



City of San José

City of San José
200 East Santa Clara Street
San Jose, CA 95113

Agenda

Joint Meeting for the Rules and Open Government Committee and Committee of the Whole

Committee Members
Sam Liccardo, Chair
Chappie Jones, Vice Chair
Sylvia Arenas, Member
Dev Davis, Member
Johnny Khamis, Member

Committee Staff
Dave Sykes, City Manager
Toni Taber, City Clerk
Richard Doyle, City Attorney
Gloria Schmanek, City Manager's Office
Mackenzie Mossing, Mayor's Office
Louis Osemwegie, City Clerk's Office

Wednesday, May 22, 2019

2:00 PM

Council Chambers

A. City Council (City Clerk)

1. Review Final Agenda

[ROGC](#)
[19-143](#) Review Final Agenda - May 28, 2019 Cancelled.

2. Review Draft Agenda

[ROGC](#)
[19-144](#) Review June 4, 2019 Draft Agenda
a. Add New Items to Draft Agenda
b. Assign "Time Certain" to Agenda Items (if needed)
c. Review of Notice of Waiver Requirements for Agenda Items or Documents (if needed)

Attachments [June 4, 2019 Agenda](#)

B. Review of Upcoming Special Meeting Agenda(s)

C. Legislative Update

1. State
2. Federal

D. Meeting Schedules

E. The Public Record

[ROGC](#) The Public Record for May 10 - May 15, 2019.
[19-147](#)

Recommendation: Receive and file the Public Record for May 10 - May 15, 2019. (City Clerk)

Attachments [The Public Record](#)

F. Boards, Commissions and Committees

1. Appointments
2. Work Plans & Annual Reports

G. Rules Committee Reviews, Recommendations and Approvals

Notice to the public: There will be no separate discussion of Consent Calendar items as they are considered to be routine and will be adopted by one motion. If a member of the Committee, staff, or public requests discussion on a particular item, that item may be removed from the Consent Calendar and considered separately.

1. Consent Calendar

- (a) [ROGC](#)
[19-140](#) Approval of the Evergreen Village Square Summertime Evening Events and Movie Nights as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Event. (Mayor and Arenas)

- Recommendation:**
1. Approve the Evergreen Village Square event series, ranging from June to September of 2019, as a City Council sponsored Special Event and approve the expenditure of funds.
 2. Approve and accept donations from various individuals, businesses or community groups to support the event.
 3. Place the item on the June 4, 2019 Council Agenda for action.

Attachments [Memorandum](#)

- (b) [ROGC](#)
[19-141](#) Approval of Montevideo Beautification Day Sponsored by Council District 10 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Event. (Khamis)

- Recommendation:**
1. Approve the Montevideo Neighborhood Beautification Day scheduled on June 15, 2019 as a City Council sponsored Special Event and approve the expenditure of funds.
 2. Approve and accept donations from various individuals, businesses or community groups to support the event.
 3. Place the item on the June 4, 2019 Council Agenda for action.

Attachments [Memorandum](#)

- (c) [ROGC](#)
[19-148](#) Approval of Oak Hill Memorial Day Observance Sponsored by Council District 10 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Event. (Khamis)

- Recommendation:**
1. Approve the Oak Hill Memorial Day Observance scheduled on May 27, 2019 as a City Council sponsored Special Event and approve the expenditure of funds.
 2. Approve and accept donations from various individuals, businesses or community groups to support the event.
 3. Place the item on the June 4, 2019 Council Agenda for action.

Attachments [Memorandum](#)

END OF CONSENT

2. [ROGC](#)
[19-142](#) "Yes, in my Backyard" (YIMBY) Affordable Housing Program.
(Mayor, Carrasco, Arenas, Foley)

Recommendation:

As part of the Moderate-Income Strategy coming to Council in June, direct the City Manager to develop a “Yes, In My Backyard” affordable housing program with key partners, such as the Housing Trust Silicon Valley (Housing Trust), to waive fees and provide forgivable loans for homeowners in San José who build an accessory dwelling unit (ADU) or convert a garage into a housing unit and agree to restrict rents to a level of affordability that enables the tenancy of a low-to moderate-income household for at least five years. The elements of this program would include:

1. Partner with the Housing Trust to administer the program, including initial loan set up, outreach and compliance.
2. Waive all City impact fees associated with developing an ADU or converting a garage for homeowners who participate in the program if the loan applicant agrees to restrict the rent of the unit for the designated duration to ensure affordability.
3. The forgivable loan program should include the following terms:
 - a. Homeowners who agree to a deed of trust to rent their ADU to low-to moderate income households will be provided with loans they can use to pay permit fees and construction costs;
 - b. Such loans will be forgiven on an annual basis as homeowners establish that they have complied with the deed of trust;
 - c. The restricted rent must be affordable for low-to moderate-income households;
 - d. The per-unit loan will not exceed a maximum amount, such as \$20,000 or other reasonable amount recommended by Staff and approved by Council, that will ensure that city processing fees will not add to the cost of ADU development;
 - e. The loan would be in default if the homeowner attempts to list the ADU via AirBnB or other similar short-term rental service within the loan duration.
4. To fund this loan program,
 - a. Evaluate the allocation of up to \$5 million from the City’s Low-Moderate Income/Multi-Source Housing Funds for the loan program through the budget process, and during the discussion of the Moderate-Income Housing Strategy;
 - b. Explore funding opportunities that may become available with legislative approval of “missing middle” funding in the upcoming state budget cycle;
 - c. Continue conversation with other partners to coordinate with the

- City and the Housing Trust to leverage private funds that could expand the program's impact and reach;
- d. Return to Council to consider additional funding commitments if the program demonstrates success.
 - 5. Return to Council in August with a verbal report identifying solutions to the obstacles in the permitting process that inhibit the construction of an accessory unit, with a focus on solutions to overcoming delays in fire inspection, resolving contradictory direction from City inspectors, conflicts in state building codes, and permitting.
 - 6. Include within the existing PBCE work on the Council priority for facilitating garage conversions, if workload permits:
 - a. Evaluating the applicability of fee waivers and forgivable loans in exchange for imposing deeper affordability (e.g., extremely low income) rent restrictions, utilizing City affordable housing, state (e.g., HEAP), and grant dollars.
 - 7. Work with business, advocacy, and philanthropic organizations-including several that have already expressed a willingness to help, such as the Silicon Valley Leadership Group-to:
 - a. Convene modular, pre-fabricated builders of ADUs to determine if a competitive process-either conducted by an independent organization or the City-could yield a short list of willing ADU manufacturers who will offer transparent, low-cost, all-inclusive packages to homeowners to rapidly scale ADU production;
 - b. Direct the Housing Department and PBCE to coordinate with the Housing Trust and external business organizations willing to host ADU showcasing event in 2019 that allows homeowners to review various available floorplans, designs, and start-to-finish costs for installing an ADU on their property;
 - c. Explore and evaluate the feasibility of using innovative financing models akin to solar and energy-efficiency financing concepts already in effect that eliminate upfront all costs of ADUs for homeowners.

Attachments [Memorandum](#)
[Council Policy Early Consideration: Response](#)

H. Review of additions to Council Committee Agendas/Workplans

1. Community and Economic Development Committee
2. Neighborhood Services and Education Committee
3. Transportation and Environment Committee

[ROGC](#)
[19-145](#)

Update to the Transportation and Environment Committee Work Plan.
(Environmental Services)

Recommendation:

Approve the following change to the January - June 2019
Transportation and Environment Committee Work Plan to add the
following item for June 3, 2019:

Waiver of the Diversion Disincentive in Residential Solid Waste
Agreements Due to the Effects of China's Policy in Importing
Recyclable Material. (Environmental Services)

Attachments [Memorandum](#)

4. Public Safety, Finance and Strategic Support Committee
5. Joint Meeting of the Rules and Open Government Committee and Committee of the Whole
6. Smart Cities and Service Improvement Committee

[ROGC](#)
[19-146](#)

Update to the Smart Cities and Service Improvements Committee Work
Plan. (Civic Innovation)

Recommendation:

Approve the following changes to the January - June 2019 Smart Cities
and Service Improvements Committee Work Plan:

(a) Add the following item for June 6, 2019 to the Smart Cities and
Service Improvements Committee Work Plan:

Civic Engagement Through Technology Initiative Update. (Mayor's
Office/City Manager's Office)

(b) Drop the following item for June 6, 2019 from the Smart Cities and
Service Improvements Committee Work Plan:

Business Process Automation and E-signatures. (Information
Technology/City Attorney)

Attachments [Memorandum](#)

I. Open Government

J. Open Forum

Members of the Public are invited to speak on any item that does not appear on today's Agenda and that is within the subject matter jurisdiction of the City Council.

K. Adjournment

The City of San José is committed to open and honest government and strives to consistently meet the community's expectations by providing excellent services, in a positive and timely manner, and in the full view of the public. The City Code of Ethics may be viewed online.

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