

MINUTES OF THE CITY COUNCIL

SAN JOSÉ, CALIFORNIA

TUESDAY, MAY 15, 2018

The Council of the City of San José convened in Regular Session at 9:35 a.m. in the Council Chambers at City Hall.

Present: Councilmembers - Arenas, Carrasco (9:55), Davis, Jones, Khamis, Nguyen, Rocha; Liccardo.

Absent Councilmembers: Jimenez, Peralez, Diep. (Excused)

CLOSED SESSION

Upon motion unanimously adopted, Council recessed at 9:40 a.m. to a Closed Session in Room W133; (A) To Confer with Legal Counsel – Anticipated Litigation Pursuant to Section 54956.9(d)(4) of the Government Code; Number of matter(s) to be discussed: 1 (one); (B) To confer with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): (1) National Fair Housing Alliance, et al. v. Ben Carson, et al.; Names Of Partie(s) Involved: National Fair Housing Alliance, Texas Low Income Housing Information Service, Texas Appleseed, Ben Carson, Secretary of the U.S. Department of Housing and Urban Development in his official capacity, U.S. Department of Housing and Urban Development; Court: U.S. District Court, District of Columbia; Case No.: 1:18-CV-01076; Amount of Money or Other Relief Sought: Declaratory Judgement; (2) The United States of America v. the State of California, et al.; Names Of Partie(s) Involved: The United States of American; the State of California; Edmund Gerald Brown, Jr., Governor of California, in his official Capacity; and Xavier Becerra, Attorney General of California, in his Official Capacity; Court: U.S. District Court, Eastern District of California; Case No.: 18-264; Amount of Money or Other Relief Sought: Declaratory and Injunctive Relief; (C) to Confer with Labor Negotiator Pursuant to Government Code Section 54957.6: City Negotiator: Jennifer Schembri, Director of Employee Relations; Employee Organizations: (1) Association of Building, Mechanical and Electrical Inspectors (ABMEI); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and ABMEI; (2) Association of Engineers & Architects (AEA); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and AEA. (3) Association of Maintenance

Access the video, the agenda and related reports for this meeting by visiting the City's website at <http://www.sanjoseca.gov/city> or <http://www.sanjoseca.gov/civiccenter/tv>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.

CLOSED SESSION (Cont'd.)

Supervisory Personnel (AMSP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and AMSP. (4) City Association of Management Personnel Agreement (CAMP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and CAMP. (5) Confidential Employees' Organization, AFSCME Local 101 (CEO); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and CEO; (6) International Association of Firefighters, Local 230 (IAFF); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and International Association of Firefighters. (7) 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; (8) Municipal Employees' Federation, AFSCME Local 101, AFL-CIO (MEF); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and MEF; (9) International Union of Operating Engineers, Local No. 3 (OE#3); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and International Union of Operating Engineers, Local No. 3. (10) San José Police Officers' Association (SJPOA); Nature of negotiations: wages/salaries, hours, working conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement - City of San José and San José Police Association; (11) Association of Legal Professionals of San José (ALP); 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 11:17 a.m.; Council reconvened to Regular Session at 1:34 p.m. in the Council Chambers.

Present: Councilmembers - Arenas, Carrasco (9:55), Davis, Jones, Khamis, Nguyen, Rocha; Liccardo.

Absent Councilmembers: Jimenez, Peralez, Diep. (Excused)

INVOCATION (District 5)

As keepers of tradition and ceremony within their respective communities, Corina Herrera-Loera and Gerardo Loera performed a ceremony and provided awareness of our Nation's first people, a tribute to Indigenous cultures living life with intention while healing generations of the past-present-and-future.

PLEDGE OF ALLEGIANCE

Mayor Sam Liccardo led the Pledge of Allegiance.

ORDERS OF THE DAY

Upon motion by Councilmember Donald Rocha, seconded by Councilmember Sergio Jimenez, and carried unanimously, the Orders of the Day and the Amended Agenda were approved.

CLOSED SESSION REPORT

City Attorney Richard Doyle reported that authority was given to initiate litigation in one matter; the name of the action and parties involved will be disclosed once the action is formally commenced.

CEREMONIAL ITEMS

- 1.1 Mayor Liccardo presented a proclamation recognizing May 11-18, 2018 as Affordable Housing Week in the City of San José. (Mayor)
- 1.2 Mayor Liccardo and Councilmember Johnny Khamis presented a proclamation to honor and recognize May 2018 as Older Persons Month. (Khamis)
- 1.3 Mayor Liccardo and Councilmember Sylvia Arenas presented a proclamation recognizing May 2018 as Mental Health Awareness Month in the City of San José. (Arenas)

CONSENT CALENDAR

Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Dev Davis and carried unanimously, the Consent Calendar was approved and the below listed actions were taken as indicated. (9-0-2. Absent: Peralez, Diep.)

2.1 18-675 Approval of City Council Minutes.

(a) Regular City Council Meeting Minutes of January 23, 2018.

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

Documents Filed: Regular City Council Meeting Minutes of January 23, 2018.

Action: The City Council Minutes were approved. (9-0-2. Absent: Peralez, Diep.)

2.2 18-671 Final Adoption of Ordinances.

(a) ORD NO. 30092 - An ordinance of the City of San José amending Sections 2.08.080, 2.08.090, 2.08.130, and 2.08.150 of Chapter 2.08 of Title 2 of the San José Municipal Code relating to the establishment of the Voluntary Employees Beneficiary Association Advisory Committee.

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

2.2 18-671 Final Adoption of Ordinances.

Action: Ordinance No. 30092 was adopted. (9-0-2. Absent: Peralez, Diep.)

(b) ORD NO. 30093 - An ordinance of the council of the City of San José dedicating as public right-of-way approximately 6,483 square feet of the City-owned property at the northernmost terminus of 21st Street.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities, File No. PP18-049.

Action: Ordinance No. 30093 was adopted. (9-0-2. Absent: Peralez, Diep.)

(c) ORD NO. 30096 - An ordinance of the City of San José amending Chapter 17.38 of Title 17 of the San Jose Municipal Code to establish mandatory registration of vacant or abandoned buildings and storefronts in downtown.

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

Action: Ordinance No. 30096 was adopted. (9-0-2. Absent: Peralez, Diep.)

(d) ORD. NO. 30099 - An ordinance of the City of San José adding a new chapter 20.190 to Title 20 of the San Jose Municipal Code and amending Section 5.08.450 of Chapter 5.08 of Title 5 of the San José Municipal Code to implement California Government Code Sections 695615 Et. Seq. (State Housing Density Bonuses and Incentives Law) and provide affordable housing incentives consistent with the San José General Plan.

CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program Environmental Impact Report (EIR) (Resolution No. 76041) and Envision San José 2040 General Plan Supplemental EIR (Resolution No. 77617), and Addenda thereto, and does not involve new significant impacts beyond those analyzed in the aforementioned documents.

Action: Ordinance No. 30099 was adopted. (9-0-2. Absent: Peralez, Diep.)

(e) ORD. NO. 30100 - An ordinance of the City of San José amending various sections in Titles 9,11,17, and 19 and adding a new chapter 13.05 to Title 13 of the San José Municipal Code to implement the San José Complete Streets Design Standards and Guidelines.

CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program Environmental Impact Report (EIR) (Resolution No. 76041) and the Envision San José General Plan Supplemental EIR (Resolution No. 77617), and Addenda thereto, and does not involve new significant impacts beyond those analyzed in the aforementioned documents.

Action: Ordinance No. 30100 was adopted. (9-0-2. Absent: Peralez, Diep.)

2.2 18-671 Final Adoption of Ordinances (Cont'd.)

(f) ORD. NO. 30089 - An ordinance of the City of San José amending Part 12 to Chapter 17.23 of Title 17 of the San José Municipal Code to add a criminal activity cause for eviction and to add protection from retaliation related to immigration status.

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

Deferred from 5/8/18 Item 2.2 to 5/15/18

Action: Ordinance No. 30089 was adopted. (9-0-2. Absent: Peralez, Diep.)

2.3 Approval of Council Committee Minutes.

None provided.

2.3 18-637 Approval of Council Committee Minutes.

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

(Davis)

(b) Ad-Hoc Committee for Development Service Minutes of April 27, 2017. (Davis)

(c) Smart Cities and Service Improvements Committee Minutes of May 4, 2017. (Jones)

(d) Ad-Hoc Committee for Development Service Minutes of May 25, 2017. (Davis)

(e) Smart Cities and Service Improvements Committee Minutes of June 1, 2017.

(Jones)

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

(g) Rules and Open Government Committee Minutes of June 21, 2017. (Mayor)

(h) Public Safety, Finance and Strategic Support Committee Minutes of August 17, 2017. (Peralez)

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

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

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

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

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

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

(Mayor)

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

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

(Mayor)

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

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

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

2.3 18-637 Approval of Council Committee Minutes (Cont'd.)

Documents Filed: (1) Ad-Hoc Committee for Development Service Minutes of March 23, 2017; (2) Ad-Hoc Committee for Development Service Minutes of April 27, 2017; (3) Smart Cities and Service Improvements Committee Minutes of May 4, 2017; (4) Ad-Hoc Committee for Development Service Minutes of May 25, 2017; (5) Smart Cities and Service Improvements Committee Minutes of June 1, 2017; (6) Rules and Open Government Committee Minutes of June 14, 2017; (7) Rules and Open Government Committee Minutes of June 21, 2017; (8) Public Safety, Finance and Strategic Support Committee Minutes of August 17, 2017; (9) Community and Economic Development Committee Minutes of August 28, 2017; (j) Rules and Open Government Committee Minutes of November 1, 2017; (10) Rules and Open Government Committee Minutes of November 8, 2017; (11) Rules and Open Government Committee Minutes of November 15, 2017; (12) Rules In-Lieu Meeting Minutes of November 21, 2017; (13) Rules and Open Government Committee Minutes of November 29, 2017; (14) Ad-Hoc Committee for Development Service Minutes of November 30, 2017; (15) Rules and Open Government Committee Minutes of December 6, 2017; (16) Smart Cities and Service Improvements Committee Minutes of December 7, 2017; (17) Neighborhood Services and Education Committee Minutes of December 14, 2017; (18) Rules In-Lieu Meeting Minutes of December 20, 2017. (Mayor)

Action: The Council Committee Minutes were approved. (9-0-2. Absent: Peralez, Diep.)

2.4 18-709 Mayor and Council Excused Absence.

Request for a retroactive excused absence for Councilmember Sergio Jimenez from the Special Council Meeting on Citywide Education and Digital Literacy Strategy and the Regular Meeting of the Transportation and Environment Committee on May 7, 2018 due to illness.

CEQA: Not a Project, File No. PP17-010, City Organization & Administrative Activities resulting in no changes to the physical environment. (Jimenez)

Documents Filed: Memorandum from Councilmember Sergio Jimenez, dated May 7, 2018, requesting an excused absence due to illness.

Action: The absence was approved. (11-0.)

2.5 City Council Travel Reports.

Councilmember Johnny Khamis discussed his recent trip to Saudia Arabia to attend the Global Ventures Summit, offered clarification and discussed the importance of learning more about the Saudi culture and their business relationship with the United States.

Public Comments: Shukria Hakim and Mohamed Taleb expressed opposition to the Councilmember's travel to Saudia Arabia, citing inhumane conditions in Yemen.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Tam Nguyen and carried unanimously, the travel report was accepted. (8-0-3. Absent: Diep, Peralez, Rocha.)

2.6 Report from the Council Liaison to the Retirement Boards.

None provided.

2.7 18-664 Ordinance Modifying the Definition of Compensation to Exclude Non-Pensionable Wage Increases for the Federated City Employees' Retirement System.

Approve an ordinance amending Section 3.28.030.05 of Chapter 3.28 of Title 3 of the San José Municipal Code to modify the definition of "Compensation" to exclude non-pensionable wage increases in the Federated Employees Retirement Plan. CEQA: Not a Project, File No. PP17-008, General Procedure & Policy Making resulting in no changes to the physical environment. (City Manager)

Documents Filed: Memorandum from Director of Employee Relations, Jennifer Schembri, dated May 1, 2018, recommending adoption of an ordinance.

Action: Ordinance No. 30101, entitled: "A Ordinance of the Council of the City of San José Amending Section 3.28.030.05 of Chapter 3.28 of Title 3 of the San José Municipal Code to Exclude a Non-Pensionable Pay Increase from the Definition of Compensation", was passed for publication. (9-0-2. Absent: Peralez, Diep.)

2.8 18-631 Agreement with Magical Bridge Foundation for the Emma Prusch Farm Park All-Inclusive Playground Grant Project.

Adopt a resolution authorizing the City Manager to:

(a) Negotiate and execute an Agreement with Magical Bridge Foundation to provide consulting design services and fundraising for a new all-inclusive play area at Emma Prusch Farm Park. The park's improvements will include new universally-accessible play equipment to replace existing equipment, new restrooms, and related improvements; and

(b) Submit a grant application and, if awarded, negotiate, and execute a grant agreement with the Santa Clara County Open Space Authority for an amount up to \$600,000 in funding to plan, design, and construct a new all-inclusive play area at Emma Prusch Farm Park.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities, File No. PP18-022. (Parks, Recreation and Neighborhood Services)

Documents Filed: Memorandum from Director of Parks, Recreation and Neighborhood Services, Angel Rios, Jr., dated April 23, 2018, recommending adoption of resolutions.

Action: Deferred to June 12, 2018 per Administration.

2.9 18-577 Actions Related to the Vacation of a Setback Easement Located at 4940 Gattuccio Drive.

- (a) Adopt a resolution of intention to vacate the 25-foot and 12.5-foot light and air easements located at 4940 Gattuccio Drive.
 - (b) Set a Public Hearing on Tuesday, June 19, 2018, at 1:30 p.m., for consideration of the vacation.
 - (c) Direct the City Clerk to file the vacation map and advertise said public hearing.
- CEQA: Categorically Exempt, CEQA Guidelines Section 15305, Minor Alterations in Land Use Limitation, File No. PP18-039. Council District 9. (Public Works)

Documents Filed: Memorandum from Director of Public Works, Matt Cano, dated May 1, 2018, recommending adoption of a resolution.

Action: Resolution No. 78582, entitled: “A Resolution of the Council of the City of San José Setting a Public Hearing to Consider Whether to Vacate 25’ and 12’5’ Light and Air Easements Located at 4940 Gattuccio Drive”, was adopted. (9-0-2. Absent: Peralez, Diep.)

2.10 18-670 Retiree Representative Appointment to the Board of Administration for Federated City Employees’ Retirement System.

Appoint Lawrence Jay Castellano as the Retiree Representative to the Board of Administration for Federated City Employees’ Retirement System for the term ending November 30, 2020.
CEQA: Not a Project, File No. PP17-010, City Administrative Activities resulting in no changes to the physical environment. (City Clerk)

Documents Filed: (1) Memorandum from City Clerk Toni J. Taber, CMC, dated May 4, 2018, providing recommendation for an Appointment to the Board of Administration for the Federated City Employees’ Retirement System. (2) Applications for both Lawrence Jay Castellano and Brad Imamura.

Public Comment: Brad Imamura expressed opposition to the recommendation of Jay Castellano and Gary Jansen opined that retirees are denied the right to elect their representative. Offering support to the selection of Jay Castellano to the Board of Administration, were: Bob Leininger (San José Retired Employees Association), Susan Devencenzi, and Debbi Warkenten.

Action: Upon motion by Councilmember Sergio Jimenez, seconded by Councilmember Sylvia Arenas, Lawrence Jay Castellano was appointed to the Board of Administration for Federated City Employees’ Retirement System for the term ending November 30, 2020. (7-1-3. Noes: Khamis. Absent: Carrasco, Peralez, Diep.)

2.11 18-665

As recommended by the Rules and Open Government Committee on May 2, 2018:

(a) Retroactively approve the Meet and Greet with Tuscany Hills HOA on Saturday, April 28, 2018 at Viera Park as a City Council Sponsored Special Event and approve the expenditure of funds.

(b) Retroactively approve the Clean Up With Tam on Saturday, April 28, 2018 at College Connection Academy at Yerba Buena High School 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) Ice Cream Social at Casa Real Apartments on Thursday, May 3, 2018 at Casa Real Apartments;

(2) Cinco De Mayo at Santee on Friday, May 4, 2018 at Franklin McKinley Children's Initiative;

(3) District 7 Youth Commission Appreciation BBQ on Sunday, May 6, 2018 at Emma Prusch Farm Park;

(4) Clean Up With Tam on Saturday, June 23, 2018 at Fontaine Road Neighborhood;

(5) Dump Your Junk on Saturday, August 18, 2018 at Windmill Springs Elementary School;

(6) Dump Your Junk on Saturday, September 29, 2018 at Dahl Elementary School; and

(7) Approve and accept donations from various individuals, businesses or community groups to support the event.

CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Nguyen)

[Rules Committee referral 5/2/18 - Item G.1.a]

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated May 3, 2018, transmitting the recommendations of the Rules and Open Government Committee.

Action: Retroactive approval and approval of Community Events Sponsored by Council District 7 were approved. (9-0-2. Absent: Peralez, Diep.)

2.12 18-616

Annual Status Reports on the Safe Neighborhood Parks and Recreation Bond Projects, and the Branch Library Bond Projects for FY 2016-2017.

Accept the Fiscal Year 2016-2017 Safe Neighborhood Parks and Recreation Bond Projects and the Branch Library Bond Projects audit reports.

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

Documents Filed: Memorandum from Acting Director of Public Works, Jon Cicerelli, dated May 3, 2018, recommending acceptance of the audit reports.

Mayor Sam Liccardo pulled Item 2.12 asking how we might begin conversation with the State on unbinding ourselves from the restrictions regarding Guadalupe River conservancies. Director of Public Works, Matt Cano and City Librarian Jill Bourne responded to questions.

2.12 (Cont'd.)

Public Comments: Blair Beekman offered comments on the safe neighborhood parks process.

Action: Upon motion by Councilmember Sergio Jimenez, seconded by Councilmember Dev Davis and carried unanimously, the Annual Status Reports on the Safe Neighborhood Parks and Recreation Bond Projects, and the Branch Library Bond Projects for FY 2016-2017 were accepted. (9-0-2. Absent: Peralez, Diep.)

2.13 18-624 Actions Related to the 2016-2017 Annual Development In-Lieu Fee Report.

Adopt a resolution:

(a) Accepting the Fiscal Year 2016-2017 Annual Development In-Lieu Fee Report regarding in-lieu fees collected by the City from developers in lieu of construction of public improvements; and

(b) Making certain findings as required by Government Code Section 66001 (d) (1).

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

Renumbered from Item 3.4

Documents Filed: Memorandum from Director of Public Works, Matt Cano, dated May 1, 2018, recommending adoption of a resolution.

Mayor Sam Liccardo pulled Item 2.13 to pose questions to Director of Public Works, Matt Cano.

Action: Upon motion by Vice Mayor Magdalena Carrasco, seconded by Councilmember Dev Davis and carried unanimously, Resolution No. 78583, entitled: "A Resolution of the Council of the City of San José Accepting the Fiscal Year 2016-2017 Annual Development In-Lieu Fee Report Regarding In-Lieu Fees Collected by the City from Developers In Lieu of Construction of Public Improvements and Making Certain Findings as Required by Government Code Section 66001(d)(1)", was adopted. (7-0-4. Absent: Diep, Peralez, Khamis, Rocha.)

- 2.14 18-711 As recommended by the Rules and Open Government Committee on May 9, 2018:
- (a) Retroactively approve the D1 Decides Voting Day scheduled on May 14, 2018 as a City Council sponsored Special Event and approve the expenditure of funds.
- (b) Approve and accept donations from various individuals, businesses or community groups to support the event.
- CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Jones)
- [Rules Committee referral 5/9/18 - Item G.1.c]

Documents Filed: Memorandum from Councilmember Chappie Jones, dated May 1, 2018, requesting retroactive approval of an event Sponsored by Council District 1 as a City Council Sponsored Special Event.

Action: Retroactive approval and approval of the event Sponsored by Council District 1 was approved. (9-0-2. Absent: Peralez, Diep.)

2.15 18-710 Retroactive Approval of Silver Leaf Neighborhood Dumpster Day and Approval of Additional Events Sponsored By Council District 2 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Events.

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

(a) Retroactively approve the Silver Leaf Neighborhood Dumpster Day scheduled on May 5, 2018 as a City Council sponsored Special Event and approve the expenditure of funds.

(b) Approve the Roundtable Neighborhood Dumpster Day scheduled on May 19, 2018 as a City Council sponsored Special Event and approve the expenditure of funds.

(c) Approval of the District 2 Spring Fling Resource Fair scheduled for June 2, 2018 as a City Council sponsored Special Event and approve the expenditure of funds.

(d) Approve the District 2 Village Fest scheduled on June 23, 2018 as a City Council sponsored Special Event, approve the expenditure of funds and approve the purchase of gift cards and other items as raffle prizes.

(e) Approve and accept donations from various individuals, businesses or community groups to support the event.

CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Jimenez)

[Rules Committee referral 5/9/18 - Item G.1.d]

Documents Filed: Memorandum from Councilmember Sergio Jimenez, dated May 3, 2018, requesting retroactive approval of events Sponsored by Council District 2 as a City Council Sponsored Special Events.

Action: Retroactive approval and approval of the events Sponsored by Council District 2 were approved. (9-0-2. Absent: Peralez, Diep.)

STRATEGIC SUPPORT

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

City Manager, David Sykes reported on a fire which happened today in District 7, noting the Fire Department responded immediately and no fatalities occurred. He noted that residents may receive updates on the City's Facebook page and Twitter feed.

- 3.3 18-636** Conduct a Public Hearing on the City's Proposed Operating and Capital Budgets for the Fiscal Year 2018-2019, the Proposed Five-Year Capital Improvement Program for 2019-2023, and the Proposed Fees and Charges Report for the Fiscal Year 2018-2019.
- CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (City Manager)

3.3 (Cont'd.)

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 Chappie Jones, seconded by Councilmember Tam Nguyen and carried unanimously, this item was continued. (7-0-4. Absent: Peralez, Diep, Khamis, Rocha.)

3.4 18-624 **Actions Related to the 2016-2017 Annual Development In-Lieu Fee Report.** *Item renumbered to Item 2.13*

TRANSPORTATION & AVIATION SERVICES

6.1 18-632 **Award of a Construction Contract for the 2018 Street Sealing Project.**

(a) Approve award of a construction contract for the 2018 Street Sealing Project to the low bidder, Pavement Coatings Co., in the amount of \$10,495,286.

(b) Approve a 5% contingency in the amount of \$524,764.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities, File No. PP14-069. (Transportation)

Documents Filed: Memorandum from Director, Department of Transportation, Jim Ortbal, dated April 23, 2018, recommending approval of an award of a construction contract.

Director, Department of Transportation, Jim Ortbal responded to Council's questions.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Chappie Jones and carried unanimously, the Award of a Construction Contract for the 2018 Street Sealing Project was approved. (9-0-2. Absent: Diep, Peralez.)

REDEVELOPMENT – SUCCESSOR AGENCY

The Meeting of the Successor Agency to the Redevelopment Agency of the City of San José was Convened at 3:12 P.M.

9.1 18-633 **Termination of the Retirement Plans of the Former Redevelopment Agency of the City of San Jose.**

Board of the Successor Agency to the Redevelopment Agency adopt the following resolutions:

(a) Authorizing the termination of the Redevelopment Agency of the City of San Jose Retirement Plan and Trust Agreement (the "401(a) Plan") effective June 30, 2018 and authorizing the Executive Officer to execute all future instruments related to the termination of the 401(a) Plan.

9.1 (Cont'd.)

(b) Authorizing the termination of the Redevelopment Agency of the City of San Jose 457 Public Employee Deferred Compensation Plan (the “457 Plan”) effective June 30, 2018 and authorizing the Executive Officer to execute all future instruments related to the termination of the 457 Plan.

(c) Authorizing the termination of the Redevelopment Agency of the City of San Jose Retirement Plan and Trust Agreement (the “Group Variable Annuity Contract”) effective June 30, 2018 and authorizing the Executive Officer to execute all future instruments related to the termination of the Group Variable Annuity Contract.
CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Finance)

Documents Filed: Memorandum from Director of Finance, Julia Cooper, dated April 23, 2018, recommending adoption of resolutions.

City Manager Dave Sykes and Director of Finance, Julia Cooper responded to questions from Council.

Action: Upon motion by Councilmember Tam Nguyen, seconded by Councilmember Sylvia Arenas and carried unanimously, Successor Agency Resolution No. 7071, entitled: “A Resolution of the Successor Agency to the Redevelopment Agency of the City Of San José Authorizing the Termination of the Redevelopment Agency of the City Of San José Retirement Plan and Trust Agreement and Authorizing the Executive Officer to Execute all Future Instruments Related to the Termination of the Plan”; Successor Agency Resolution No. 7072, entitled: “A Resolution of the Successor Agency to the Redevelopment Agency of the City Of San José, Authorizing the Termination of the Redevelopment Agency of the City of San José 457 Public Employee Deferred Compensation Plan And Authorizing the Executive Officer to Execute all Future Instruments Related to the Termination of the Plan”; and Successor Agency Resolution No. 7073, entitled: “A Resolution of the Successor Agency to the Redevelopment Agency of the City Of San José, Authorizing the Termination of the Redevelopment Agency of the City Of San José Group Variable Annuity Contract with Voya and Authorizing the Executive Officer to Execute all Future Instruments Related to the Termination of the Contract”, were adopted. (8-0-3. Absent: Carrasco, Diep, Peralez.)

9.2 18-646 **Approval of the Purchase and Sale Agreement for Property Located at 525 South Market Street.**

Successor Agency Board approve the Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San José, as seller and the County of Santa Clara as buyer to allow the sale of 525 South Market Street for a purchase price of \$2,635,000.

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

Documents Filed: Memorandum from Successor Agency Managing Director, Richard Keit, dated April 23, 2018, recommending approval of a Purchase and Sale Agreement and Escrow Instructions.

9.2 (Cont'd.)

Successor Agency Managing Director, Richard Keit responded to questions from Council.

Action: Upon motion by Councilmember Donald Rocha, seconded by Councilmember Chappie Jones, the motion carried, and the Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San José, as seller and the County of Santa Clara as buyer to allow the sale of 525 South Market Street for a purchase price of \$2,635,000, was approved. (6-3-2. Noes: Davis, Jimenez, Khamis. Absent: Diep, Peralez.)

9.3 18-647 **Approval of the Purchase and Sale Agreement for Property Located at 490 South First Street.**

Successor Agency Board approve a Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San José, as seller and the San Jose Stage Company as buyer to allow the sale of 490 South First Street for a purchase price of \$2,300,000.

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

Documents Filed: (1) Memorandum from Councilmember Raul Peralez, dated May 11, 2018, encouraging approval of staffs' recommendations. (2) Memorandum from Successor Agency Managing Director, Richard Keit, dated April 23, 2018, recommending approval of a Purchase and Sale Agreement and Escrow Instructions.

Public Comments: Support to the agreement was expressed by Jerry Strangis, on behalf of the Board of Directors of San José Stage Company, and Bob Leininger.

Motion: Councilmember Donald Rocha moved approval of the memorandum by Councilmember Raul Peralez, dated May 11, 2018. Councilmember Dev Davis seconded the motion.

Action: On a call for the question, the motion was carried unanimously, and the Purchase and Sale Agreement for Property Located at 490 South First Street was approved, including the memorandum from Councilmember Raul Peralez, dated May 11, 2018, approving staff recommendations. (9-0-2. Absent: Diep, Peralez.)

The Meeting of the Successor Agency to the Redevelopment Agency of the City of San José was Adjourned at 3:55 p.m.

OPEN FORUM

1. Blair Beekman offered comments regarding Bigbelly smart waste & recycling system.
2. J. Perez, L.R.O.N. Chairman and CEO urged support resurfacing San José City streets.

The Meeting of the City Council was adjourned at 3:56 p.m. to a Joint Meeting of the City of San José City Council and the Financing Authority

JOINT MEETING OF THE CITY OF SAN JOSE CITY COUNCIL AND THE FINANCING AUTHORITY

The Joint Meeting of the City of San José Council and Financing Authority was called to order at 3:56 p.m.

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

Absent Councilmembers: Rocha, Peralez, Diep.

18-634 Actions Related to the City of San José Financing Authority Lease Revenue Bonds, Series 2008CD - Hayes Mansion Refunding Project.

Recommendation: (a) City Council adopt a resolution approving and authorizing the negotiation, execution, and delivery of a Second Amendment to the Continuing Covenant Agreement with U.S. Bank National Association relating to the City of San José Financing Authority Lease Revenue Bonds, Series 2008C (Hayes Mansion Refunding Project) and the City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2008D (Hayes Mansion Refunding Project), and authorizing other related actions.
(b) City of San José Financing Board adopt a resolution approving and authorizing the negotiation, execution, and delivery of a Second Amendment to the Continuing Covenant Agreement with U.S. Bank National Association relating to the City of San José Financing Authority Lease Revenue Bonds, Series 2008C (Hayes Mansion Refunding Project) and the City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2008D (Hayes Mansion Refunding Project), approving and authorizing the execution and delivery of a Fourth Amendment to the Amended and Restated Indenture of Trust, and authorizing other related actions.
CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Finance)

Documents Filed: Memorandum from Director of Finance, Julia Cooper, dated April 23, 2018, recommending adoption of resolutions.

Director of Finance, Julia Cooper responded to questions from Council.

Action: Upon motion by Councilmember Sergio Jimenez, seconded by Councilmember Johnny Khamis, and carried unanimously, Resolution No. 78584, entitled: “A Resolution of the Council of the City of San José Approving and Authorizing the Negotiation, Execution and Delivery of a Second Amendment to Continuing Covenant Agreement Relating to the City of San José Financing Authority Lease Revenue Bonds, Series 2008C (Hayes Mansion Refunding Project) and the City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2008D (Hayes Mansion Refunding Project), and Authorizing Other Related Actions”; and San José Financing Authority Resolution No. 142,

Joint Meeting of the City of San José City Council and Financing Authority
May 15, 2018
(Continued)

entitled: “A Resolution of the Council of the City of San José Financing Authority Approving and Authorizing the Negotiation, Execution and Delivery of a Second Amendment to Continuing Covenant Agreement Relating to the City of San José Financing Authority Lease Revenue Bonds, Series 2008C (Hayes Mansion Refunding Project) and the City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2008D (Hayes Mansion Refunding Project), Approving And Authorizing The Execution And Delivery Of A Fourth Amendment to Amended and Restated Indenture of Trust, and Authorizing Other Related Actions”, were adopted. (9-0-2. Absent: Diep, Peralez.)

The Joint Meeting of the City Council and the Financing Authority was adjourned at 4 p.m., and the Meeting of the City Council was reconvened, then adjourned to a Joint Meeting with the Retirement Board at 4:19 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

Toni J. Taber, CMC
City Clerk

rmk/5-15-18 SJFA MIN

**JOINT MEETING OF THE CITY OF SAN JOSE CITY COUNCIL
AND THE RETIREMENT BOARDS
MAY 15, 2018**

The Joint Meeting was called to order at 4:19 p.m.

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

Absent Councilmembers: Rocha, Peralez, Diep.

Staff: City Attorney Richard Doyle; City Manager Dave Sykes; Chief Executive Officer, Office of Retirement Services, Roberto L. Peña; Chief Investment Officer, Prabhu Palani; City Clerk Toni J. Taber, CMC; Deputy City Clerk, Ruth Krantz.

Federated City Employees' Retirement System and Police & Fire Department Retirement Plan
Attendees: Vincent Sunzeri; Nick Muyo; Drew Lanza; Jeremy Evnine; Ghia Griarte; Andrew Gardinier; Michael Armstrong; Kurt Billick; and Harvey Leiderman. Fiduciary Counsel for the Boards.

18-635 STUDY SESSION PRESENTATION: Joint Meeting of the San José City Council and Retirement Boards.

Recommendation: (a) Accept the staff presentation on the role of the Retirement Boards and Council, investment strategy of the Boards, and investment risk tolerance.
(b) Discuss the role of the Retirements Boards and City Council, investment strategy, and the level of risk tolerance expected in the Boards' investment strategy.
CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Retirement Services)

Documents Filed: PowerPoint presentations: (1) "What the Board Does"; (2) "Investment Objectives"; and "Perspectives that Drive Enterprise Success", by Versus, dated May 15, 2018.

Chief Executive Officer, Office of Retirement Services, Roberto L. Peña provided an introduction, and continued with a presentation regarding Measure G Charter Changes and a discussion of Trustee duties and Retirement Board operations.

Chief Investment Officer, Prabhu Palani continued with a presentation on investment objectives.

Access the video, the agenda and related reports for this meeting by visiting the City's website at <http://www.sanjoseca.gov/city> or <http://www.sanjoseca.gov/civiccentertv>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.

**Joint Meeting of the City of San José Council and Retirement Boards
Study Session - May 15, 2018
(Continued)**

Ed Hoffman, Managing Director of Versus, continued with a discussion of the Enterprise Risk Tolerance Assessment.

Extensive discussion ensued, and staff discussed investment objectives and responded to questions.

City Auditor Sharon W. Erickson and Chief Executive Officer, Office of Retirement Services, Roberto L. Peña offered closing comments, and indicated this meeting should be held on an annual basis.

The staff presentation was accepted.

The Joint Meeting of the City Council and the Retirement Board was adjourned at 6:03 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

DRAFT

Toni J. Taber, CMC
City Clerk

rmk/5-15-18/SS MIN