



MINUTES OF THE CITY COUNCIL

SAN JOSÉ, CALIFORNIA

TUESDAY, JUNE 20, 2017

The Council of the City of San José convened in Regular Session at 9:34 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 9:37 a.m. to a Closed Session in Room W133; (A) to confer with Legal Counsel pursuant to Government Code Section 54956.9(e)(3) with respect to anticipated litigation (Claim Filed): In re: claim of Great Oaks; City Department: Environmental Services Department; (B) to confer with Legal Counsel pursuant to Government Code Section 54956.9(d)(1) with respect to existing litigation: (1) In re: Claim of Hopper; Amount of Money or Other Relief Sought: Administrative Appeal; (2) In Re: Ward, Debra and Patricia Tapia v. City of San José, et al.; Names Of Partie(s) Involved: Debra Ward, Patricia Tapia, City of San José, Fire Chief William McDonald, Fire Chief Ruben Torres; Court: Superior Court of California, County of Santa Clara; Case No.: 13-CV-253758; Amount of Money or Other Relief Sought: Damages according to proof; (3) Vasilevskis v. City of San José; Names Of Partie(s) Involved: Kristine Vasilevskis, Eduard Vasilevskis, City of San José and Does 1-100; Court: Superior Court of California, County of Santa Clara; Case No.: 1-14-CV-264132; Amount of Money or Other Relief Sought: Damages according to proof; (4) City of San José v. City of Santa Clara; Names Of Partie(s) Involved: City of San José, City of Santa

CLOSED SESSION (Cont'd.)

Clara; Court: Superior Court of California, County of Santa Clara; Case No.: 16-CIV-02303; Amount of Money or Other Relief Sought: Petition for Writ of Mandate and Complaint for Declaratory Relief; (5) 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 Mateo; Case No.: 17-CIV-0054; Amount of Money or Other Relief Sought: Petition for Writ of Mandate and Complaint for Declaratory Relief; (6) City of San José v. County of Santa Clara; Names Of Partie(s) Involved: City of San José, a municipal corporation, as Successor Agency to the Redevelopment Agency of the City of San José, Vinod K. Sharma, individually and in his official capacity as Santa Clara County Director of Finance, County of Santa Clara; Court: Superior Court of California, County of Sacramento; Case No.: 34-2012-80001190; Amount of Money or Other Relief Sought: Damages according to proof; (7) San José Police Officers' Association v. City, et al; Names Of Partie(s) Involved: San José Police Officers' Association, City of San José, Board of Administration for Police and Fire Department Retirement Plan of the City of San José and Does 1-10; Court: Superior Court of California, County of Santa Clara, Sixth District Court of Appeal; Case No.: 1-12-CV-225926; H0402979; H042074; Amount of Money or Other Relief Sought: Declaratory and injunctive relief; (8) San José Retired Employees Association, et al. v. City, et al; Names of Parties Involved: San José Retired Employees Association, Howard E. Fleming, Donald S. Macrae, Frances J. Olson, Gary J. Richert and Rosalinda Navarro, City of San José Does 1 – 50, Board of Administration for the Federated City Employees Retirement System; Court: Superior Court of California, County of Santa Clara; Case No: 1-12-CV-233660; H040979; H042074; Amount of Money or Other Relief Sought: Declaratory Relief and Verified Petition for Writ of Mandate. (9) Sapien, et al. v. City of San José, et al; Names of Parties Involved: Robert Sapien, Marty Kathleen McCarthy, Thanh Ho, Randy Sekany, Ken Heredia, City of San José, Debra Figone in her official capacity as City Manager of the City of San José, Does 1-15, The Board of Administration for the 1961 San José Police and Fire Department Retirement Plan; Court: Superior Court of California, County of Santa Clara; Case No: 1-12-CV-225928; Amount of Money or Other Relief Sought: Challenge to Measure B. (10) Harris, et al. v. City of San José, et al; Names of Parties Involved: Teresa Harris, Jon Reger, Moses Serrano, Suzann Stauffer, City of San José, Debra Figone in her official capacity as City Manager of the City of San José, The Board of Administration for the 1975 Federated City Employees' Retirement Plan, Does 1-15; Court: Superior Court of California, County of Santa Clara; Case: 1-12-CV-226570; Amount of Money or Other Relief Sought: Challenge to Measure B. (11) Mukhar, et al. v. City of San José, et al; Names of Parties Involved: City of San José, John Mukhar, Dale Dapp, James Atkins, William Buffington, Kirk Pennington, Debra Figone in her official capacity as City Manager of the City of San José, The Board of Administration for the 1975 Federated City Employees' Retirement Plan, Does 1-15; Court: Superior Court of California, County of Santa Clara; Case: 1-12-CV-226574; H040979; H042074; Amount of Money or Other Relief Sought: Challenge to Measure B; (12) AFSCME, et al. v. City of San José, et al; Names of Parties Involved: American Federation of State, County and Municipal Employees, Local 101 on behalf of its members, City of San José, The Board of Administration for the Federated City Employees' Retirement Plan; Court: Superior Court of California, County of Santa Clara; Case: 1-12-CV-225928; H040979; H042074; Amount of Money or Other Relief Sought:

CLOSED SESSION (Cont'd.)

Challenge to Measure B; (13) San José Retired Employees Association, et al. v. City of San José, et al; Names of Partie(s) Involved: San José Retired Employees Association, Kirk Pennington, David Armstrong, Donna Jewett, Dorothy McGinley, City of San José, the Board of Administration for the Federated City Employees Retirement Plan; Court: Superior Court of California, County of Santa Clara; Case No: 1-14-CV-268085; Amount of Money or Other Relief Sought: Change to City medical plan; (C) to Confer with Real Property Designated Representatives Pursuant to Government Code Section 54956.8: Property Street Address, Parcel Number, or other Unique Reference of Property: 255 South Montgomery Street (APN 261-37-025), 8 South Montgomery Street (APN 259-38-130), 102 South Montgomery Street (APN 259-48-012), 510 West San Fernando Street (APN 259-48-011, 259-48-013), 150 South Montgomery Street (APN 259-48-059), 105 South Montgomery Street (APN 261-35-003, 261-35-006, 261-35-010), 645 Park Avenue (APN 261-35-014), 525 West Santa Clara Street/566 West Julian Street (APN 259-28-031, 259-28-041, 529-28-043, 259-28-044) West San Carlos Street (261-37-030) No Address (261-37-028); Negotiating Parties: Nanci Klein for the City of San José and Jay Bechtel for Google; Under Negotiation: The direction will concern price and terms of payment. Likely Range of Value of Property: Negotiated price based on appraisal and comparable property values. (D) to Confer with Labor Negotiator Pursuant to Government Code Section 54957.6: City Negotiator: Jennifer Schembri, Director of Employee Relations; Employee Organizations: (1) International Brotherhood of Electrical Workers (IBEW); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and IBEW; Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Web: <http://www.sanjoseca.gov/?nid=186>; Telephone for Employee Relations: 408-535-8150.

By unanimous consent, Council recessed from the Closed Session at 11:10 a.m. and reconvened to Regular Session at 1:35 p.m. in the Council Chambers.

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

Absent: Councilmembers - All Present.

INVOCATION

Reverend Katherine B. Doar from St. Francis Episcopal Church in Willow Glen presented the Invocation.

PLEDGE OF ALLEGIANCE

Mayor Sam Liccardo led the Pledge of Allegiance.

CEREMONIAL ITEMS

- 1.1 Presentation of a proclamation from the City of San José supporting the “*Food Empowerment Project*”, which promotes a more sustainable world by educating the community on issues, such as access to healthy foods for low-income families, working conditions for farm workers, and depletion of natural resources. (City Manager)**

City Manager Norberto Dueñas presented a proclamation to the Founder and Executive Director of Food Empowerment Lauren Ornelas and District Director for Assemblymember Ash Kalra, Stacy Shih, recognizing the “Food Empowerment Project”.

- 1.2 Presentation of a proclamation recognizing Immigrant Heritage Month/World Refugee Day in the City of San José. (Carrasco/Diep)**

Mayor Sam Liccardo, Vice Mayor Magdalena Carrasco and Councilmember Lan Diep presented a proclamation to representatives from Sacred Heart and the City of San José Office of Immigrant Affairs, recognizing Immigrant Heritage Month/World Refugee Day in the City of San José.

- 1.3 Presentation of a commendation to Patricia Ernstrom for over 16 years to service with the San José Sports Authority. (Rocha/Davis)**

Mayor Sam Liccardo, Councilmember Donald Rocha and Councilmember Dev Davis presented a commendation to Patricia Ernstrom for her years of leadership with the City of San José Sports Authority.

ORDERS OF THE DAY

Upon motion by Councilmember Donald Rocha, seconded by Councilmember Dev Davis and carried unanimously, the Orders of the Day and the Amended Agenda were approved with Item 2.10 deferred to the June 27, 2017 City Council meeting. (11-0.)

CONSENT CALENDAR

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

- 2.1 Approval of City Council Minutes.**

None provided.

2.2 Final Adoption of Ordinances:

- (a) **ORD. NO. 29950 – An ordinance of the City of San José amending Section 22.08.030 of Chapter 22.08 of Title 22 of the San José Municipal Code to exempt the Capital Improvement Projects for the San José Santa Clara Regional Wastewater Facility from the Capital Improvement Budget Public Art Funding Requirement. CEQA: Not a Project, File No. PP10-068(d), General Procedure & Policy Making, Preliminary Direction to Staff. (Environmental Services/Economic Development)**

Documents Filed: Proof of Publication of the Title of Ordinance No. 29950 executed on June 9, 2017, submitted by the City Clerk.

Action: Ordinance No. 29950 was adopted. (11-0.)

2.3 Approval of Council Committee Minutes.

- (a) **Ad-Hoc Committee for Development Services Minutes of May 25, 2017. (Khamis)**
- (b) **Rules and Open Government Committee Minutes of May 31, 2017. (Mayor) CEQA: Not a Project, File No. PP10-069, City Organizational & Administrative Activities. (City Clerk)**

Documents Filed: (1) Ad-Hoc Committee for Development Services Minutes of May 25, 2017. (2) Rules and Open Government Committee Minutes dated May 31, 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

None provided.

- 2.7 (a) **Adopt a resolution authorizing the City Attorney to negotiate and execute a Fifth Amendment to the Continuation Agreement with Renne Sloan Holtzman Sakai LLP for legal services in connection with labor relations matters relating to implementation of the Alternate Pension Reform Settlement Framework approved by the voters at election in November 2016, increasing the amount of compensation by \$100,000 for a total amount not to exceed \$1,795,000.**

2.7 (Cont'd.)

- (b) **Adopt the following 2016-2017 Appropriation Ordinance amendments in the General Fund:**
- (1) **Increase the City-Wide appropriation to the City Attorney's Office for Fiscal Reform Plan Outside Legal Counsel by \$100,000; and**
 - (2) **Decrease the Fiscal Reform Plan Implementation Reserve by \$100,000.**
- CEQA: Not a Project; File No. PP10-066(e), Agreements & Contracts, Services that involve no physical changes to the environment. (City Attorney/City Manager)**
- (c) **Adopt the following 2016-2017 Appropriation Ordinance amendments in the General Fund:**
- (1) **Increase the City-Wide appropriation to the City Attorney's Office for Fiscal Reform Plan Outside Legal Counsel by \$100,000; and**
 - (2) **Decrease the Fiscal Reform Plan Implementation Reserve by \$100,000.**
- CEQA: Not a Project; File No. PP10-066(e), Agreements & Contracts, Services that involve no physical changes to the environment. (City Attorney/City Manager)**

Documents Filed: Joint memorandum from City Attorney Richard Doyle and Senior Deputy City Manager/Budget Director Jennifer Maguire, dated June 5, 2017, recommending adoption of a resolution and appropriation ordinance amendments in the General Fund.

Action: Resolution No. 78222, entitled: "A Resolution of the Council of the City of San José Authorizing the City Attorney to Negotiate and Execute a Fifth Amendment to the Continuation Agreement with Renne Sloan Holtzman Sakai LLP for Legal Services Relating to the Alternate Pension Reform Settlement"; and Ordinance No. 29954, entitled: "A Ordinance of the Council of the City of San José Amending Ordinance No. 29762 to Appropriate Moneys in the General Fund for Fiscal Reform Plan Outside Legal Counsel; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption", were adopted. (11-0.)

- 2.8 **Adopt a resolution authorizing the City Manager to negotiate and execute a Continuation and Amendment to the Agreement for Public Art Management Services Between the City of San José and the Santa Clara Valley Transportation Authority for the Bus Rapid Transit Project to extend the term from March 31, 2017 to December 31, 2017, and to further authorize the City Manager to extend the term up to one additional year, subject to appropriation. CEQA: Exempt, File No. PP16-006. Council Districts 3, 5 & 8. (Economic Development)**

Documents Filed: City Council Action Request from Deputy City Manager/Director of Economic Development Kim Welsh, dated June 20, 2017, recommending adoption of a resolution.

Action: Resolution No. 78223, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute a Continuation Agreement with the Santa Clara Valley Transportation Authority for the Bus Rapid Transit Project to Extend the Term through December 31, 2017, and to Extend the Term up to One Additional Year, Subject to the Appropriation of Funds", was adopted. (11-0.)

- 2.9 Approve the First Amendment to the Agreement between the City of San José and County of Santa Clara (County) to include: continued City funding \$200,000 for 2017-2018 to the Countywide Household Hazard Waste (HHW) Program for residential HHW appointments; an abandoned waste disposal fee for 2017-2018 in the amount of \$0.05 per household; funding from the County of \$150,000 for a 2017-2018 public outreach campaign, streamlined language for Discretionary Fund usage; a provision allowing for electronic copies of signed contracts per County Policy; and an option allowing the City to pay for San José small business HHW appointments. CEQA: Not a Project, File No. PP10-066, Agreement & Contracts. (Environmental Services)**

Documents Filed: City Council Action Request from Director, Environmental Services, Kerrie Romanow, dated June 20, 2017, recommending approval of the First Amendment to an Agreement.

Action: The First Amendment to the Agreement between the City of San José and County of Santa Clara (County) to include: continued City funding \$200,000 for 2017-2018 to the Countywide Household Hazard Waste (HHW) Program for residential HHW appointments; an abandoned waste disposal fee for 2017-2018 in the amount of \$0.05 per household; funding from the County of \$150,000 for a 2017-2018 public outreach campaign, streamlined language for Discretionary Fund usage; a provision allowing for electronic copies of signed contracts per County Policy; and an option allowing the City to pay for San José small business HHW appointments, was approved. (11-0.)

- 2.10 Report on bids and award of a construction contract for 8241 – Paint Shop Spray Booth Replacement Project to the low bidder Integra Construction Services, Inc. for the base bid in the amount of \$1,040,112 and approval of a construction contingency of 15 percent in the amount of \$156,017. CEQA: Exempt, File No. PP16-036, CEQA Guidelines Section 15301, Existing Facilities. (Environmental Services)**

Action: Deferred to the June 27, 2017 per Orders of the Day.

- 2.11 (a) Adopt a resolution authorizing the City Manager to:**
- (1) Accept award of an additional \$350,000 in partnership grant funds from the Santa Clara Valley Water District Safe, Clean Water and Natural Flood Protection Program;**
 - (2) Negotiate and execute the First Amendment to the San José Watershed Community Stewardship and Engagement Project to increase the not-to-exceed amount to \$700,000, extend the term of the agreement to June 30, 2018, and add a new scope of work; and**
 - (3) Execute the First Amendment to the Neighborhood Cleanup and Encampment Abatement Project Grant Agreement between the City of San José and Downtown Streets Inc., dba Downtown Streets Team (DST), that is consistent with the First Amendment to the San José Watershed Community Stewardship and Engagement Project, to fund trash and debris removal, education and outreach, and homeless services, from July 1, 2017 to June 30, 2018, in an amount not to exceed \$700,000.**

2.11 (Cont'd.)

- (b) Adopt the following 2017-2018 Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund:**
 - (1) Increase the estimate for Revenue from Local Agencies by \$350,000; and**
 - (2) Establish a City-Wide Expenses appropriation to the Environmental Services Department for San José Watershed Community Stewardship and Engagement Project by \$350,000.**
- (c) Adopt the following 2017-2018 Appropriation Ordinance amendments in the Housing Trust Fund:**
 - (1) Increase the appropriation to the Housing Department for Housing and Homeless Projects by \$350,000; and**
 - (2) Decrease the Unrestricted Ending Fund Balance appropriation by \$350,000.**

CEQA: Exempt, File No. PP13-056, CEQA Guidelines Section 15301, Existing Facilities. (Environmental Services/Housing/City Manager)

Documents Filed: Joint memorandum from Director, Environmental Services, Kerrie Romanow, Director of Housing Jacky Morales-Ferrand and Senior Deputy City Manager/Budget Director Jennifer Maguire, dated June 1, 2017, recommending adoption of a resolution and funding sources resolution amendments.

Public Comment: Richard McMurtry, Santa Clara Valley creeks coalition spoke on restoring Santa Clara County creeks, and Cliff Novales encouraged funding for the Downtown Streets Team.

Action: Upon motion by Councilmember Chappie Jones, seconded by Councilmember Dev Davis and carried unanimously, Resolution No. 78224, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to (1) Accept Award of an Additional \$350,000 in Partnership Grant Funds from the Santa Clara Valley Water District Safe, Clean Water and Natural Flood Protection Program; (2) Negotiate and Execute the First Amendment to the San José Watershed Community Stewardship and Engagement Project to Increase the Not-to-Exceed Amount to \$700,000, Extend the Term of the Agreement to June 30, 2018, and Add a New Scope of Work; and (3) Execute the First Amendment to the Neighborhood Cleanup and Encampment Abatement Project Grant Agreement Between the City of San José and Downtown Streets Team, to Fund Trash and Debris Removal, Education and Outreach and Homeless Services, From July 1, 2017 to June 30, 2018, in an Amount Not to Exceed \$700,000”; and Ordinance No. 29955, 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 San Jose Watershed Community Stewardship and Engagement Project; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”; and Ordinance No. 29956, entitled: “A Ordinance of the Council of the City of San José Amending Ordinance No. 29962 To Appropriate Moneys In The Housing Trust Fund For Housing And Homeless Projects; And Providing That This Ordinance Shall Become Effective Immediately Upon Adoption”, were adopted. (11-0.)

- 2.12 Adopt a resolution authorizing the City Manager to negotiate and execute the First Amendment to the Agreement with Management Partners, Inc. for FeeStudy and Liability Analysis Consulting Services, to extend the term of the Agreement through May 31, 2019, and increase maximum compensation by \$100,000, for a maximum not to exceed amount of \$512,737, subject to the appropriation of funds. CEQA: Not a Project, File No. PP10-066, Agreements & Contracts. (Finance)**

Documents Filed: City Council Action Request from Director of Finance Julia H. Cooper, dated June 13, 2017, recommending adoption of a resolution.

Public Comment: Blair Beekman offered observations on fiscal responsibility.

Mayor Sam Liccardo asked questions of Interim Director, Planning, Building and Code Enforcement, Rosalynn Hughey regarding the Agreement and expressed concerns on the expenditure of funds.

Action: Resolution No. 78225, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute a First Amendment to the Agreement with Management Partners, Inc. for Fee Study and Liability Analysis Consulting Services, to Extend the Term Through May 31, 2019 and Increase the Maximum Compensation by \$100,000, for a Maximum not to Exceed \$512,737, Subject to the Appropriation of Funds”, was adopted. (9-1-1. Noes: Liccardo. Absent: Carrasco.)

- 2.13 Adopt a resolution authorizing the City Manager to negotiate and execute an Agreement with Alliance Occupational Medical, Inc. to provide physician duties and overflow functions for the Employee Health Services clinic with an initial term beginning July 1, 2017 through June 30, 2018, with an option to extend annually through June 30, 2021, for a not to exceed total compensation amount of \$400,000 (\$100,000 per year). CEQA: Not a Project, File No. PP10-066(e), Agreements & Contracts, Services that involve no physical changes to the environment. (Human Resources)**

Documents Filed: Memorandum from Director of Human Resources, Joe Angelo, dated May 30, 2017, recommending adoption of a resolution.

Action: Resolution No. 78226, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute a First Amendment to the Agreement with Alliance Occupational Medical, Inc., for Physician Duties and Overflow Functions for the Employee Health Services Clinic in an Amount Not to Exceed \$400,000, with a Term from July 1, 2017 through June 30, 2021”, was adopted. (11-0.)

2.14 Adopt a resolution authorizing the following, subject to the appropriation of funds by the City Council, and on such terms and conditions as deemed appropriate by the City Manager:

- (a) Authorize the City Manager to negotiate and execute all agreements, amendments, and extensions for the Department of Parks, Recreation and Neighborhood Services identified in the “Compensation Paid by the City of San José” (Attachment A of the staff memorandum to Council) consistent with the 2017-2018 Adopted Budget;**
- (b) Authorize the City Manager to negotiate and execute all agreements, amendments, and extensions to accept funds for the Department of Parks, Recreation and Neighborhood Services identified in the “Compensation Paid to the City of San José” (Attachment B of the staff memorandum to Council);**
- (c) Authorize the City Manager to accept any funds exceeding the figures identified in Attachment B of the staff memorandum to Council for the specified programs and purposes identified as “Compensation Paid to the City” provided that the City Manager determines that the City is able to provide the services and comply with any additional requirements associated with the increased grant funds. The City Manager shall also bring forward to City Council any items that require approval for budgetary adjustments and appropriation actions necessary for such programs,**
- (d) Authorize the Director of Parks, Recreation and Neighborhood Services to apply for, accept, negotiate and execute 2017-2018 agreements and amendments as identified in “Delegation of Contract Authority to Department of Parks, Recreation and Neighborhood Services Director” (Attachment C of the staff memorandum to Council) consistent with Adopted Budget amounts for the following City programs or services:**
 - (1) After School Education and Safety;**
 - (2) BeautifySJ (formerly known as Community Action and Pride) Grants;**
 - (3) Bringing Everyone's Strengths Together Grants;**
 - (4) Citywide Aquatics Program;**
 - (5) Community Center Reuse Program;**
 - (6) Family Camp Facility Use Agreement(s);**
 - (7) Happy Hollow Education Program;**
 - (8) Happy Hollow Events Program;**
 - (9) Leisure and Recreation Fee Class Vendor Agreements;**
 - (10) Leisure and Recreation Program Facility Use Agreements;**
 - (11) Little League Agreement(s);**
 - (12) Mayor's Gang Prevention Task Force;**
 - (a) Grant Revenue**
 - (b) Related Sub-Contractor Agreements, where applicable**
 - (c) Facility Use**
 - (d) Memoranda of Understanding**
 - (e) Evaluation Consultant Agreements for the Mayor's Gang Prevention Task Force and Bringing Everyone's Strengths Together programs**
 - (13) Recreation of City Kids Program;**
 - (14) Safe Summer Initiative Grants;**

2.14 (Cont'd.)

- (15) Senior Health and Wellness Grants;**
- (16) St. James / Urban Park Activation Grants; and**
- (17) Summer Food Service Program.**

CEQA: Exempt, File No. PP17-039, CEQA Guidelines Section 15301, Existing Facilities and File PP10-066, Agreements & Contracts. (Parks, Recreation and Neighborhood Services)

Documents Filed: Replacement memorandum from Director of Parks, Recreation and Neighborhood Services Angel Rios, Jr., dated June 14, 2017, recommending adoption of a resolution and correcting the previous memorandum.

Action: Resolution No. 78227, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute Various Agreements and Amendments to Agreements, and to Accept Grant Funds for Parks, Recreation and Neighborhood Services Programs; and Authorizing the Director of Parks, Recreation and Neighborhood Services to Negotiate and Execute Various Agreements and Amendments to Agreements, all Consistent with the Amounts Budgeted for these Programs in the Adopted Budget for Fiscal Year 2017-2018 and Subject to Appropriation of Funds”, was adopted. (11-0.)

- 2.15**
- (a) Approve a refund of construction taxes in the amount of \$974,257.48 paid under the incorrect rate by Vance Brown, Inc. for a project located at 60 E. Brokaw Road and 90 E. Brokaw Road.**
 - (b) Adopt the following 2016-2017 Appropriation Ordinance Amendments in the Building and Structure Construction Tax Fund:**
 - (1) Increase the Developer Refunds appropriation to the Planning, Building and Code Enforcement Department in the amount of \$139,180; and**
 - (2) Decrease the Developer Permitting Fees Refund Reserve by \$139,180.**
 - (c) Adopt the following 2016-2017 Appropriation Ordinance Amendments in the Construction Excise Tax Fund:**
 - (1) Increase the Developer Refunds appropriation to the Planning, Building and Code Enforcement Department in the amount of \$835,078; and**
 - (2) Decrease the Developer Permitting Fees Refund Reserve by \$835,078.**

CEQA: Not a Project, File No. PP10-067, Non-Project Specific Funding Mechanism. (Planning, Building and Code Enforcement/City Manager)

Documents Filed: Joint memorandum from Rosalynn Hughey, Interim Director, Planning, Building and Code Enforcement and Senior Deputy City Manager/Budget Director Jennifer Maguire, dated June 2, 2017, recommending approval of a refund of construction taxes and adoption of appropriation ordinance amendments.

2.15 (Cont'd.)

Action: Ordinance No. 29957, entitled: “A Ordinance of the Council of the City of San José Amending Ordinance No. 29762 to Appropriate Moneys in the Building and Structure Construction Tax Fund for Developer Refunds; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”; and Ordinance No. 29958 Amending Ordinance No. 29762 to Appropriate Moneys in the Construction Excise Tax Fund for Developer Refunds; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”, were adopted. (11-0.)

2.16 Approve the First Amendment to the Agreement with Intelliswift Software, Inc. (Newark, CA) to provide Project Manager services for the implementation of the City’s Integrated Permitting System upgrade project, to extend the term for an additional 19 months ending February 28, 2019, and increase compensation by \$360,000 for a revised not-to-exceed maximum compensation of \$630,000. CEQA: Not a Project, File No. PP10-066, Agreements & Contracts. (Planning, Building and Code Enforcement)

Documents Filed: Memorandum from Rosalynn Hughey, Interim Director, Planning, Building and Code Enforcement, dated May 30, 2017, recommending approval of a First Amendment to an Agreement.

Action: The First Amendment to the Agreement with Intelliswift Software, Inc. (Newark, CA) to provide Project Manager services for the implementation of the City’s Integrated Permitting System upgrade project, to extend the term for an additional 19 months ending February 28, 2019, and increase compensation by \$360,000 for a revised not-to-exceed maximum compensation of \$630,000, was approved. (11-0.)

2.17 Adopt a resolution approving a new Council Policy, entitled “City Hall Special Event Lighting”, to provide a framework for eligible requests for temporarily lighting the City Hall Tower and Rotunda for public and private events. CEQA: Exempt, Section 15301 Existing Facilities, and Section 15061(b)(3) No potential for causing a significant effect on the environment, File No. PP17-040, CEQA Guidelines Section 15061(b)(3). Council District 3. (Public Works)

Documents Filed: Memorandum from Director of Public Works Barry Ng, dated May 30, 2017, recommending adoption of an ordinance.

Item 2.17 was pulled by Councilmember Raul Peralez. He offered his appreciation to staff for their work on this project. Director of Public Works Barry Ng responded to questions from Council.

Action: Upon motion by Councilmember Raul Peralez, seconded by Councilmember Sergio Jimenez and carried unanimously, Resolution No. 78228, entitled: “A Resolution of the Council of the City of San José, approving a New Council Policy No. 7-14, Entitled “City Hall Special Event Lighting Policy”, was adopted. (9-0-2.) Absent: Carrasco, Arenas

- 2.18 Approve the Third Amendment to the Master Agreement with Brown and Caldwell for continuing the design services on the Citywide Outfall Rehabilitation and Autumn Street Outfall 67F Rehabilitation Projects to extend the term of agreement from June 30, 2017 to June 30, 2018, at no additional cost for a total amount not to exceed \$500,000. CEQA: Not a Project, File No. PP10-066, Agreements & Contracts. (Public Works)**

Documents Filed: City Council Action Request from Director of Public Works Barry Ng, dated June 20, 2017, recommending approval of a Third Amendment to a Master Agreement.

Action: The Third Amendment to the Master Agreement with Brown and Caldwell for continuing the design services on the Citywide Outfall Rehabilitation and Autumn Street Outfall 67F Rehabilitation Projects to extend the term of agreement from June 30, 2017 to June 30, 2018, at no additional cost for a total amount not to exceed \$500,000, was approved. (11-0.)

- 2.19 Approve a Fifth Amendment to the Master Agreement with West Yost & Associates, Inc. extending the term from June 30, 2017 to June 30, 2018, and amending the Schedule of Charges, at no additional cost to the City, for the Nordale Pump Station Replacement Project. CEQA: Not a Project, File No. PP10-066(d), Agreements & Contracts, Consultant Services. (Public Works)**

Documents Filed: City Council Action Request from Director of Public Works, Barry Ng, dated June 20, 2017, recommending approval of an amendment to a master agreement.

Action: The Fifth Amendment to the Master Agreement with West Yost & Associates, Inc. extending the term from June 30, 2017 to June 30, 2018, and amending the Schedule of Charges, at no additional cost to the City, for the Nordale Pump Station Replacement Project, was approved. (11-0.)

- 2.20 Report on bids and award of contract for the 7216 – Trimble Road & Amberwood Lane Sanitary Sewer Improvement project to the low bidder, Cratus, Inc., in the amount of \$4,384,190, and approve a contingency in the amount of \$438,419. CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program EIR, Supplemental Program EIR, and Subsequent Addendum for the Sanitary Sewer System Master Plan Update, PP17-016. Council District 4. (Public Works)**

Documents Filed: Memorandum from Director of Public Works Barry Ng, dated May 30, 2017, recommending acceptance of a report on bids and award of a contract.

Action: The Report on bids and award of contract for the 7216 – Trimble Road & Amberwood Lane Sanitary Sewer Improvement project to the low bidder, Cratus, Inc., in the amount of \$4,384,190, with related contingencies, was approved. (11-0.)

- 2.21 Report on bids and award of contract for the 7471 - Willow Street Sanitary Pump Station Rehabilitation project to the low bidder, JMB Construction, Inc., in the amount of \$1,390,911, and approve a contingency in the amount of \$139,091. CEQA: Exempt, File No. PP13-076, CEQA Guidelines Section 15282(h). Council District 6. (Public Works)**

Documents Filed: Memorandum from Director of Public Works Barry Ng, dated May 30, 2017, recommending acceptance of a report on bids and award of a contract.

Action: The Report on bids and award of contract for the 7471 - Willow Street Sanitary Pump Station Rehabilitation project to the low bidder, JMB Construction, Inc., in the amount of \$1,390,911, with related contingencies, was approved. (11-0.)

- 2.22 Retroactively approve international travel to Medellín, Colombia for Mario Maciel, Division Manager in the Department of Parks, Recreation and Neighborhood Services, to attend the Medellín Lab – Inclusive, Safe, and Resilient Cities from May 29 through June 2, 2017. Source of Funds: USAID. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities, Travel. (Parks, Recreation and Neighborhood Services)**

Documents Filed: Memorandum from Director of Parks, Recreation and Neighborhood Services Angel Rios, Jr., dated June 5, 2017, recommending retroactive approval for staff travel.

Action: Approval for international travel to Medellín, Colombia for Mario Maciel, Division Manager in the Department of Parks, Recreation and Neighborhood Services, to attend the Medellín Lab – Inclusive, Safe, and Resilient Cities from May 29 through June 2, 2017, was retroactively approved. (11-0.)

- 2.23 As recommended by the Rules and Open Government Committee on June 14, 2017:**
- (a) Retroactively approve the in-person Participatory Budget Voting process scheduled for June 3, 2017 and June 7, 2017 as a sponsored Special Event and approve the expenditure of funds.**
 - (b) Retroactively approve the Summerfest event scheduled for June 10, 2017 as a sponsored Special Event and approve the expenditure of funds.**
 - (c) Approve Dumpster Day scheduled on June 17, 2017 as a City Council sponsored Special Event and approve the expenditure of funds.**
 - (d) Approve Dumpster Day scheduled on June 24, 2017 as a City Council sponsored Special Event and approve the expenditure of funds.**
 - (e) 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 June 7, 2017, transmitting the recommendations of the Rules and Open Government Committee.

Action: The in-person Participatory Budget Voting process scheduled for June 3, 2017 and June 7, 2017 and the Summerfest event scheduled for June 10, 2017 as City Council

2.23 (Cont'd.)

Sponsored Special Events were retroactively approved, and expenditure of funds and authorization to accept donations from various individuals, businesses or community groups to support the events, were retroactively approved. The Dumpster Day scheduled on June 17, 2017 and the Dumpster Day scheduled on June 24, 2017 as City Council Sponsored Special Events were approved, and expenditure of funds and authorization to accept donations from various individuals, businesses or community groups to support the events, were approved. (11-0.)

2.24 As recommended by the Rules and Open Government Committee on June 14, 2017:

- (a) Retroactively approve the Great American Litter Pick Up on Saturday, April 22, 2017 at Alpha Blanca Alvarado Middle School as a City Council sponsored Special Event and approve the expenditure of funds.**
- (b) Retroactively approve the Clean Up with Tam at Nisich Park on Saturday, May 27, 2017 at Nisich Park as a City Council sponsored Special Event and approve the expenditure of funds.**
- (c) Approve the following District 7 events as City Council sponsored Special Events and approve the expenditure of funds:**
 - (1) Take Back Our Streets Peace Walk on June 14, 2017 at the Alma Community Center;**
 - (2) District 7 Youth Commission Summer BBQ on July 23, 2017 at Kelly Park;**
 - (3) National Night Out on August 1, 2017 at various community centers and neighborhood associations in Council District 7;**
 - (4) Mid-Autumn Celebration on September 30, 2017 at SevenTrees Community Center;**
 - (5) Mid-Autumn Festival and Resource Fair on October 7, 2017 at the Vietnamese American Community Center;**
 - (6) Mid-Autumn Celebration on October 7, 2017 at Tully Branch Library;**
 - (7) Dumpster Day on October 21, 2017 at Ramblewood Elementary School;**
 - (8) Halloween Safety Night on October 29, 2017 at Vietnamese American Community Center;**
 - (9) Halloween Safety Night on October 31, 2017 at Alma Community Center;**
 - (10) Bay Area Hmong New Year Festival on November 4, 2017 at History San Jose Park; and**
 - (11) Dumpster Day on November 18, 2017 at Windmill Elementary School.**
- (d) Approve and accept donations from various individuals, businesses, or community groups to support the events listed in paragraphs a-c.**

**CEQA: Not a Project, File No. PP15-077, Temporary Special Events. (Nguyen)
[Rules Committee referral 6/14/17 – Item G.1.b.]**

- 2.25 As recommended by the Rules and Open Government Committee on June 14, 2017:**
- (a) Retroactively approve the Silicon Valley Shakespeare in the Park Events from June 9, 2017 to June 25, 2017, Thursdays through Sundays as City Council sponsored Special Events and approve the expenditure of funds.**
 - (b) Retroactively approve and accept donations from various individuals, businesses or community groups to support these events.**

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated June 7, 2017, transmitting the recommendations of the Rules and Open Government Committee.

Action: The Silicon Valley Shakespeare in the Park Events 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.)

END OF CONSENT CALENDAR

STRATEGIC SUPPORT SERVICES

3.2 Labor Negotiation Update

No Staff update was provided.

Public Comments: Jon Max Reger expressed personal viewpoints.

Action: No action required.

- 3.3 Approve an ordinance amending Sections 12.12.400 and 12.12.430 and adding Sections 12.12.425, 12.12.450, 12.12.460 to Chapter 12.12 of Title 12 of the San José Municipal Code to require lobbyists engaged in lobbying activities to file weekly reports and to make other clerical and technical changes. CEQA: Not a Project, File No. PP10-068(b), General Procedure & Policy Making, Municipal Code or Policy.**

Documents Filed: Memorandum from City Clerk Toni J. Taber, CMC, dated June 8, 2017, providing recommendations to amend Sections of the San José Municipal Code.

Public Comments: Sean Creadick, representing Politicom Law, offered points for Council to consider in their deliberations.

Motion: Councilmember Johnny Khamis moved approval of the report, including moving the filing to a weekly rather than a quarterly requirement with a streamlined procedure put in place with no redundancy and consideration of an online, automated platform. Councilmember Donald Rocha seconded the motion.

3.3 (Cont'd.)

Action: On a call for the question, the motion carried unanimously, Ordinance No. 29959, entitled “An Ordinance of the City of San José Amending Sections 12.12.425, 12.12.450, 12.12.460 to Chapter 12.12 of Title 12 of the San José Municipal Code to Require Lobbyists Engaged in Lobbying Activities to File Weekly Reports and to Make Other Clerical and Technical Changes”, was passed for publication including an automated, weekly report as recommended. (11-0.)

- 3.4 (a) **Consider the recommended revisions of the Board of Fair Campaign and Political Practices to the City’s Gift Ordinance and the proposed ordinance to amend Title 12 of the San José Municipal Code to align the City’s Gift Ordinance with the gift regulations under the California Political Reform Act.**
- (b) **Approve an ordinance amending Title 12 of the San José Municipal Code to align the City’s Gift Ordinance with the gift regulations under the California Political Reform Act.**

CEQA: Not a Project, File No. PP10-068(b), General Procedure & Policy Making, Municipal Code or Policy. (City Clerk/City Attorney)

Documents Filed: (1) Memorandum from Mayor Sam Liccardo, dated June 19, 2017, recommending approval of the recommendations by the Board, but maintaining the current gift limit of fifty dollars. (2) Memorandum from Councilmember Lan Diep, dated June 20, 2017, asking to disregard the recommended revisions and strike the City’s Gift Ordinance from Title 12 of the San José Municipal Code. (3) Memorandum from City Clerk Toni J. Taber, CMC, dated June 8, 2017, providing recommendations to amend Sections of the San José Municipal Code.

Motion: Councilmember Lan Diep moved approval of his memorandum dated June 20, 2017 to disregard the recommended revisions and strike the City’s Gift Ordinance from Title 12 of the San José Municipal Code. Councilmember Dev Davis seconded the motion.

Substitute Motion: Councilmember Johnny Khamis moved approval of the memorandum from Mayor Sam Liccardo, dated June 19, 2017, recommending approval of the recommendations by the Board, but maintaining the current gift limit of fifty dollars.

Council discussion followed.

Action: The substitute motion failed. (5-6. Noes: Jones, Jimenez, Diep, Davis, Arenas, Nguyen.)

Action: On a call for the question, the underlying motion carried, and, Ordinance No. 29960, entitled “An Ordinance of the City of San José Adding Section 12.02.095 and 12.02.110 to Chapter 12.02 and Amending Chapter 12.08 of Title 12 of the San José Municipal Code in its entirety, in Order to Increase the City’s Gift Limit and to Align with the Political Reform Act’s Gift Provisions, Except for the Political Reform Act’s Higher Gift Limit and Making Other Clerical or Technical Changes”, was passed for publication. (8-3. Noes: Carrasco, Khamis; Liccardo.)

3.5 Adopt 2016-2017 Appropriation Ordinance and Funding Sources Resolution amendments in various funds as detailed in the General Fund and Special/Capital Fund attachments to the staff memorandum to Council. CEQA: Not a Project, File No PP10-067(b), Non-Project Specific Funding Mechanism, Appropriation Ordinance. (City Manager)

Documents Filed: Memorandum from Senior Deputy City Manager/Budget Director Jennifer Maguire, dated June 9, 2017, recommending adoption an appropriation ordinance and funding sources resolution amendment.

Action: Upon motion by Vice Mayor Magdalena Carrasco, seconded by Councilmember Chappie Jones and carried unanimously, Ordinance No. 29961, entitled “An Ordinance of the City of San José Amending Ordinance No. 29762 to Appropriate Moneys in the General Fund, Various Special Funds, and Various Capital Funds to Reflect Estimated 2016-2017 Revenue Receipts, Expenses and Encumbrances; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”; and Resolution No. 78238, entitled: “A Resolution of the Council of the City of San José Amending Resolution No. 77796 to Implement the 2016-2017 Annual Report Recommendations and Make Appropriate Technical Adjustments to Adjust Revenues in Various Operating Funds”, were adopted. (11-0.)

3.6 Recommendation:

- (a) Adopt the Annual Appropriation Ordinance, including transfers and loans for Fiscal Year 2017-2018 and the Manager’s Final Budget Addendum.**
- (b) Adopt the Annual Funding Sources Resolution for Fiscal Year 2017-2018 and the Manager’s Final Budget Addendum.**
- (c) Adopt a resolution taking the following actions with respect to the City’s 2017-2018 “Gann Limit”:**
 - (1) Elect the per capita income index as the inflation factor for 2017-2018 on a provisional basis, with the option to adjust the Limit, if necessary, once the non-residential assessment data is available from the County Assessor;**
 - (2) Elect the City of San José population growth index as the population factor for 2017-2018; and**
 - (3) Establish the Fiscal Year 2017-2018 Appropriation Limit at \$1,100,821,936 in compliance with Article XIIB of the State Constitution.**

CEQA: Not a Project, File No. PP10-067(b), Non-Project Specific Funding Mechanism, Appropriation Ordinance. (City Manager)

Documents Filed: Memorandum from Senior Deputy City Manager/Budget Director Jennifer Maguire, dated June 15, 2017, recommending adoption of a resolution and an appropriation ordinance and funding sources resolution amendment.

Action: Upon motion by Councilmember Chappie Jones, seconded by Vice Mayor Magdalena Carrasco and carried unanimously, Ordinance No. 29962, entitled “An Annual Appropriation Ordinance of the City of San José for City’s Fiscal Year Beginning July 1, 2017 and Ending June 30, 2018, Appropriating and Authorizing the Expenditure of Moneys for the Operation of each of the Offices, Departments, and Agencies of the City

3.6 (Cont'd.)

During Said Fiscal Year, and for Various Other Purposes and Objects for Said Fiscal Year; and Providing for Transfers from Various City Funds to Other City Funds as May Be Necessary During Said Fiscal Year”; Resolution No. 78229, entitled: “A Resolution of the Council of the City of San José Adopting the Estimated Sources of Funds for Fiscal Year 2017-2018”, and Resolution No. 78230, entitled: “A Resolution of the Council of the City of San José Electing the Population and Inflation Adjustment Factors and Establishing the 2017-2018 Appropriations Limit of the City of San José Pursuant to California Constitution Article XIII B, and Section 7900 Et Seq. of the California Government Code”, were adopted. (11-0.)

3.7 (a) Adopt a resolution:

- (1) **Authorizing the issuance and sale of the City of San José 2017 Tax and Revenue Anticipation Note (the “2017 Note”) in the not to exceed principal amount of \$150,000,000 to be sold through a private placement; and**
- (2) **Approving, in substantially final form, the Note Purchase Agreement and authorizing the Director of Finance or other authorized officers to execute the Note Purchase Agreement and other related documents, as necessary, in connection with the issuance of the 2017 Note and authorizing other related actions in connection therewith.**

(b) Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund for Fiscal Year 2017-2018:

- (1) **Increase the estimate for Other Revenue in the amount of \$150,000,000; and**
- (2) **Increase the Citywide TRANs Debt Service appropriation to the Finance Department in the amount of \$150,000,000.**

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

Documents Filed: Joint memorandum from Director of Finance Julia H. Cooper and Senior Deputy City Manager/Budget Director Jennifer Maguire, dated June 5, 2017, recommending adoption of a resolution and an appropriation ordinance and funding sources resolution amendment.

Action: upon motion by Councilmember Chappie Jones, seconded by Councilmember Tam Nguyen and carried unanimously, Ordinance No. 29963, entitled “An Ordinance of the City of San José Amending Ordinance No. 29962 to Appropriate Moneys in the General Fund for the Trans Debt Service; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”, and Resolution No. 78231, entitled: “A Resolution of the Council of the City of San José Providing for the Borrowing of Funds for Providing for the Borrowing Of Funds for Fiscal Year 2017-18 and the Issuance and Sale of the City of San José 2017 Tax and Revenue Anticipation Note in an Amount not to Exceed \$150,000,000, and Approving the Execution of a Note Purchase Agreement Relating to Such Note and Authorizing Other Actions in Connection Therewith”, were adopted. (11-0.)

- 3.8 Continuation of the Proclamation of the Existence of a Local Emergency:**
- (a) Adopt a resolution continuing the proclamation of the existence of a local emergency as a result of flooding and authorizing the City Manager or designee to continue the proclamation of the existence of a local emergency as a result of flooding during the Council’s recess in the month of July 2017.**
 - (b) Discussion of current flood recovery efforts.**
- CEQA: Statutory Exempt, Section 15269(c), Emergency Projects, Specific actions necessary to prevent or mitigate an emergency. (City Manager)**

Documents Filed: Memorandum from City Manager Norberto Dueñas, dated June 9, 2017, recommending adoption of a resolution.

Public Comments: Stacie Shih, representing Assembly Member Ash Kalra, applauded flood recovery efforts.

Deputy City Manager, Civic Innovation & Digital Strategy, Kip Harkness provided an overview of flood recovery efforts, and Council discussion ensued.

Action: Upon motion by Vice Mayor Magdalena Carrasco, seconded by Councilmember Raul Peralez and carried unanimously, Resolution No. 78232, entitled: “A Resolution of the Council of the City of San José Continuing the Proclamation of Existence of a Local Emergency Issued by the Director of Emergency Services”, was adopted. (11-0.)

- 3.9 As recommended by the Rules and Open Government Committee on June 7, 2017, direct City staff to develop and implement a strategy to survey structures that are potentially eligible for historic designation in the City, including:**
- (a) Hiring a staff member in the Planning, Building & Code Enforcement (PBCE) Department to manage the survey.**
 - (b) Utilizing the \$627,000 from fines, fees and donations collected by PBCE to implement this strategy.**
- CEQA: Not a Project, File No. PP10-068, General Procedure & Policy Making. (Peralez/Rocha)**

Documents Filed: (1) Memorandum from City Clerk Toni J. Taber, dated June 7, 2017, transmitting the recommendations of the Rules and Open Government Committee. (2) Letter from Brian K. Grayson, Preservation Action Council of San José, dated June 16, 2017, offering support to the implementation strategy.

Public Comments: Brian Grayson, Larry Ames and Gayle Frank discussed the need for implementation and offered support.

Action: City staff was directed to develop and implement a strategy to survey structures that are potentially eligible for historic designation in the City, including: (a) Hiring a staff member in the Planning, Building & Code Enforcement (PBCE) Department to manage the survey; and (b) Utilizing the \$627,000 from fines, fees and donations collected by PBCE to implement this strategy. (10-1. Absent: Carrasco.)

- 3.10 As recommended by the Rules and Open Government Committee on June 7, 2017, join the League of California Cities, Crime Victims United of California, and numerous law enforcement agencies and professional organizations in taking a position of support for AB 1408 (Calderon). CEQA: Not a Project, File No. PP10-069(d), Legislative Positions. (Khamis)**

Documents Filed: (1) Memorandum from City Clerk Toni J. Taber, dated June 7, 2017, transmitting the recommendations of the Rules and Open Government Committee. (2) Memorandum from City Attorney Richard Doyle, dated June 16, 2017, providing clarification to AB 1408.

Councilmember Johnny Khamis offered an overview of the topic and responded to questions from Council.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Raul Peralez and carried, support of the League of California Cities, Crime Victims United of California, and numerous law enforcement agencies and professional organizations in taking a position of support for AB 1408, was adopted. (8-0. Noes: Jimenez, Diep, Rocha.)

- 3.11 As recommended by the Neighborhood Services and Education Committee on June 8, 2017, accept the update by the Office of Immigrant Affairs on the *Welcoming San José Plan*. CEQA: Not a Project, File No. PP10-069(a), City Organizational & Administrative Activities, Staff reports that involve no approvals of any City Actions. (City Manager)**

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated June 16, 2017, transmitting the recommendations of the Neighborhood Services and Education Committee.

Action: The update by the Office of Immigrant Affairs on the *Welcoming San José Plan*, was approved. (11-0.)

COMMUNITY & ECONOMIC DEVELOPMENT

- 4.1 Adopt a resolution authorizing the City Manager to negotiate and execute an Exclusive Negotiating Agreement with Google for the acquisition of properties owned by the City of San José and properties owned by the Successor Agency to the Redevelopment Agency (SARA) in the Diridon Station Area for the future construction of a mixed-use, transit-oriented development including office and R&D space. CEQA: Not a Project, File No. PP10-066, Agreements & Contracts. Council District 3. (Economic Development/Successor Agency)**

Documents Filed: (1) Joint memorandum from Mayor Sam Liccardo, Vice Mayor Magdalena Carrasco and Councilmembers Davis, Peralez and Arenas, dated June 16, 2017, recommending approval of staff recommendations with additions. (2) Memorandum from Councilmember Sergio Jimenez, dated June 19, 2017, offering approval to the Mayor's memorandum with additional comments. (3) Memorandum from Deputy City

4.1 (Cont'd.)

Manager/Director of Economic Development Kim Welsh and Successor Agency Managing Director Richard A. Keit, dated June 8, 2017, recommending adoption of a resolution. (4) Letter from Silicon Valley Rising; Law Foundation of Silicon Valley; UA Local 393; Latinos United for a New America; Working Partnerships USA; SEIU USWW; Teamsters Joint Council 7; Silicon Valley De-Bug; UNITE HERE Local 19; and Santa Clara and San Benito Counties Building and Construction Trades Council, dated June 16, 2017, outlining specific community needs. (5) Email correspondence from Jeannette Estruth, and from Steve Borkenhagen, both dated June 19, 2017, offering support. (6) Letter from Teresa Alvarado, San José Director, SPUR, dated June 19, 2017, offering support. (7) Letter from Silicon Valley Rising, dated June 19, 2017, offering concerns and recommendations. (8) Letter from Teamsters Joint Council No. 7, dated June 20, 2017, urging a good benefits package and process for the development. (9) Letter from Carl Guardino, SVLG, dated June 20, 2017.

Deputy City Manager/Director of Economic Development Kim Welsh and Economic Development Assistant Director, Nanci Klein offered a presentation.

Public Comments: Providing comments and recommendations regarding the Diridon Station Area Plan, were: Larry Ames; Maria Fernandez, Silicon Valley Rising; Lennies Gutierrez (Comcast); Cheryl Kiddoo (San José Museum of Art); Ruth Silver Taube (Wage Theft Coalition); Sam Saiu; Carl Guardino (SVLG); Louis Rocha (Communications Workers of America); Troy Jones, Bob Brownstein; Salvador Bustamante and Omar Vasquez (LUNA); Matthew Quevedo (San José Downtown Residents Association); Bob Emmett, Claudia Chavez and Blanca Yanez (SEIU - USWW); Sarah McDermott, Unite Here L19; Nicole Montojo (SV@Home); Bill Wallace (CARA); Doug Bloch (Teamsters Joint Council 7); Gemma Abels (AFT 2022); Laura Tolkoff (SPUR); Jesus Garcia (Building Trades Council); Vanessa Wallace and Tiffany Maciel (Eureka! Inclusive); Sarah Delte (Fight for 15); David Unhausen (South Bay Labor Council); Nathan Horrell and Atul Garh (Silicon Valley Rising); Peggy Elwell; Nassim Nouri (Green Party of Santa Clara County); Jon Paul Wolfe and Gary McDooser (IBEW 332); Jeff Moore (NAACP); Greg Miller (California Alliance for Retired Americans); Zeb Feldman (OE3); Claudia Shope; Melanie Liu; Sandy Perry (Affordable Housing Network); Alejandra Herrera Chavez (Destination: Home); Milt Krantz (SVRRC); Mo Salbert, Al Gonzalez, Jr. (Plumbers Local 393); Shaunn Cartwright; Jessica Vollmer; Jeffrey Buchanan (Working Partnerships USA); Jim Ley (Local Union #3); Christian Ollano and Katheryn Hedges (PACT); Reginald Swilley (Minority Business Consortium); Gail Osmer; Aboubacar Ndiaye; Roland Lebrun; Miguel Santiago; Scott Knies (SJDA); Geoffrey Morgan (First Community Housing); Eunice Hernandez (Sacred Heart Community Service); Camille Fontanilla (SOMOS); Jackeline Uranga; and Jouquin Hernandez (SV Debug).

Extensive Council discussion followed.

4.1 (Cont'd.)

Action: Upon motion by Councilmember Dev Davis, seconded by Councilmember Raul Peralez and carried, Resolution No. 78233, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute an Exclusive Negotiation Agreement with Google for the Acquisition of Properties Owned by the City of San José and Properties to be Obtained from the Successor Agency to the Redevelopment Agency in the Diridon Station Area for the Potential Future Construction of a Mixed-Use- Transit-Oriented Development Including Office and R&D Space”, was adopted. (10-1. Noes: Rocha.)

4.2 (a) Adopt a resolution:

- (1) **Approving up to \$9,000,000, including a construction-permanent loan of up to \$8,000,000 in Low and Moderate Income Housing Asset Funds, to First Community Housing or an affiliated development entity for the Leigh Avenue Apartments, a new, senior affordable development to be located at 1030 Leigh Avenue in order to offer rent- and income-restricted apartments for 63 extremely low-income and very low-income households (“Project”);**
- (2) **Approving a predevelopment loan of up to \$1,000,000, an amount that is part of the total commitment loan amount;**
- (3) **Approving a Loan-to-Value of greater than 100% for these loans; and**
- (4) **Authorizing the Director of Housing to negotiate and execute all documents required to implement development of the Project, including authority to approve any subdivision maps and related documents and any amendments or modifications.**

(b) Adopt the following 2017-2018 Appropriation Ordinance amendments in the Low and Moderate Income Housing Asset Fund:

- (1) **Increase the Housing Loans and Grants appropriation by \$3,000,000;**
- (2) **Decrease the Housing Project Reserve by \$3,000,000.**

CEQA: Determination of Consistency to the Mitigated Negative Declaration (MND) for 1030 Leigh Avenue Mixed-Use Project, File Nos. PDC07-083, PD07-089, and PDA07-089-01. Council District 6. (Housing)

Documents Filed: Memorandum from Director of Housing Jacky Morales-Ferrand, dated June 7, 2017, recommending adoption of an appropriation ordinance and funding sources resolution amendment.

Director of Housing Jacky Morales-Ferrand responded to questions from Council.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Dev Davis and carried unanimously, Resolution No. 78234, entitled: “A Resolution of the Council of the City of San José Approving a Funding Commitment for Predevelopment and Construction/Permanent Financing for the Leigh Avenue Senior Apartments”, and Ordinance No. 29964, entitled “An Ordinance of the City of San José Amending Ordinance No. 29962 to Appropriate Moneys in the Low and Moderate Incoming Housing Asset Fund for Housing Loans and Grants; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”, were adopted. (11-0.)

- 4.3 As recommended by the Neighborhood Services and Education Committee on June 8, 2017, accept the report on the grantee selection and performance review process. CEQA: Not a Project, File No. PP10-069(a), City Organizational & Administrative Activities, Staff reports that involve no approvals of any City Actions. CEQA: Exempt, File No. PP16-007, CEQA Guidelines Section 15332, In-Fill Development Projects. Council District 10. (Housing)**

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated June 16, 2017, transmitting the recommendations of the Neighborhood Services and Education Committee.

Public Comments: Mayor Sam Liccardo opened the public hearing. There was no public testimony from the floor. Mayor Sam Liccardo closed the public hearing.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Dev Davis and carried unanimously, the Neighborhood Services and Education Committee on June 8, 2017, accept the report on the grantee selection and performance review process, was accepted. (11-0.)

4.4 Conduct a Public Hearing and adopt a resolution:

- (a) Hold a final Public Hearing regarding the approval of the City’s FY 2017-2018 Annual Plan and take public comment.**
- (b) Adopt the FY 2017-2018 Annual Plan, including the FY 2017-2018 funding recommendations for the four federal formula grants received by the City each year including the:**
 - (1) Community Development Block Grant (“CDBG”) Program;**
 - (2) HOME Investment Partnership Program (“HOME”);**
 - (3) Housing Opportunities for Persons with HIV/AIDS (“HOPWA”) Program; and**
 - (4) Emergency Solutions Grant (“ESG”) Program.**
- (c) Approve staff recommendations to award federal funds to the two agencies selected under the CDBG-funded Senior Services Request for Proposal (“RFP”) including:**
 - (1) \$125,000 annually to The Health Trust to support a Meals on Wheels program for San José Senior Citizens; and**
 - (2) \$75,000 annually to the Portuguese Organization for Social Services Opportunities to fund a Senior Access and Health Support program.**
- (d) Authorize the Housing Department to submit the FY 2017-2018 Annual Action Plan to the U.S. Department of Housing and Urban Development.**
- (e) Adopt a resolution authorizing the Director of Housing to negotiate and execute all non-capital project agreements to implement the projects and services identified in this memorandum not requiring CEQA review, including new agreements awarded through the federal services RFP, and to negotiate all capital project agreements and contracts including any amendments or modifications for the expenditure of CDBG, ESG, HOME and HOPWA funds on behalf of the City.**

CEQA: Not a Project, File No. PP10-069(a), City Organizational & Administrative Activities, Annual Report. (Housing)

4.4 (Cont'd.)

Documents Filed: (1) Memorandum from the Director of Housing Jacky Morales-Ferrand, dated May 30, 2017, recommending holding a public hearing and adoption of a resolution. (2) Supplemental memorandum from Director of Housing Jacky Morales-Ferrand, dated June 16, 2017, providing updates as requested by Council.

Mayor Sam Liccardo opened the public hearing. There was no public testimony from the floor. Mayor Sam Liccardo closed the public hearing.

Action: Upon motion by Councilmember Chappie Jones, seconded by Councilmember Tam Nguyen and carried unanimously, Resolution No. 78235, entitled: “A Resolution of the Council of the City of San José Authorizing the Director of Housing to Negotiate and Execute all Non-Capital Project Agreements and Contracts Not Requiring CEQA/NEPA Review Including New Agreements Awarded Through the Federal Services Request for Proposals and to negotiate all Capital Agreements and Contracts, Including any Amendments or Modifications, and After CEQA/NEPA Review and City Council Approval, to Execute all Documents”, was adopted. (11-0.)

NEIGHBORHOOD SERVICES

- 5.1 (a) **Direct staff to pursue the All-Inclusive Playgrounds Program grant and a potential partnership with the Magical Bridge Foundation from the County of Santa Clara for the development of a playground at Emma Prusch Farm Park.**
- (b) **Provide feedback to Parks, Recreation and Neighborhood Services on which additional sites to pursue for grant funding.**

CEQA: Not a Project, File No. PP10-068(a), General Procedure & Policy Making, Grant Application. (Parks, Recreation and Neighborhood Services)

Documents Filed: (1) Memorandum from Director of Parks, Recreation and Neighborhood Services Angel Rios, Jr., dated May 30, 2017, offering recommendations for grant funding. (2) Supplemental memorandum from Director of Parks, Recreation and Neighborhood Services Angel Rios, Jr., dated June 19, 2017, providing corrections.

Action: Upon motion by Vice Mayor Magdalena Carrasco, seconded by Councilmember Dev Davis and carried unanimously, staff was directed to pursue the All-Inclusive Playgrounds Program grant and a potential partnership with the Magical Bridge Foundation from the County of Santa Clara for the development of a playground at Emma Prusch Farm Park, and to provide feedback to Parks, Recreation and Neighborhood Services on which additional sites to pursue for grant funding. (11-0.)

- 5.2 (a) **Adopt a resolution approving the Mitigated Negative Declaration for the Guadalupe River Trail Master Plan for which an Initial Study was prepared in accordance with the California Environmental Quality Act, as amended, and adopt a related Mitigation and Monitoring and Reporting Program; and**
- (b) **Approve the Guadalupe River Trail Master Plan to guide future development from Virginia Street to Chynoweth Avenue.**

5.2 (Cont'd.)

CEQA: Mitigated Negative Declaration for the Guadalupe River Trail Master Plan, File No. PP17-027. Council Districts 3, 6 & 9. (Parks, Recreation and Neighborhoods Services)

Documents Filed: Memorandum from Director of Human Resources Joe Angelo, dated May 25, 2017, recommending adoption of a resolution and approval of a Master Plan.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Donald Rocha and carried unanimously, Resolution No. 78236, entitled: “A Resolution of the Council of the City of San José Adopting the Guadalupe River Trail Master Plan Project Mitigated Negative Declaration, for Which an Initial Study was Prepared, all in Accordance with the California Environmental Quality Act, as Amended, and Adopting a Related Mitigation Monitoring and Reporting Program”, was adopted. (11-0.)

ENVIRONMENTAL & UTILITY SERVICES

7.1 Recommendation:

- (a) **Adopt a resolution authorizing the Director of Finance to purchase insurance policies for the San José-Santa Clara Regional Wastewater Facility Capital Improvement Program with total cost not to exceed \$10,810,576 including estimated insurance premiums of \$8,153,181 and a cash collateral fund of \$2,657,395, to be paid in five annual installments and subject to the annual appropriation of funds, as follows:**
 - (1) **Old Republic General Insurance Corporation: Commercial General Liability Insurance and Workers’ Compensation Insurance with a Program Agreement Endorsement stipulating terms of the cash collateral fund management**
 - (2) **Allied World Assurance Company: Commercial Excess Liability Insurance**
 - (3) **Endurance Risk Solutions Assurance Company: Commercial Excess Liability Insurance**
 - (4) **Ironshore Specialty Insurance Company: Commercial Excess Liability Insurance**
 - (5) **American Fire and Casualty Company: Commercial Excess Liability Insurance**
 - (6) **Liberty Mutual Fire Insurance Company: Builder’s Risk Insurance with special endorsement for Flood**
 - (7) **Ironshore Specialty Insurance Company: Contractors Pollution Liability Insurance**
 - (8) **Owners Protective Professional Liability Insurance with the insurance carrier to be determined pending the City’s completion of the application process.**
- (b) **Adopt the following 2016-2017 Appropriation Ordinance Amendments in the San José-Santa Clara Treatment Plant Capital Fund:**
 - (1) **Decrease the Preliminary Engineering appropriation to the Environmental Services Department by \$700,000;**

7.1 (Cont'd.)

- (b) (2) **Decrease the Program Management appropriation to the Environmental Services Department by \$2,500,000; and**
- (3) **Establish the Owner Controlled Insurance Program appropriation to the Environmental Services Department in the amount of \$3,200,000.**

CEQA: Not a Project, File No. PP10-066, Agreements & Contracts. (Finance/Environmental Services/City Manager)

Documents Filed: (1) Joint memorandum from Director of Finance Julia H. Cooper, Director, Environmental Services, Kerrie Romanow, and Senior Deputy City Manager/Budget Director Jennifer Maguire, dated May 31, 2017, recommending a resolution and adoption of an appropriation ordinance and funding sources resolution amendment. (2) Letter from Sam Liccardo, Vice Chair, Treatment Plant Advisory Committee, dated June 16, 2017, providing recommendations.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Tam Nguyen and carried unanimously, Resolution No. 78237, entitled: “A Resolution of the Council of the City of San José Authorizing the Director of Finance to Purchase Insurance Policies for the San José-Santa Clara Regional Wastewater Facility Capital Improvement Program, with Total Cost Not to Exceed \$10,810,576, Including Estimated Insurance Premiums of \$8,153,181 and a Cash Collateral Fund of \$2,657,395, to be Paid in Five Annual Installments and Subject to the Appropriation of Funds”, and Ordinance No. 29965, entitled “An Ordinance of the City of San José Amending Ordinance No. 29762 to Appropriate Moneys in the San José – Santa Clara Treatment Plant Capital Fund for the Owner Controlled Insurance Program; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”, were adopted. (11-0.)

ADJOURNMENT

Mayor Sam Liccardo adjourned the meeting at 8:11 p.m. in honor of the life of Almaden Valley Community Leader Doug Keller.

Minutes Recorded, Prepared and Respectfully Submitted by,

DRAFT

Toni J. Taber, CMC
City Clerk

rmk//mj06-20-17 MIN

- **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>
10390	Area generally bounded by Hwy. 85, Great Oaks Blvd., Raleigh Rd. and Little Ave.	2	iStar San Jose, LLC	20/0	Residential	Approve
10394	2140 Quimby Road	8	Denova Homes	110/94	SFD	Approve

+ **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>
10430	641 N. Capitol Ave.	5	City Ventures Homebuilding Inc.	3 / 188	Single Family Attached