving the report of the Director of Public Works setting forth the facts justifying the vacation of the 25-foot and 12.5-foot light and air easements (“setback easements”) located within Tract No. 1098;
 - (b) Vacating the 25-foot and 12.5-foot setback easements located within Tract No. 1098; and
 - (c) Directing the City Clerk to record a certified copy of the resolution of vacation with the Office of the Recorder, County of Santa Clara.
- CEQA: Categorically Exempt, CEQA Guidelines Section 15305, Minor Alterations in Land Use Limitation, File No. PP18-013. Council District 9. (Public Works)
Public hearing held.
Resolution No. 78600 adopted.

4.3 18-695

Amendments to the Apartment Rent Ordinance - Title 17 for Utility Pass Throughs.

Recommendation:

- (a) Approve an ordinance amending Section 17.23.315 of the Apartment Rent Ordinance, Chapter 17.23 of Title 17 of Municipal Code to modify the date on which existing written Ratio Utility Billing Systems (RUBS) pass through agreements are no longer effective and changing the timing regarding petitions for the one-time offset rent increase, specifically:
 - (1) All verbal utility pass through agreements are void upon the effective date of the ordinance amendment;
 - (2) All written utility pass through agreements with new tenants executed after January 1, 2018 are void upon the effective date of the ordinance amendment;
 - (3) The petition filing period for offset petitions will be July 5, 2018 to October 31, 2018, no longer linked to the rent registry process;

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4.3 (Cont'd.)

- (4) All pre-existing written utility pass through agreements will be void following the decision of a Petition Examiner determining the outcome of the offset petition. If the landlord does not file a petition, the existing written utility pass through agreement shall be void after October 31, 2018; and
- (5) If the landlord has a written utility pass through agreement with a new tenant executed prior to May 1, 2018 and the landlord can prove that he/she has prior to June 30, 2017 required utility pass through agreements with the same terms for all tenants in the building, the landlord may continue, on the same terms as for a pre-January 1, 2018 pass through agreement, to apply that pass through agreement and to petition for an offset rent increase.

Ordinance No. 30110 passed for publication. (10-0-1. Absent: Liccardo.)

- (b) Direct staff to submit to the City Manager for approval the proposed amendment adding a Chapter 13 to the Apartment Rent Ordinance Regulations, which describe the offset petition process.

CEQA: Not a Project, File No. PP17-008, General Procedure & Policy Making resulting in no changes to the physical environment. (Housing)

Approved. (10-0-1. Absent: Liccardo.)

6. TRANSPORTATION & AVIATION SERVICES

- 6.1 18-650 **Actions Related to the Agreements for the Diridon Integrated Station Concept Plan.**
Renumbered to Item 2.20

7. ENVIRONMENTAL & UTILITY SERVICES

- 7.1 18-658 **Actions Related to the 7757 - Advanced Facility Control and Meter Replacement - Phase 1 Project at the Regional Wastewater Facility.**

Recommendation:

- (a) Report on bids and award of a construction contract for 7757-Advanced Facility Control and Meter Replacement - Phase 1 Project to the low bidder, C. Overaa & Co., for the base bid and Add Alternate Nos. 1 to 4, in the amount of \$5,790,000, and approve a 20 percent construction contingency in the amount of \$1,158,000.

Approved. (10-0-1. Absent: Liccardo.)

- (b) Adopt a resolution authorizing the Director of Public Works to negotiate and execute one or more change orders in excess of \$100,000 for the duration of the project, not to exceed the total contingency amount approved for the project.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities, File No. PP16-130. (Environmental Services/Public Works)

Resolution No. 78601 adopted. (10-0-1. Absent: Liccardo.)

7.2 18-659 Report on Bids and Award of Contract for the 8641 - South Bay Water Recycling Pump Station HVAC Project.

Recommendation: Report on bids and award of contract for the 8641 - South Bay Water Recycling Pump Station Heating, Ventilation, and Air Conditioning Project to the low bidder, Blocka Construction Inc., in the amount of \$406,000 and approve a contingency in the amount of \$40,600.
CEQA: Addendum to the Spreckles Sanitary Sewer Force Main Supplement and Pump Station Rehabilitation Project Mitigated Negative Declaration (Resolution No. 76630), File No. PP17-067. (Environmental Services)
Approved. (10-0-1. Absent: Liccardo.)

7.3 18-691 Commercial Solid Waste Customer Service Rates.

Recommendation: (a) Hold a Public Hearing to confirm that the proposed Maximum Commercial Solid Waste Services Rates are consistent with the terms of 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; and
Public hearing held.

(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 organics processing services.
CEQA: Not a Project, File No. PP17-005, Adjustment to Fees, Rates & Fares without changes to or expansion of services. (Environmental Services)
Resolution No. 78602 adopted. (10-0-1. Absent: Liccardo.)

8. PUBLIC SAFETY

8.1 18-654 2017 Independent Police Auditor Year End Report.

Recommendation: Accept the 2017 Independent Police Auditor Year End Report.
CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Independent Police Auditor)
Heard in the Evening
Acceptance deferred, to allow the Independent Police Auditor to include the raw data and to clarify the data on page 35 regarding race disparities in who is released with no charges. (9-0-2. Absent: Khamis, Rocha.)

8.2 18-655 San José Police Department Internal Affairs Department Initiated Investigation Report.

Recommendation: Accept the San José Police Department's Internal Affairs Unit report on Department Initiated Investigations for calendar year 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.
(Police)
Heard in the Evening
Accepted. (9-0-2. Absent: Khamis, Rocha.)

9. REDEVELOPMENT – SUCCESSOR AGENCY

• Open Forum

Michael Feinstein shared a plan to elect California State legislature differently.

The City Council meeting was recessed at 5:21 p.m.

10. LAND USE

10.1 Land Use on Consent Calendar

10.1 18-661 C18-008 - Conforming Rezoning of Real Property Located at 510 North Third Street.

Recommendation: Consideration of an ordinance of the City of San José rezoning a 0.4-gross acre site, located at 510 North Third Street from the CO Commercial Office Zoning District to the CP Commercial Pedestrian Zoning District (David Eves, Owner).
CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Environmental Impact Report (EIR) (Resolution No. 76041) and the Envision San José 2040 General Plan Supplemental Program EIR (Resolution No. 77617), and Addenda thereto. The project does not involve new significant impacts beyond those analyzed in the above EIRs. Director of Planning, Building and Code Enforcement recommends approval.
(Planning, Building and Code Enforcement)
C18-008 - Council District 3
Ordinance No. 30111 passed for publication. (10-0-1. Absent: Rocha.)

END OF CONSENT CALENDAR

Land Use - Regular Agenda

10.2 18-622 Urban Village Implementation Framework.

Recommendation: Adopt a resolution approving the Urban Village Implementation and Amenity Framework to further implementation of the Urban Village General Plan Major Strategy and the individual Urban Village Plans, as recommended by staff.
CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Planning, Building and Code Enforcement)
Deferred from 5/8/18 Item 10.2 to 5/22/18 per Administration.

Resolution No. 78603 adopted, including the joint memorandum from Mayor Liccardo, Vice Mayor Carrasco, and Councilmember Jones, dated May 18, 2018, to: (1) Accept the staff recommendation and adopt a resolution approving the Urban Village Implementation and Amenity Framework with the following modifications: (a) Clarify that the city-wide average project value will be adjusted and refined on a periodic basis based on economic conditions; (b) Require that the Affidavit for Acceptance of Conditions outlined in Section E2 of the Framework be signed prior to issuance of the Certificate of Occupancy, to allow development projects to proceed with construction expeditiously; (2) Direct staff to begin work to develop the new Urban Village Commercial and Urban Village Mixed-Use zoning districts as is contemplated in the Framework. Also, add clarification to say developers can still be required to have certain amenities. (9-0-2. Absent: Carrasco, Rocha.)

10.3 18-656 PP18-046 - Amendment to Title 20 of the San José Municipal Code for Residential Zoning Districts.

Recommendation: Consideration of an ordinance of the City of San José amending Title 20 of the San José Municipal Code (Zoning Ordinance) to amend sections of Chapter 20.30 “Residential Zoning Districts” to modify development standards and requirements for Secondary Dwelling Units (also known as ADUs), including lot size, unit area, unit type, setbacks and height, in compliance with newly adopted State Law provisions; and to amend sections of Chapter 20.90 and to “Reduction in Required Off-Street Parking Spaces” and “Setbacks” for reductions in parking spaces for one-dwelling residential uses in compliance with adopted State Law provisions; to add definition of “conversion” to Chapter 20.200; and to make other technical, non-substantive, or formatting changes within those sections of Title 20.
CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Environmental Impact Report (EIR) (Resolution No. 76041), and Supplemental Envision San José 2040 General Plan EIR (Resolution No. 77617) and Addenda thereto; Downtown Strategy 2000 Final EIR (Resolution No. 72767) and Addenda thereto; North San José Development Policies Final EIR (Resolution No. 72768) and Addenda thereto; and Diridon Station Area Plan Final EIR (Resolution No. 77096) and Addenda thereto, collectively, the “Final Program EIRs”. The project does not involve new significant impacts beyond those analyzed in the Final Program EIRs. (Planning, Building and Code Enforcement) PP18-046 - Citywide
Deferred from 5/22/18 Item 10.3 to 6/19/18 per Administration.

- Open Forum

Blair Beekman spoke on mental health issues and moving forward with a positive philosophy.

- Adjournment

The meeting of the City Council of the City of San José was adjourned at 10:37 p.m. in the memory of Renee Kay Horton, who passed away on January 15, 2018 at the age of 81. Renee was born in Elkhart County, Indiana into the loving family of Phyllis and Franklin Robinson. When she was 13 years old, they moved to San Mateo, California. It was here that she met her beloved husband, Robert or Bob Horton. They were married on February 21, 1959 at the historic lodge in Brookdale surrounded by Redwood trees in the Santa Cruz Mountains. This was a magical place for Renee, it served as inspiration for her life-long passion as an artist, painting beautiful watercolors. Renee and her husband Bob, made their home in San Jose and enjoyed their time together as sports car enthusiasts and car club members. Renee was a spiritual and compassionate soul who had a huge heart. She opened her home to share her love with as many as 8 rescue cats which earned her the nick name of “Kitty Mama”, her sweet babies kept her happy and fulfilled. Renee also spent time working at the Phoenix Gallery following her gifted artistry as well as working at CVS making friends and building relationships everywhere she went. She was an involved member of the McLaughlin Corridor Neighborhood Association to which she served dutifully as treasurer for more than 30 years. Renee was a true gem and one of a kind who was held in the highest regard by all that knew and loved her. Her beautiful smile brightened the world and her heart was kind, empathetic, warm and understanding. May you rest in peace Renee Kay Horton.

- 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>
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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>
10469	4701 N. First Street	1	Terra Ventures	12 Lots	Commercial

This notice is to be posted with the City Council's regular agenda for 5/22/18.