

**MINUTES OF THE
JOINT MEETING OF THE RULES AND OPEN GOVERNMENT COMMITTEE AND
COMMITTEE OF THE WHOLE**

SAN JOSE, CALIFORNIA

WEDNESDAY, OCTOBER 18, 2023

The Committee meeting was held in a hybrid format, both in person in the Council Chambers and teleconferenced from remote locations. The meeting convened at 2:00 p.m.

Present: Councilmembers - Davis, Foley, Cohen, Jimenez

Absent: Councilmembers - Kamei.

Staff: Assistant City Manager, Lee Wilcox; Assistant City Attorney, Kevin Fisher; City Clerk, Joy Rodriguez; City Manager's Office, Rachelle Blattman; and Deputy City Clerk, Grace Turner.

A. City Council (City Clerk)

1. Review October 24, 2023 Final Agenda

Public Comments: None provided.

Action: Upon motion by Councilmember Pam Foley, seconded by Councilmember Dev Davis, and carried unanimously, the Committee approved the final agenda for the City Council meeting on October 24, 2023, with the Add Sheet, including a Sunshine Waiver on item 8.2, and limited public comment for Item 3.5 to 30 minutes, with 1 minute for each speaker, per the October 10, 2023 Rules and Open Government meeting. (4-0-1; Absent: Kamei)

2. Review October 31, 2023 Draft Agenda

Public Comments: None provided.

Action: Upon motion by Councilmember Pam Foley, seconded by Councilmember Dev Davis, and carried unanimously, the Committee approved the draft agenda for the City Council meeting on October 31, 2023. (4-0-1; Absent: Kamei)

B. Consent Calendar

Public Comments: None provided.

Action: Upon motion by Councilmember Dev Davis, seconded by Councilmember Pam Foley, and carried unanimously, the Consent Calendar was approved with the below actions taken as indicated. (4-0-1; Absent: Kamei)

1. The Public Record for October 5 - October 12, 2023. (City Clerk)

The Public Record for October 5 – October 12, 2023, was received and filed.

2. Update to the August - December 2023 Transportation and Environment Committee Work Plan. (Planning, Building and Code Enforcement)

The amendment to the Transportation and Environment (T&E) Committee Work Plan to drop the Coyote Corridor Study Status Report from the November 6, 2023 T&E Committee meeting was approved.

3. 2023-2024/2024-2025 City Budget Calendar and Budget Study Session Schedule. (City Manager)

The proposed 2023-2024/2024-2025 City Budget Calendar was approved and the schedule for City Council Budget Study Sessions for the 2024-2025 Operating Budget, 2024-2025 Capital Budget and 2025-2029 Five-Year Capital Improvement Program, and 2024 - 2025 Fees and Charges Report was approved.

4. Approval of Various Special Events Sponsored by Council District 3 as a City Council Sponsored Special Events to Expend City Funds and Accept Donations of Materials and Services for the Events. (Torres)

The Lowrider and Coffee with the Captain Events scheduled on September 31, 2023, Cafecito Event scheduled on October 7, 2023, and the Pancake Breakfast Event scheduled on October 13 were retroactively approved for placement and the Washington Community Halloween Haunted House scheduled on October 28, 2023, was approved for placement on the October 24, 2023 City Council Agenda.

5. Request to Travel and Excused Absence. (Torres)

Travel for Councilmember Omar Torres, as a City representative to attend Reimagining the Civic Commons event in Lexington, Kentucky from October 24 - 26, 2023, was authorized and his absence from the regular City Council meeting on October 24, 2023, was excused.

C. Rules Committee Reviews, Recommendations and Approvals

1. Incentivizing Artificial Intelligence Innovation. (Mahan, Kamei, Cohen)

Public Comments: Jordan Modlow, Blair Beekman, and Ellen Langan offered public comments.

Action: Upon motion by Councilmember Sergio Jimenez, seconded by Councilmember Dev Davis, and carried unanimously, the Committee moved approval of the Early Consideration Response form, with additional direction to bring back a report on recommendation 1 (*of the joint memorandum noted below*) to the full City Council through a City Manager's Budget Addendum in fiscal year 2024-2025.

Including acceptance of the joint memorandum co-authored by Mayor Mahan, Vice Mayor Kamei, and Councilmember Cohen, dated, October 12, 2023, recommending the following:

Direct the City Manager to design and bring to City Council an Artificial Intelligence (AI) economic development pilot program. The program will support the launch and re-location of AI companies within San José City boundaries with the goal of improving the economic vitality and quality of life throughout Silicon Valley and the world; and

- a. Work with industry and investors to set a strategy for San José to provide the support AI-focused companies will need over the coming three to five years to succeed. Staff should consider aspects of job creation, job quality, land/property fit and impacts, suppliers/vendors required, and environmental impacts;
 - b. Establish initial requirements and criteria for program participation. Consider qualifications for viable firms, commitments for jobs and investment, and a commitment to responsible AI practices;
 - c. Explore providing energy incentives, tax and fee rebates, and expedited planning and permitting processes; and
 - d. Return to City Council for discussion through the budgeting process if additional resources are required to implement the pilot program.
2. Direct the City Manager to collaborate with cross-sector partners to explore the potential for locating an AI incubator, accelerator, applied laboratory, and/or co-working space in San José.
 3. Direct the City Manager to plan and support the City of San José's adoption of AI tools, ensuring responsible use and maximizing City efficiencies. Set goals that identify priority uses for AI to help address the City's workload and service needs, address effective procurement and contracting for AI, as well as the use of potential grants and partnerships.
 4. Direct the City Manager to help firms and organizations seek and secure grants from the federal and state governments that support the development of San José's AI economy.
 5. Direct the City Manager to explore and integrate ethics, best practices, and benchmarking into internal AI workflows and external practices through creating or participating in working group entities.

(4-0-1; Absent: Kamei)

D. Open Forum

1. Gail spoke on the abatements of encampments without places for people to go.
2. Ellen Langan spoke on a lack of resources available after abatements and within safe parking.
3. Jordon Moldow offered comments on the potential use of software to make it easier for the public to engage and increase accessibility.

D. Adjournment

Chair David Cohen adjourned the Committee meeting at 2:31 p.m.

Minutes Recorded, Prepared, and Respectfully Submitted by,

DRAFT- Grace Turner

Grace Turner
Deputy City Clerk, City of San José

Approved at Council on:

Attest By:

Toni J. Taber, CMC
City Clerk, City of San José