



City Council Meeting Agenda

Tuesday, August 14, 2018

SAM LICCARDO, MAYOR
CHAPPIE JONES, DISTRICT 1
SERGIO JIMENEZ, DISTRICT 2
RAUL PERALEZ, DISTRICT 3
LAN DIEP, DISTRICT 4
MAGDALENA CARRASCO, VICE MAYOR, DISTRICT 5
DEV DAVIS, DISTRICT 6
TAM NGUYEN, DISTRICT 7
SYLVIA ARENAS, DISTRICT 8
DONALD ROCHA, DISTRICT 9
JOHNNY KHAMIS, DISTRICT 10



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

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- **Strategic Support** - The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- **Community & Economic Development** - Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- **Neighborhood Services** - Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- **Transportation & Aviation Services** - A safe and efficient transportation system that contributes to the livability and economic health of the City; and provide for the air transportation needs of the community and the region at levels that is acceptable to the community.
- **Environmental and Utility Services** - Manage environmental services and utility systems to ensure a sustainable environment for the community.
- **Public Safety** - Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

You may speak to the City Council about any discussion item that is on the agenda, and you may also speak during Open Forum on items that are not on the agenda and are within the subject matter jurisdiction of the City Council or Successor Agency to the Redevelopment Agency Board. If you wish to speak to the City Council, please refer to the following guidelines:

- o **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item(s) that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
- o When the Council reaches your item on the agenda, the Mayor will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City

Clerk's table.

- o Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
- o To assist you in tracking your speaking time, there is a display on the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and Tuesday at 6 p.m. as needed, unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <http://www.sanjoseca.gov/index.aspx?NID=3549>. Council Meetings are televised live and rebroadcast on Channel 26.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at San José City Hall, 200 E. Santa Clara Street, Tower 14th Floor, San José, CA 95113 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for the final document.

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events or printed materials, please call (408) 535-1260 as soon as possible, but at least three business days before the meeting.

On occasion the City Council may consider agenda items out of order.

• Call to Order and Roll Call

9:30 a.m.- Closed Session, Call to Order in Council Chambers

Open Session, Labor Negotiations Update (See Item 3.2)

Adjourn to Closed Session in Council Chambers Conference Room, W133

See Separate Agenda

1:30 p.m.- Regular Session, Council Chambers, City Hall

6:00 p.m.- Public Hearings, Council Chambers, City Hall

- Invocation (District 7)

Vietnamese Dance Group, Tuổi Thần Tiên

- Pledge of Allegiance

- Orders of the Day

To be heard after Ceremonial Items

Items recommended to be added, dropped, or deferred are usually approved under Orders of the Day unless the Council directs otherwise.

- Closed Session Report

To be heard after Ceremonial Items

1. CEREMONIAL ITEMS

1.1 Presentation of a commendation to Ivy Pham and Alan Pham for providing free-tutoring services to thousands of students in the City of San Jose. (Nguyen)

1.2 Presentation of a proclamation declaring August 2018 as Muslim Appreciation and Awareness Month in the City of San Jose. (Jimenez)--**To be heard in the evening**

2. CONSENT CALENDAR

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

2.1 Approval of City Council Minutes.

18-1061 Approval of City Council Minutes.

Recommendation: (a) Special Minutes of the City Council Meeting of October 6, 2017
(b) Special Minutes of the Joint Meeting of the City Council and Santa Clara Valley Water District Board of Directors of November 3, 2017
(c) Special Minutes of the City Council Study Session Public Life in San José of March 22, 2018

- (d) Regular Minutes of the City Council of April 3, 2018
 - (e) Regular Minutes of the City Council of April 10, 2018
 - (f) Regular Minutes of the City Council of April 17, 2018
 - (g) Special Minutes of the City Council Study Session Cost of Development in San José of April 26, 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. (City Clerk)

2.2 Final Adoption of Ordinances.

2.3 Approval of Council Committee Minutes.

18-1062 Approval of Council Committee Minutes.

- Recommendation:** (a) Ad Hoc Development Services Minutes of October 27, 2017. (Davis)
- (b) Smart Cities Minutes of September 7, 2017. (Jones)
- (c) Ad Hoc Development Services Minutes of September 28, 2017. (Davis)
- CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

2.4 Mayor and Council Excused Absence Requests.

2.5 City Council Travel Reports.

2.6 Report from the Council Liaison to the Retirement Boards.

2.7 18-1045 Agreement with Fall Creek Engineering, Inc. for Engineering Services for the Alum Rock Park Visitor Center and Service Road Projects.

- Recommendation:** Approve an agreement with Fall Creek Engineering, Inc. to provide consultant and professional engineering services for the Alum Rock Park Visitor Center and Service Road Projects from the date of execution to July 31, 2020, in a maximum total compensation amount of \$480,165, subject to the appropriation of funds.
- CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.
- Council District 4 & 5. (Public Works)

2.8 18-1063 San José Unified School District Coordination and Communication.

Recommendation: Adopt a resolution regarding coordination and communication with San José Unified School District.
CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no changes to the environment. (Economic Development))

3. STRATEGIC SUPPORT

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

3.2 Labor Negotiations Update.

Accept Labor Negotiations Update.
TO BE HEARD AT 9:30 A.M.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 18-1041 Actions Related to the Community Facilities District No. 17 (Capitol Expy - Evergreen Place).

Recommendation: Conduct a Public Hearing, a special election, and take the following actions related to the formation of Community Facilities District No. 17 (Capitol Expy - Evergreen Place):

- (a) Adopt a resolution:
 - (1) Establishing Community Facilities District No. 17 (Capitol Expy - Evergreen Place);
 - (2) Authorizing the levy of a special tax;
 - (3) Preliminarily establishing an appropriations limit; and
 - (4) Submitting the levy of special tax to the qualified electors.
- (b) Adopt a resolution:
 - (1) Declaring the results of the special election; and
 - (2) Contingent upon two-thirds qualified voter approval, determining to form Community Facilities District No. 17 (Capitol Expy - Evergreen Place); and
 - (3) Directing the City Clerk to record a notice of special tax lien.If approved by the qualified voters in Community Facilities District No. 17 (Capitol Expy - Evergreen Place):
- (c) Approve an ordinance imposing the levy of special taxes for Community Facilities District No. 17 (Capitol Expy - Evergreen Place).

CEQA: Addendum to the Evergreen East Hills Vision Strategy Final EIR (Resolution No. 08-084) and Supplemental EIR (Resolution No. 74742), and Addenda thereto, File No. PDC10-022. (Public Works)

5. NEIGHBORHOOD SERVICES

6. TRANSPORTATION & AVIATION SERVICES

6.1 18-1046 Actions Related to the 8393 - Mineta San José International Airport - Airfield Electrical System Rehabilitation Project.

Recommendation: Adopt a resolution authorizing the Director of Public Works to:

- (a) Award and execute the 8393 - Mineta San José International Airport - Airfield Electrical System Rehabilitation Project to the low bidder, St. Francis Electric, LLC in an amount of \$5,296,591.50, contingent upon the award and execution of an Airport Improvement Program grant from the Federal Aviation Administration in a minimum amount of \$5,293,000;
- (b) Establish a construction contingency of ten percent (10%) of the amount of the construction contract for the Project; and
- (c) Issue any change orders up to the amount of the contingency.

CEQA: Determination of Consistency with the Norman Y. Mineta San José International Airport Master Plan Update Project Final EIR (Resolution No. 67380), and Final Supplemental EIR, (Resolution No. 71451), and Addenda thereto, File No. PP 17-079. (Public Works/Airport)

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 18-1054 Actions Related to the Agreements for Resource Adequacy Supply.

Recommendation: Adopt a resolution authorizing the Director of Community Energy or her designee to negotiate and execute:

- (a) Energy supply contracts for Resource Adequacy contracts for November 2018 through February 2019 to support Phase 1 (City accounts) using the Edison Electric Institute Agreement or the Western Systems Power Pool Agreement in an amount not to exceed \$270,000 in aggregate; and
- (b) Energy supply contracts for Resource Adequacy for March 2019 through December 2019 using the Edison Electric Institute Agreement or the Western Systems Power Pool Agreement in an amount not to exceed \$35,000,000 in aggregate subject to approval of the Risk Oversight Committee for contracts over \$1,000,000.

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

8. PUBLIC SAFETY

8.1 18-1036 Audit of Police Activities League.

Recommendation: As recommended by the Neighborhood Services and Education Committee on June 14, 2018, accept the report on the audit of the Police Activities League.
CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (City Auditor)
[Neighborhood Services and Education Committee Referral from 6/14/18, Item D.1]

9. REDEVELOPMENT – SUCCESSOR AGENCY

9.1 18-1064 Purchase and Sale Agreement for Property Located at 435 South Market Street (Convention Center South Hall)

Recommendation: 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 City of San José as buyer to allow the sale of 435 South Market Street for a purchase price of \$47,000,000.
CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.
(Successor Agency)
TO BE HEARD FOLLOWING ITEM SJFA 1

- **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.

- **Council will recess until 6:00 p.m.**

10. LAND USE

Notice to the public: There will be no separate discussion of Land Use Consent Calendar (Item 10.1) as they are considered to be routine by the City Council and will be adopted by one motion. If a member of the City Council, staff, or public requests discussion on a particular item, that item will be removed from the Land Use Consent Calendar (Item 10.1) and considered separately.

10.1 Land Use on Consent Calendar

- (a) **18-1040 C18-013 - Conforming Rezoning of Real Property Located at 995, 949, and 937 Oakland Road.**

Recommendation: Consideration of an ordinance of the City of San José rezoning a 2.66-gross acre site located on the southwest corner of Oakland Road and Horning Street at 995, 949, and 937 Oakland Road (APNs 235-16-011, 235-16-012, 235-16-013, 235-16-014) from the LI Light Industrial Zoning District to the CIC Combined Industrial/Commercial Zoning District (J.E.V. Properties Inc., Owner).
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.
Director of Planning, Building and Code Enforcement recommends approval. (Planning, Building and Code Enforcement)
C18-013 - Council District 3

END OF CONSENT CALENDAR**10 Land Use - Regular Agenda**

- 10.2 18-1047 C16-041 & H16-032 - Conforming Rezoning and Site Development Permit for Real Property Located at 1090 South De Anza Boulevard.**

Recommendation: (a) Adopt a resolution approving the 1090 South De Anza Boulevard Hotel Project Mitigated Negative Declaration, for which an Initial Study was prepared, in accordance with the California Environmental Quality Act, as amended, and adopting a related Mitigation Monitoring and Reporting Plan.
(b) Consideration of an ordinance of the City of San José rezoning a 0.61 gross acre site located on the northeasterly corner of Via Vico and South De Anza Boulevard (1090 South De Anza Boulevard) from the CP(PD) Commercial Pedestrian Planned Development Zoning District to the CP Commercial Pedestrian Zoning District for commercial uses (Cupertino De Anza Hospitality, Owner).
(c) Adopt a resolution approving a Site Development Permit, subject to conditions, to allow the demolition of a gas station and accessory structures and the removal of six ordinance-size trees, and to allow the construction of a four-story, 90-room hotel with one level of underground parking utilizing Transportation Demand Management (TDM) measures to reduce the parking requirements by 50 percent.
CEQA: Mitigated Negative Declaration for 1090 South De Anza

Boulevard Hotel Project, File Nos. C16-041 & H16-032. Planning, Building and Code Enforcement Director recommends approval.
(Planning, Building and Code Enforcement)
C16-041 & H16-032 - Council District 1

10.3 18-1039 Amendment to the General Plan Land Use Policy CD-10.4, City Council Policy 6-4, and Title 23 of the San José Municipal Code (the Sign Code).

Recommendation: Consideration of signs on City-owned property, including Billboards, Programmable Electronic Signs, and Signs Displaying Off-site Commercial Speech, the following is being proposed:
a) Adoption of a resolution amending General Plan Land Use Policy CD-10.4; and
b) Adoption of a resolution amending City Council Policy 6-4; and
c) Approval of an ordinance amending Title 23 of the Municipal Code (the Sign Code), specifically Sections 23.02.870, 23.02.1310 and 23.04.500; and 4) make other technical, formatting or non-substantive changes within the Sign Code.
CEQA: Negative Declaration for General Plan Text, Municipal Code and City Council Policy Amendments for consideration of signs on City-owned property, including Billboards, Programmable Electronic Signs and Signs Displaying Off-site Commercial Speech, File No. PP18-058. (Planning, Building and Code Enforcement)
PP18-058 - Citywide
RECOMMEND DEFERRAL TO 9/25/18 AFTERNOON SESSION
PER ADMINISTRATION

- **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.

- **Adjournment**

JOINT CITY OF SAN JOSE CITY COUNCIL/SAN JOSE FINANCING AUTHORITY

1:30 p.m.

August 14, 2018

CHAMBERS

- Call to Order and Roll Call

**SJFA 1 18-1065
Center****Actions Related to the Purchase of the San Jose Convention****South Hall Property and City of San José Financing Authority's
Commercial Paper Program.****Recommendation:** (a) City Council take the following actions:

(1) Conduct a Public Hearing for the approval of the issuance by the City of San José Financing Authority of commercial paper notes in order to finance the purchase of the San José Convention Center South Hall property ("South Hall").

(2) Adopt a resolution to approve the issuance of commercial paper notes pursuant to the previously established commercial paper program designated as "City of San José Financing Authority Lease Revenue Commercial Paper Notes" to provide financing for the purchase of the South Hall in an amount not to exceed \$47 million and to state the City Council's determination that there will be significant public benefits accruing from such financing; authorize the negotiation, execution, and delivery of amendments to two Letter of Credit and Reimbursement Agreements and authorizing other related action in connection with the City of San José Financing Authority's Lease Revenue Commercial Paper Notes in order to increase the not-to-exceed aggregate principal amount thereof from \$85 million to \$125 million and to extend the stated expiration dates and commitments available under such Letter of Credit Reimbursement Agreements.

(3) Approval of a Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San Jose, as seller and the City of San José as buyer to allow the purchase of South Hall for a price of \$47,000,000, plus closing costs.

(4) Adopt the following 2018-2019 Funding Sources Resolution and Appropriation Ordinance Amendments in the Convention and Cultural Affairs Capital Fund (560):

(1) Establish a revenue estimate for Financing Proceeds in the Amount of \$42,400,000;

(2) Increase the Convention Center Expansion appropriation to the Office of Economic Development in the amount of \$40,100,000;

(3) Establish the South Hall Site Acquisition Debt Service appropriation to the Finance Department in the amount of \$1,750,000; and

(4) Increase the Unrestricted Ending Fund Balance in the amount of \$550,000.

(b) City of San José Financing Authority Board take the following actions:

(1) Adopt a resolution to approve the issuance of commercial paper notes pursuant to the previously established commercial paper program designated as "City of San Jose Financing Authority Lease Revenue Commercial Paper Notes" to provide financing for the purchase of the South Hall in an amount not to exceed \$47 million and to state Authority Board's determination that there will be significant public benefits accruing from such financing; authorize the negotiation, execution, and delivery of amendments to two Letter of Credit and Reimbursement Agreements and authorizing other related action in connection with the City of San José Financing Authority's Lease Revenue Commercial Paper Notes in order to increase the not-to-exceed aggregate principal amount thereof from \$85 million to \$125 million and to extend the stated expiration dates and commitments available under such Letter of Credit and Reimbursement Agreements.

CEQA: Exempt, File No. PP18-073, CEQA Guidelines Section 15312, Surplus Government Property Sales. (Finance/City Manager)
TO BE HEARD BEFORE ITEM 9.1 (18-1064)

CITY OF SAN JOSE CODE OF CONDUCT FOR PUBLIC MEETINGS IN THE COUNCIL CHAMBERS AND COMMITTEE ROOMS

The Code of Conduct is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, their Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.

1. Public Meeting Decorum:

- a) Persons in the audience will refrain from behavior which will disrupt the public meeting. This will include making loud noises, clapping, shouting, booing, hissing or engaging in any other activity in a manner that disturbs, disrupts or impedes the orderly conduct of the meeting.
- b) Persons in the audience will refrain from creating, provoking or participating in any type of disturbance involving unwelcome physical contact.
- c) Persons in the audience will refrain from using cellular phones and/or pagers while the meeting is in session.
- d) Appropriate attire, including shoes and shirts are required in the Council Chambers and Committee Rooms at all times.
- e) Persons in the audience will not place their feet on the seats in front of them.
- f) No food, drink (other than bottled water with a cap), or chewing gum will be allowed in the Council Chambers and Committee Rooms, except as otherwise pre-approved by City staff.
- g) All persons entering the Council Chambers and Committee Rooms, including their bags, purses, briefcases and similar belongings, may be subject to search for weapons and other dangerous materials.

2. Signs, Objects or Symbolic Material:

- a) Objects and symbolic materials, such as signs or banners, will be allowed in the Council Chambers and Committee Rooms, with the following restrictions: § No objects will be larger than 2 feet by 3 feet.
 - No sticks, posts, poles or other such items will be attached to the signs or other symbolic materials.
 - The items cannot create a building maintenance problem or a fire or safety hazard.
- b) Persons with objects and symbolic materials such as signs must remain seated when displaying them and must not raise the items above shoulder level, obstruct the view or passage of other attendees, or otherwise disturb the business of the meeting.
- c) Objects that are deemed a threat to persons at the meeting or the facility infrastructure are not allowed. City staff is authorized to remove items and/or individuals from the Council Chambers and Committee Rooms if a threat exists or is perceived to exist. Prohibited items include, but are not limited to: firearms (including replicas and antiques), toy guns, explosive material, and ammunition; knives and other edged weapons; illegal drugs and drug paraphernalia; laser pointers, scissors, razors, scalpels, box cutting knives, and other cutting tools; letter openers, corkscrews, can openers with points, knitting needles, and hooks; hairspray, pepper spray, and aerosol containers; tools; glass containers; and large backpacks and suitcases that contain items unrelated to the meeting.

**CITY OF SAN JOSE CODE OF CONDUCT FOR PUBLIC MEETINGS IN
THE COUNCIL CHAMBERS AND COMMITTEE ROOMS (CONT'D.)**

3. Addressing the Council, Committee, Board or Commission:

- a) Persons wishing to speak on an agenda item or during open forum are requested to complete a speaker card and submit the card to the City Clerk or other administrative staff at the meeting.
- b) Meeting attendees are usually given two (2) minutes to speak on any discussion item and/or during open forum; the time limit is in the discretion of the Chair of the meeting and may be limited when appropriate. Applicants and appellants in land use matters are usually given more time to speak.
- c) Speakers should discuss topics related to City business on the agenda.
- d) Speakers' comments should be addressed to the full body. Requests to engage the Mayor, Council Members, Board Members, Commissioners or Staff in conversation will not be honored. Abusive language is inappropriate.
- e) Speakers will not bring to the podium any items other than a prepared written statement, writing materials, or objects that have been inspected by security staff.
- f) If an individual wishes to submit written information, he or she may give it to the City Clerk or other administrative staff at the meeting.
- g) Speakers and any other members of the public will not approach the dais at any time without prior consent from the Chair of the meeting.

Failure to comply with this Code of Conduct which will disturb, disrupt or impede the orderly conduct of the meeting may result in removal from the meeting and/or possible arrest.