

MINUTES OF THE CITY COUNCIL

SAN JOSÉ, CALIFORNIA

TUESDAY, APRIL 25, 2017

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, Davis, Diep, Jimenez, Jones, Khamis, T. 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 9:40 a.m. to a Closed Session in Room W133; (A) to confer with Legal Counsel pursuant to Government Code Section 54956.9(d)(4) with respect to anticipated litigation in one (1) matter; (2) to confer with Legal Counsel pursuant to Government Code Section 54956.9(d)(1) with respect to existing litigation; (1) 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: 1-13-CV-253758; Amount of Money or Other Relief Sought: Damages according to proof; (2) City of San José v. City of Santa Clara; Names Of Partie(s) Involved: City of San José, City of Santa Clara; Court: Superior Court of California, County of San Mateo; Case No.: 16-CIV-02303; Amount of Money or Other Relief Sought: Writ of Mandate and Complaint for Declaratory and Injunctive Relief; (3) City of Santa Clara v. City of San José; 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;

CLOSED SESSION (Cont'd.)

Case No.: 17-CIV-00547; Amount of Money or Other Relief Sought: Petition for Writ of Mandate and Complaint for Declaratory Relief; (4) 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. (5) 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. (6) 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. (7) 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. (8) 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: Challenge to Measure B; (9) Peter Constant, Steven Haug and Silicon Valley Taxpayers' Association v. Superior Court; Names Of Partie(s) Involved: Peter Constant, Steven Haug, Silicon Valley Taxpayers' Association, a California non-profit Corporation, Proposed Intervenor, Appellants and Petitioners, Superior Court of California, County of Santa Clara, Respondent, the People of the State of California ex. Rel. San José Police Officers Association, Plaintiff, Respondent and Real Party in Interest, City of San José, City Council of San José, Defendants, Respondents and Real Parties in Interest; Court: Sixth District Court of Appeal; Case No.: H043540; Amount of Money or Other Relief Sought: Petition for Writ of Mandate or, In the Alternative, Supersedeas, or Other Appropriate Relief; (10) San José Retired Employees Association, et al. v. City of San José, et al; Names of Parties 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 Labor Negotiator Pursuant to Government Code Section 54957.6: City Negotiator: Jennifer Schembri, Director of Employee

CLOSED SESSION (Cont'd.)

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 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: Salaries, Hours, Working Conditions, etc.; Name of Existing Wages Contract or MOA: Memorandum of Agreement between City of San José and San José Police Officers' 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 10:45 p.m. and reconvened to Regular Session at 1:32 p.m. in the Council Chambers.

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

Absent: Councilmembers - All Present.

INVOCATION

Swami Narayananda from Balaji Temple, recited a Hindu mantra for peace and prosperity.

PLEDGE OF ALLEGIANCE

Mayor Sam Liccardo led the Pledge of Allegiance.

CEREMONIAL ITEMS

1.1 Presentation of a proclamation for “Arbor Day” to demonstrate support for environmental protection and sustainability through the planting of trees in the City of San José. (Arenas)

Councilmember Sylvia Arenas provided a proclamation to members of “Our City Forest” declaring “Arbor Day” in the City of San Jose.

1.2 Presentation of a proclamation for El dia de los niños (Children’s Day), a celebration of children and reading that takes place every year on April 30 highlighting the importance of advocating literacy for children of all cultural backgrounds. (Carrasco)

Vice Mayor Magdalena Carrasco, Mayor Liccardo and Councilmember Dev Davis presented a proclamation to the recipient of “Consulate for the Day” from the Mexico Consulate proclaiming today “El dia de los niños” in the City of San José.

1.3 Presentation of a proclamation to YWCA of Silicon Valley proclaiming the month of May as Sexual Assault Awareness Month in the City of San José to raise awareness towards ending sexual assault and violence against women throughout San José and Silicon Valley. (Mayor)

Mayor Sam Liccardo presented a proclamation to representatives from the YWCA of Silicon Valley declaring May as “Sexual Assault Awareness” Month in the City of San José.

ORDERS OF THE DAY

Upon motion by Vice Mayor Magdalena Carrasco, seconded by Councilmember Chappie Jones and carried unanimously, the Orders of the Day and the Amended Agenda were approved. (11-0.)

CONSENT CALENDAR

Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Donald Rocha and carried unanimously, the Consent Calendar was approved and the below listed actions were taken as indicated. (11-0.)

2.1 Approval of Council Minutes:

None provided.

2.2 Final Adoption of Ordinances.

- (a) **ORD. NO. 29899** – An ordinance of the City of San José rezoning certain real property of approximately 0.07-gross acre situated approximately at the northwest corner of Oakland Road and Berryessa Road (920 Oakland Road) from the LI Light Industrial Zoning District to the CP Commercial Pedestrian Zoning District. CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program Environmental Impact Report (Resolution No. 76041) and the Envision San José 2040 General Plan Supplemental EIR (Resolution No. 77617). Director of Planning, Building and Code Enforcement recommends approval. Council District 3. (Planning, Building and Code Enforcement)

2.2 Final Adoption of Ordinances (Cont'd.)

Documents Filed: Proof of Publication of the Title of Ordinance No. 29899 executed on April 14, 2017 by the City Clerk.

Action: Ordinance No. 29899 was adopted. (11-0.)

- (b) **ORD. NO. 29900** – An ordinance of the City of San José rezoning certain real property of approximately 0.20 gross acre, situated on the north side of Fremont Street, approximately 167 feet westerly of the Alameda (1149 Fremont Street), from the A(PD) Planned Development Zoning District to the R-1-8 Single-Family Residence Zoning District. CEQA: Determination of Consistency with Final Program EIR for the Envision San José 2040 General Plan (Resolution No. 76041) and the Supplemental EIR for the Envision San José 2040 General Plan Final Program EIR (Resolution 77617). Director of Planning, Building and Code Enforcement recommends approval. Council District 6. (Planning, Building and Code Enforcement)

Documents Filed: Proof of Publication of the Title of Ordinance No. 29900 executed on April 14, 2017 by the City Clerk.

Action: Ordinance No. 29900 was adopted. (11-0.)

- (c) **ORD. NO. 29901 – An ordinance of the City of San José rezoning certain real property of approximately 1.25 gross acres situated on the northwest corner of North 7th Street and Empire Street (535 North 7th Street) from the Heavy Industrial Zoning District to the R-M(PD) Planned Development Zoning District. CEQA: Mitigated Negative Declaration for Seventh & Empire Residential Project (Resolution No. 78129). Planning Commission recommends approval (6-0-1, Vora absent). Council District 3. (Planning, Building and Code Enforcement)**

Documents Filed: Proof of Publication of the Title of Ordinance No. 29901 executed on April 14, 2017 by the City Clerk.

Action: Ordinance No. 29901 was adopted. (11-0.)

- (d) **ORD. NO. 29902 – An ordinance of the City of San José amending Title 17 of the San José Municipal Code to add Part 11 to Chapter 17.23 regarding withdrawal of rent stabilized buildings from the rental market under the Ellis Act. CEQA: Not a Project, File No. PP10-068(c), General Procedure & Policy Making, Code or Policy change that involves no changes in the physical environment. (Housing)**

Documents Filed: Proof of Publication of the Title of Ordinance No. 29902 executed on April 21, 2017 by the City Clerk.

Action: Ordinance No. 29902 was adopted. (11-0.)

2.3 Approval of Council Committee Minutes.

- (a) **Public Safety, Finance and Strategic Support Committee Minutes of March 16, 2017. (Peralez)**
- (b) **Transportation and Environment Committee Minutes of April 3, 2017. (Carrasco)**
- (c) **Rules and Open Government Committee Minutes of April 5, 2017. (Mayor)**
CEQA: Not a Project, File No. PP10-069, City Organizational & Administrative Activities.

Documents Filed: (1) Public Safety, Finance and Strategic Support Committee Minutes of March 16, 2017. (2) Transportation and Environment Committee Minutes of April 3, 2017. (3) Rules and Open Government Committee Minutes dated April 5, 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 Approve a First Amendment to the Consultant Agreement with Landrum & Brown, Inc. for Airport airspace and airfield analysis services, increasing maximum compensation from \$350,000 to \$550,000, and extending the term of the Agreement from June 30, 2017 to June 30, 2020. CEQA: Not a Project, File No. PP10-066(d), Agreements and Contracts, Consultant services for design, study, research, inspection, to other professional consulting services to determine the feasibility of a project with no commitment to future action. (Airport)

Documents Filed: City Council Action Request from Director of Aviation, Kimberly J. Becker, dated April 25, 2017, recommending approval of a First Amendment to an agreement.

Action: First Amendment to the Consultant Agreement with Landrum & Brown, Inc. for Airport airspace and airfield analysis services, increasing maximum compensation from \$350,000 to \$550,000, and extending the term of the Agreement from June 30, 2017 to June 30, 2020, was approved. (11-0.)

2.8 Approval of Master Service Agreements with the following firms for on-call environmental consulting services for various City projects:

- (a) Cornerstone Earth Group from the date of execution through May 1, 2020 in an amount not to exceed \$500,000;
- (b) Golder Associates from the date of execution through May 1, 2020 in an amount not to exceed \$500,000; and
- (c) AEI Consultants from the date of execution through May 1, 2020 in an amount not to exceed \$500,000.

CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. (Environmental Services)

Documents Filed: (1) Memorandum from Director, Environmental Services, Kerrie Romanow, dated March 24, 2017, recommending approval of Master Service Agreements. (2) Letter from Treatment Plan Advisory Committee Chair, Sam Liccardo, dated April 17, 2017, providing the TPAC recommendations concerning the Water Pollution Control Plant.

Action: The Approval of Master Service Agreements with the following firms for on-call environmental consulting services for various City projects: (a) Cornerstone Earth Group from the date of execution through May 1, 2020 in an amount not to exceed \$500,000; (b) Golder Associates from the date of execution through May 1, 2020 in an amount not to exceed \$500,000; and (c) AEI Consultants from the date of execution through May 1, 2020 in an amount not to exceed \$500,000, were approved. (11-0.)

2.9 Adopt a resolution authorizing the City Manager to

- (a) Execute an agreement with Emphasys Computer Solutions, Inc., dba Emphasys Software (Emeryville, CA) for the purchase of a Cash and Investment Management Software solution, including software license/subscription, related professional services, and maintenance and support for an initial five-year term through August 31, 2022 at a maximum compensation not to exceed \$326,097;**
 - (b) Exercise one-year options to extend the term of the Agreement for ongoing software subscription and maintenance services after the initial term, at a rate of \$40,111 per year with price adjustments subject to City approval and capped at 3% per year, subject to the annual appropriation of funds;**
 - (c) Approve a project contingency of \$50,000 to fund any unanticipated costs.**
- CEQA: Not a Project, File No. PP10-066(e), Agreements and Contracts, Services that involve no physical changes to the environment. (Finance)**

Documents Filed: City Council Action Request from Director of Finance, Julia Cooper, dated April 25, 2017, recommending adoption of a resolution.

Action: Resolution No. 78135, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to 1) Execute an Agreement with Emphasys Computer Solutions, Inc. For the Purchase Of A Cash And Investment Management Software Solution, Including Software License/Subscription, Related Professional Services, and Maintenance and Support For an Initial Five-Year Term Through August 31, 2022 at a Maximum Compensation Not to Exceed \$326,097; 2) Exercise One-Year Options to Extend the Term Of the Agreement For Ongoing Software Subscription And Maintenance Services After the Initial Term, At A Rate Of \$40,111 Per Year with Price Adjustments Subject to City Approval And Capped At 3% Per Year, Subject to the Annual Appropriation Of Funds; And 3) Approve A Project Contingency Of \$50,000 to Fund Any Unanticipated Costs”, was adopted. (11-0.)

2.10 Adopt a resolution authorizing the City Manager to:

- (a) Execute the Fifth Amendment to the Agreement for Document Printing, Mailing, E-Presentment, E-Payment, and Remittance Services with Kubra America West, Inc. (Gardena, CA) to extend services for an additional twelve-month period for the term July 1, 2017 through June 30, 2018, for a not to exceed amount of \$450,000, subject to the appropriation of funds; and**
- (b) Execute one additional one-year option to extend the term of the Agreement through June 30, 2019, subject to the annual appropriation of funds.**

CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. (Finance)

Documents Filed: Memorandum from Director of Finance, Julia Cooper, dated April 3, 2017, recommending adoption of a resolution.

Action: Resolution No. 78136, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to (1) Execute the Fifth Amendment to the Agreement for Document Printing, Mailing, E-Presentment, E-Payment, and Remittance Services with Kubra America West, Inc. (Gardena, CA) to extend services for an additional twelve-month period for the term July 1, 2017 through June 30, 2018, for a not to exceed amount

2.10 (Cont'd.)

of \$450,000, subject to the appropriation of funds; and (b) Execute one additional one-year option to extend the term of the Agreement through June 30, 2019, subject to the annual appropriation of funds”, was adopted. (11-0.)

2.11 Adopt the following 2016-2017 Appropriation Ordinance amendments in the Dental Insurance Fund:

(a) Increase the Non-Personal/Equipment appropriation to the Human Resources Department in the amount of \$155,000; and

(b) Decrease the Unrestricted Ending Fund Balance in the amount of \$155,000.

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

Documents Filed: Joint memorandum from Director of Human Resources Joe Angelo and Senior Deputy City Manager/Budget Director, Jennifer A. Maguire, dated March 30, 2017, recommending adoption of appropriation ordinance amendments.

Action: Ordinance No. 29903, entitled: “A Ordinance of the Council of the City of San José Amending Ordinance No. 29762 To Appropriate Moneys In The Dental Insurance Fund For The Non-Personal Equipment Appropriation To The Human Resources Department; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”, was adopted. (11-0.)

2.12 Approve travel payments and authorize travel for Councilmember Jimenez to Guadalajara, Jalisco, Mexico on May 4, 2017 to May 8, 2017 to attend the Guadalajara study tour organized and led by 8 80 Cities, a global leader in the Open Streets movement. Source of Funds: The Knight Foundation for travel payments and hotel accommodations. CEQA: Not a Project, File No. PP10-069(c), City Organizational & Administrative Activities, Travel. (Jimenez)

Councilmember Raul Peralez pulled Item 2.12 to note the replacement memorandum submitted.

Documents Filed: Replacement memorandum from Councilmember Sergio Jimenez, dated April 25, 2017, requesting authorization to travel for the Councilmember to Guadalajara Jalisco, Mexico.

Action: Upon motion by Councilmember Raul Peralez, seconded by Councilmember Donald Rocha and carried unanimously, the travel payments and authorization to travel was approved. (11-0.)

2.13 (a) Approve travel by Vice Mayor Carrasco to Guadalajara, Jalisco, Mexico on May 3, 2017 to May 8, 2017 to attend the study tour organized by 8 80 Cities for Via RecreActiva. Source of Funds: The Knight Foundation Grant and District 5 Office Funds.

2.13 (Cont'd.)

- (b) Request for an excused absence for Vice Mayor Carrasco from the Joint Meeting of the Rules and Open Government Meeting on May 3, 2017.**

CEQA: Not a Project, File No. PP10-069(c), City Organizational & Administrative Activities, Travel. (Carrasco)

Approved.

Documents Filed: Memorandum from Vice Mayor Magdalena Carrasco, dated April 11, 2017, requesting authorization to travel.

Action: Authorization to travel and excused absences were approved. (11-0.)

- 2.14 Approve travel payments and authorize travel for Vice Mayor's staff, Omar Torres, Council Assistant, to Guadalajara, Jalisco, Mexico on May 3, 2017 to May 8, 2017 to attend the Guadalajara study tour organized and led by 80 Cities, a global leader in the Open Streets movement. Source of Funds: The Knight Foundation and District 5 Office Funds. CEQA: Not a Project, File No. PP10-069(c), City Organizational & Administrative Activities, Travel. (Carrasco)**

Documents Filed: Memorandum from Frances Herbert, Chief of Staff, District 5, requesting authorization to travel.

Action: The authorization to travel was approved. (11-0.)

END OF CONSENT CALENDAR

STRATEGIC SUPPORT SERVICES

- 3.3 Continuation of the Proclamation of the Existence of a Local Emergency and Discussion of Current Flood Recovery Efforts**

- (a) Adopt a resolution continuing the proclamation of the existence of a local emergency as a result of flooding.**

- (b) Discussion of current flood recovery efforts.**

CEQA: Statutory Exempt, Section 15269(c), Specific actions necessary to prevent or mitigate an emergency. (City Manager)

Documents Filed: Memorandum from City Manager Norberto Dueñas, dated April 14, 2017, recommending adoption of a resolution.

Department of Housing staff provided a presentation and responded to questions.

Action: Upon motion by Councilmember Tam Nguyen, seconded by Councilmember Dev Davis and carried unanimously, Resolution No. 78137, entitled: "A Resolution of the Council of the City of San José Continuing the Proclamation of Existence of Local Emergency Issues by the Director of Emergency Services", was adopted. (11-0.)

- 3.4 Approve an ordinance amending various sections of Chapters 3.28 and 3.44 and adding a new Chapter 3.58 in Title 3 of the San José Municipal Code to implement revisions for the pension and retiree healthcare plans for members of the City of San José Federated Retirement Plan. CEQA: Not a Project; PP10-068(b), General Procedure & Policy Making, Municipal Code or Policy. (City Manager)**

Action: Deferred to May 2, 2017 per Rules Committee.

- 3.5 Recommendation: As recommended by the Rules and Open Government Committee on April 19, 2017, approve the reappointment of Sharon Erickson as City Auditor for a four-year term beginning July 1, 2017. CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. (Mayor)**

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated April 21, 2017, transmitting the recommendations of the Rules and Open Government Committee.

Action: The reappointment of Sharon Erickson as City Auditor for a four-year term beginning July 1, 2017, was approved. (11-0.)

- 3.6 As recommended by the Rules and Open Government Committee on April 19, 2017, adopt a resolution appointing Shireen Santosham, Chief Innovation Officer, and Dolan Beckel, Broadband Strategy Executive Fellow, to serve as the Mayor's alternates to his membership on Broadband Development Advisory Committee. CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. (Mayor)**

- 3.6 (Cont'd.)**

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated April 21, 2017, transmitting the recommendations of the Rules and Open Government Committee.

Action: Upon motion by Councilmember Chappie Jones, seconded by Councilmember Tam Nguyen and carried unanimously, Resolution No. 78138, entitled: "A Resolution of the Council of the City of San José Appointing Alternate Members of the Federal Communications Commission Broadband Development Advisory Committee", was adopted. (11-0.)

COMMUNITY & ECONOMIC DEVELOPMENT

- 4.1 Adopt a resolution authorizing the City Manager or his designee to negotiate and execute an amendment to the Exclusive Negotiation Agreement (ENA) with Insight Realty Company to extend the ENA six months to October 31, 2017, to complete a Disposition and Development Agreement related to Parkside Hall. CEQA: Not a P roject, File No. PP10-066(e), Agreements and Contracts, Services that involve no physical change to the environment. Council District 3. (Economic Development)**

4.1 (Cont'd.)

Documents Filed: (1) Joint memorandum from Mayor Sam Liccardo, Vice Mayor Magdalena Carrasco, Councilmember Raul Peralez and Councilmember Donald Rocha, dated April 21, 2017, recommending approval of staff recommendations with additional direction. (2) Memorandum from Deputy City Manager/Director of Economic Development Kim Walesh, dated April 3, 2017, recommending adoption of a resolution. (3) Letter from Josue Garcia, CEO, Santa Clara & San Benito Counties Building & Construction Trades Council, dated April 24, 2017, urging communication with the local construction trade union representatives.

Public Comments: Offering criticism, comments and suggestions, were Tim Ritchie (The Tech); Robert Gil, Will Smith, Sean Bearsby, and Bill Guthrie (IBEW Local 332); Dennis Randall (Insight King); Sarah McDermott (Unite Here Local 19), and Blair Beekman.

Deputy City Manager/Director of Economic Development Kim Walesh provided a presentation and responded to questions.

Action: Upon motion by Councilmember Raul Peralez, seconded by Councilmember Donald Rocha and carried unanimously, Resolution No. 78139, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager or His Designee to Negotiate and Execute an Amendment to the Exclusive Negotiation Agreement (ENA) with Insight Realty Company to Extend the ENA for Six Months to October 31, 2017, in Order to Complete a Disposition and Development Agreement Related to Parkside Hall”, was adopted, including the joint memorandum, as amended, from Mayor Sam Liccardo, Vice Mayor Carrasco and Councilmembers Rocha and Peralez to approve the staff recommendation to extend the Exclusive Negotiations Agreement (ENA) with Insight Realty, with direction that the City Manager: (1) Extend the ENA by 180 days, and return to Council in August 2017, with a Disposition and Development Agreement (DDA) or alternatively, recommendation for other disposition of the parcels; and, (2) Comply with prior Council direction (from the October 6, 2015 approval of the ENA), regarding items 2, 3i, 3iv, and 3vi.

Also including adoption of Resolution No. 78142, entitled: “A Resolution of the Council of the City of San José Directing the City Manager or His Designee to Require Insight Realty Company (Developer), in Connection with the Exclusive Negotiations Agreement Between the City and Developer for the Proposed Development of Parkside Hall, to Provide to the City, at the Time Any Proposed Disposition and Development Agreement for the Project is Brought Forward for City Council Consideration, Adequate Assurances that Developer Has Taken Reasonable Steps to Minimize or Avoid Any Labor Disputes or Unrest Which Might Occur During the Construction of the Proposed Museum Place Project or During Operation of the Proposed Hotel”, was adopted, including a requirement that Insight Realty Company, provide the City adequate assurances that the Developer has taken reasonable steps to minimize or avoid any labor disputes or unrest which might occur during the construction of the proposed Museum Place Project or during operation of the proposed Hotel. (6-5. Noes: Carrasco, Jones, Khamis, Nguyen; Liccardo.)

4.2 As recommended by the Neighborhood Services and Education Committee on April 13, 2017, accept the draft Analysis of Impediments to Fair Housing Choice. CEQA: Not a Project, File No. PP10-069(a), City Organizational & Administrative Activities, Staff Reports. (Housing)

Documents Filed: (1) Joint memorandum from Councilmember Donald Rocha, Councilmember Tam Nguyen, Councilmember Raul Peralez, Councilmember Sylvia Arenas and Vice Mayor Magdalena Carrasco, dated April 21, 2017, adding recommendations to the Analysis to Impediments to Fair Housing Choice. (2) Memorandum from City Clerk Toni J. Taber, dated April 21, 2017, transmitting the recommendations of the Neighborhood Services and Education Committee.

Public Comments: Expressing comments, support and recommendations, were Eunice Hernandez (Sacred Heart Community Service, Nadia Aziz (Law Foundation of Silicon Valley), Mathew Reed, and Shaunn Cartwright.

Staff provided a presentation.

Action: Upon motion by Councilmember Donald Rocha, seconded by Councilmember Tam Nguyen and carried unanimously, the draft Analysis of Impediments to Fair Housing Choice was accepted. (9-0-2. Absent: Davis, Khamis.)

TRANSPORTATION & AVIATION SERVICES

- 6.1 (a) Conduct a Public Hearing pursuant to California Government Code Section 53083 regarding application of the City's Air Service Support Program, as authorized by the Federal Aviation Administration to Aeromexico and Alaska Airlines.**
- (b) Adopt a resolution authorizing the City Manager or his designee to provide the City's Air Service Support Program to new air carrier service as outlined in the table below:**

Airline Marker	Aeromexico Guadalajara	Alaska Tucson	Alaska Austin
Airport	GDL	TUS	AUS
Frequency	6x/Week	1 Daily	1 Daily
Support Period	12 Months	12 Months	18 Months
Landing Fee Waivers	\$0	(\$73,830)	(\$110,744)
Marketing Funds	(\$100,000)	(\$25,000)	(\$50,000)

For each airline and corresponding route, landing fees are waived under the program for the qualifying periods and/or marketing funds are provided to promote the new services.

CEQA: Not a Project, File No. PP10-066(e), Agreements & Contracts, Services that involve no physical changes to the environment. (Airport)

6.1 (Cont'd.)

Documents Filed: Memorandum from Director of Aviation Kimberly J. Becker, dated April 3, 2017, recommending conducting a public hearing and adoption of a resolution.

Mayor Sam Liccardo opened the public hearing.

Public Comments: Amy Wilson expressed criticism of the staff recommendations.

Mayor Sam Liccardo closed the public hearing.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Lan Diep and carried unanimously, Resolution No. 78140, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager or Designee to Provide Fee Waivers and/or Marketing Support to Aeromexico and Alaska Airlines, Pursuant to the Air Service Support Program at the Norman Y. Mineta San José International Airport”, was adopted. (11-0.)

6.2 **As recommended by the Transportation and Environment Committee on April 3, 2017, accept the status report on San José’s current pavement conditions, maintenance funding needs, and annual funding strategy to improve Citywide payment conditions. CEQA: Not a Project, File No. PP10-069(a), City Organizational & Administrative Activities, Staff Reports that involves no approvals of any City Actions. (Transportation)**

Documents Filed: (1) Memorandum from Mayor Sam Liccardo, dated April 24, 2017, recommending acceptance of the report. (2) Memorandum from City Clerk Toni J. Taber, dated April 13, 2017, transmitting the recommendations of the Transportation and Environment Committee. (3) Supplemental memorandum from Director, Department of Transportation, Jim Ortbal, dated April 24, 2017, providing increased funding projections.

Public Comments: Blair Beekman offered funding suggestions.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Tam Nguyen and carried unanimously, the status report on San José’s current pavement conditions, maintenance funding needs, and annual funding strategy to improve Citywide payment conditions was accepted. (11-0.)

Note: *Councilmember Donald Rocha left the meeting at 7:15 p.m.*

PUBLIC SAFETY SERVICES

- 8.1 Accept the Illegal Fireworks Enforcement Progress Report. CEQA: Not a Project, File No. PP10-069(a), City Organizational & Administrative Activities, Staff Reports that involve no approvals of any City Actions. (Fire)**

Documents Filed: (1) Joint memorandum from Mayor Sam Liccardo, and Councilmembers Arenas, Khamis and Peralez, dated April 21, 2017, offering direction to the City Manager. (2) Memorandum from Fire Chief Curtis P. Jacobson, dated April 5, 2017, recommending acceptance of the Report.

Public Comments: Blair Beekman offered comments.

Fire Chief Curtis P. Jacobson provided a report and responded to questions.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Dev Davis and carried unanimously, the Illegal Fireworks Enforcement Progress Report was accepted. (10-0-1. Absent: Rocha.)

The meeting of the City Council recessed at 5:27 p.m. and reconvened at 6 p.m.

REDEVELOPMENT – SUCCESSOR AGENCY

- 9.1 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 Kade Development Inc. as buyer to allow the sale of 292 Stockton Avenue, for a purchase price of \$4,000,000. CEQA: Not a Project, File No. PP10-066; Agreements and Contracts. Council District 3. (Successor Agency)**

Documents Filed: Memorandum from Successor Agency Managing Director, Richard Keit, dated April 10, 2017, recommending approval of a purchase and sale agreement.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Chappie Jones and carried unanimously, 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 Kade Development Inc. as buyer to allow the sale of 292 Stockton Avenue, for a purchase price of \$4,000,000, was approved. (11-0.)

- 9.2 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 Jose, as seller and Imwalle Properties Inc. as buyer to allow the sale of 201 South Second Street, for a purchase price of \$726,000. CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. Council District 3. (Successor Agency)**

9.2 (Cont'd.)

Documents Filed: Memorandum from Successor Agency Managing Director, Richard Keit, dated April 10, 2017, recommending approval of a purchase and sale agreement.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Chappie Jones and carried unanimously, the Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San Jose, as seller and Imwalle Properties Inc. as buyer to allow the sale of 201 South Second Street, for a purchase price of \$726,000, was approved. (11-0.)

9.3 **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 Jose, as seller and AFE Urban, Inc. as buyer to allow the sale of 280 Jackson Street, for a purchase price of \$2,800,000. CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. Council District 3. (Successor Agency)**

Documents Filed: Memorandum from Successor Agency Managing Director, Richard Keit, dated April 10, 2017, recommending approval of a purchase and sale agreement.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Chappie Jones and carried unanimously, the Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San Jose, as seller and AFE Urban, Inc. as buyer to allow the sale of 280 Jackson Street, for a purchase price of \$2,800,000, was approved. (11-0.)

OPEN FORUM

Blair Beekman addressed height requirements for the “Museum Place” project in regard to the shade issues.

ADJOURNMENT

Mayor Sam Liccardo adjourned the Council Meeting session at 7:29 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

DRAFT

Toni J. Taber, CMC
City Clerk

rmk/04-25-17 MIN