

DRAFT

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF SAN JOSE AMENDING CHAPTER 2.08 OF TITLE 2 OF THE SAN JOSE MUNICIPAL CODE TO (A) AMEND SECTION 2.08.080 AUTHORIZING THE COMMUNITY STABILIZATION AND OPPORTUNITY PATHWAYS FUND COMMISSION TO ESTABLISH ITS OWN RULES AND REGULATIONS; AND (B) ADD A NEW PART 50 ESTABLISHING THE COMMUNITY STABILIZATION AND OPPORTUNITY PATHWAYS FUND COMMISSION

WHEREAS, pursuant to the provisions and requirements of the California Environmental Quality Act of 1970, together with related State CEQA Guidelines and Title 21 of the San José Municipal Code (collectively, "CEQA"), the Director of Planning, Building and Code Enforcement has determined that the provisions of this Ordinance do not constitute a project, under File No. PP17-008 (General Procedure and Policy Making resulting in no changes to the physical environment); and

WHEREAS, the City Council of the City of San José is the decision-making body for this Ordinance; and

WHEREAS, this Council has reviewed and considered the "not a project" determination under CEQA prior to taking any approval actions on this Ordinance;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SAN JOSE:

SECTION 1. Section 2.08.080 of Chapter 2.08 of Title 2 of the San José Municipal Code is hereby amended to read as follows:

2.08.080 - Procedural Rules and Regulations.

A. Specific procedural rules and regulations.

1. The following boards and commissions shall each adopt its own procedural rules and regulations for the conduct of its business subject to the approval of the Rules and Open Government Committee:
 - a. Board of Administration for the Federated City Employees Retirement System;
 - b. Board of Administration for the Police and Fire Department Retirement Plan;
 - c. Planning Commission;
 - d. Civil Service Commission;
 - e. Appeals Hearing Board;
 - f. Salary Setting Commission;
 - g. Deferred Compensation Advisory Committee;
 - h. Airport Commission;

- i. Board of Fair Campaign and Political Practices;
 - j. Voluntary Employees Beneficiary Association Advisory Committee;
 - k. Community Stabilization and Opportunity Pathways Fund Commission.
2. The rules may:
- a. Provide for the establishment of various offices, provided membership therein is restricted to members of the board or commission.
 - b. Provide for the establishment of various committees or subcommittees which may contain non-members of the board or commission, provided that at least one (1) of the members of the board or commission is a member of every committee or subcommittee.
 - c. Specify the powers, duties and functions of the offices and committees. If non-members of the board or commission are allowed on committees or subcommittees, the rules of the board or commission shall contain specific rules for the establishment and operation of the committees or subcommittees, including rules setting out conflict-of-interest provisions and specifying the number of non-members allowed, whether a majority of members are required, the voting rights of non-members, and the powers, duties and functions of the committees or subcommittees.

3. The rules shall comply with all applicable laws and ordinances and other applicable regulations or limitations.
 4. A copy of the rules shall be filed in the office of the City Clerk, where they shall be available for public inspection.
- B. All other boards and commissions shall conduct their meetings pursuant to standardized rules and regulations developed by the City Clerk and amended from time to time, as approved by the Rules and Open Government Committee.

SECTION 2. Chapter 2.08 of Title 2 of the San José Municipal Code is hereby amended to add a new Part 50 to read in its entirety as follows:

PART 50

Community Stabilization and Opportunity Pathways Fund Commission

2.08.5000 Commission established.

The Community Stabilization and Opportunity Pathways Fund Commission is hereby established, as originally contemplated in Exhibit H of the Downtown West Development Agreement with Google, LLC (Ordinance No. 30610).

2.08.5010 Statement of policy.

- A. The City of San José ("City") intends to establish a fund to provide financial support to community stabilization (anti-displacement) efforts, and education and employment opportunity pathways within the City (the "Fund"). The Fund will concentrate on communities in San José who have historically been affected by structural racism and where the risk of displacement is the highest.

- B. The purpose of the Fund is to minimize displacement and other potential negative impacts on people and places from rising costs of living (“community stabilization”) and to maximize economic opportunities for local youth and adults through training, education, and support (“opportunity pathways”). The Fund shall be used to support grantees and program activities serving low-income people living in underserved San José neighborhoods experiencing or at high risk of displacement such as Greater Downtown, East San José, and other areas identified by a credible, regularly updated source (such as the Urban Displacement Project at U.C. Berkeley). The Fund should focus on advancing racial equity, addressing the root causes of displacement and economic mobility, and resulting in measurable outcomes.
- C. The administration of the Fund shall involve: a third party fund manager who will work under contract with the City (“Fund Manager”), this Community Stabilization and Opportunity Pathways Fund Commission (“Commission”), City Council, and the City Manager (including its designees), with oversight, accountability, and transparency to the City Council and the public. This model is intended to put decision making into the hands of local residents and leaders. The key steps, which are described in detail in the sections below, include the following:
1. The City Council will appoint members to this Commission. The Commission will begin to meet regularly, with administrative support by the City Manager.
 2. The City Manager will oversee the selection process and recommend a Fund Manager to the City Council, in consultation with the Commission.

3. The Fund Manager will coordinate with the Commission to prepare a Five-Year Strategic Plan for the Fund (“Strategic Plan”) and to update the Strategic Plan every five years. The Strategic Plan and Strategic Plan Updates will be reviewed by the Commission, then presented to the City Council for approval. The Strategic Plan and Strategic Plan Updates will be consistent with Exhibit H of Ordinance No. 30610.
4. The Fund Manager will administer the grant process and make recommendations on grant-making to the Commission, based on consistency with the Strategic Plan.
5. The Commission will consider the Fund Manager’s recommendations and approve the grants consistent with the Strategic Plan.
6. The Fund Manager will prepare Annual Performance Reports, for the Commission’s review and then for the City Council to receive at a public meeting.
7. The Fund Manager shall be responsible for ongoing community engagement and communication, with administrative support by the Commission and City Manager.

2.08.5020 Membership.

- A. The Commission shall be comprised of thirteen (13) voting members and one (1) alternate member.

- B. It is the intent to have a balanced mix of local residents bringing their lived experience perspective to ensure that local needs are understood and met, local community leaders with experience working with target populations to provide specific insights and solutions, and other experts in the program areas to help guide use of the Fund towards meaningful outcomes and systemic change. It is the intent for the Commission to reflect the racial, ethnic, economic, generational and other diversity of the City of San José.

- C. Commission members shall either live in San José, have a meaningful connection to San José, or have a history of working in San José in the relevant subject areas of the Fund, with the possible exception of one (1) academic/research role which may be statewide or national.

- D. Commission members shall have a commitment to furthering the City's goals for anti-displacement, economic mobility, education and workforce development, and racial equity, supporting workers and family-supporting jobs, and uplifting historically disadvantaged groups, including women, people of color, people with disabilities, low-income residents, and the chronically unemployed.

- E. At least five (5) members shall have Local Lived Experience in the core Fund areas. "Local Lived Experience" includes individuals with personal knowledge of the root causes of displacement gained through direct, first-hand involvement.
 - 1. Commission members in this category shall live or operate a small business in a census tract categorized as 'high-risk' or 'undergoing displacement' by a credible, regularly updated source (such as the Urban Displacement Project at University of California Berkeley), including at least two (2) from

East San José (defined as south of Berryessa Road, north of Capitol Expressway and Aborn Road, and east of U.S. Highway 101) and at least one (1) from the Greater Downtown Area that is part of the 'high risk' category as defined by the Urban Displacement Project or other credible source in the Berkley or other relevant study.

2. These Commission members should represent a range of experiences the Fund is intended to address, such as housing insecurity, neighborhood instability, homelessness, low-income, unemployment, and barriers to opportunity and economic mobility.

F. At least eight (8) members of the Commission shall have significant professional experience and subject matter expertise (e.g., through service delivery, policy-making, academic, or institutional capacity), in one or more of the following fields:

1. Affordable housing preservation and/or shared equity and community ownership including finance models.
2. Tenant advocacy and support.
3. Homelessness or homeless support services.
4. Science, Technology, Engineering, Arts, and Math (STEAM) education (early childhood, K-12, post-secondary).
5. Employment and workforce development, job training, apprenticeship programs, labor.

6. Minority-owned, disadvantaged, small, or micro business retention and growth.
 7. Neighborhood development, leadership development.
 8. Philanthropy, fundraising, grant-making.
 9. Nonprofit management, legal, finance experience.
 10. Academic and/or research expertise in relevant fields such as equity, community development, sociology, demography and/or economic mobility.
- G. Members of the Commission may qualify as both Local Lived Experience members as described in Section 2.08.50320.E and professional experience and subject matter expertise members as described in Section 2.08.50320.F.
- H. The alternate member shall serve in place of any ~~absence-absent~~ member on the Commission, and may exercise all the rights, privileges, and powers of the member when serving on the Commission. In the event of removal, resignation, or disqualification of a member, the alternate member is eligible for appointment to fill the vacancy.
- I. In addition to the thirteen (13) voting members and one (1) alternate member, the Commission shall also include four (4) non-voting ex-officio members: three (3) representatives from the City administration and one (1) representative from Google, LLC. The role of the City representatives is to consider and advise on alignment and collaboration with City strategies, goals, and programs.

1. The Commission may add additional ex officio seats for additional major funders or others as deemed helpful by the Commission, subject to City Council approval.
- J. A majority of the total number of seats of thirteen (13), whether filled or vacant, shall be necessary to constitute a quorum for the Commission to take action, although a lesser number may adjourn from time to time.

2.08.5030 Term.

- A. Commission members shall be appointed for staggered terms.
1. The initial term for six (6) members and the alternate member shall be two (2) years.
 2. Seven (7) members shall be appointed for an initial term of (4) years.
- B. Commission members may be reappointed to serve additional terms, but for no more than two (2) consecutive terms. Initial two-year terms and terms that were terminated early for any reason would be considered a full term for the purpose of this provision.
- C. Section 2.08.150 shall apply to term of the members unless stated otherwise herein.

2.08.5040 Appointment process.

- A. **Voting and alternate M**embers shall be appointed to the Commission upon the City Manager's recommendation to the City Council and the City Council's approval of such recommendation. **Non-voting ex-officio members shall be appointed to the Commission by the City Manager.** This section also applies to any vacancy to the Commission.
- B. The City Clerk and/or City Manager shall implement procedures to ensure that a sufficient number of applicants to fulfill the special eligibility criteria set forth in Section 2.08.5020-**C** are recruited for nomination.

2.08.5050 Functions, powers, and duties.

- A. The Commission shall have the following functions, powers, and duties:
1. Participate in the development of the Strategic Plan, Strategic Plan Updates, and any changes thereto.
 2. Guide scoping of each round of competitive grant solicitations.
 3. Receive and consider recommendations from the Fund Manager and approve grants consistent with the Strategic Plan.
 4. Provide guidance and support for public outreach and engagement, including awareness of grant opportunities and organizations who might qualify to apply for grants.

5. Provide feedback on the Annual Performance Report prior to submission to City Council.
 6. Participate in fundraising activities consistent with applicable laws and City requirements.
 7. Escalate to City Manager disputes with Fund Manager.
- B. Decisions and recommendations should in all cases be consistent with the purpose of the Fund and the Strategic Plan, and applicable laws and City requirements.
- C. The powers, functions, and duties of the City Manager, City Council, and Fund Manager shall refer to Exhibit H of the Downtown West Development Agreement with Google, LLC (Ordinance No. 30610), unless otherwise stated herein and as amended in the future.

2.08.5060 Special provisions.

- A. Each member that qualifies as having Local Lived Experience (including voting members and the alternate) shall be paid the sum of two hundred dollars per month **if the member has attended a monthly Commission meeting**. This compensation shall be in addition to any reimbursement for expenses incurred in the performance of the Commissioner's duties and functions, as described in Section 2.08.120.

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PASSED FOR PUBLICATION of title this _____ day of _____, 2022, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk