



City Council Meeting Agenda

Tuesday, May 14, 2019

SAM LICCARDO, MAYOR
CHAPPIE JONES, VICE MAYOR, DISTRICT 1
SERGIO JIMENEZ, DISTRICT 2
RAUL PERALEZ, DISTRICT 3
LAN DIEP, DISTRICT 4
MAGDALENA CARRASCO, DISTRICT 5
DEV DAVIS, DISTRICT 6
MAYA ESPARZA, DISTRICT 7
SYLVIA ARENAS, DISTRICT 8
PAM FOLEY, 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 Speakers 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 Clerks table.

- o Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayors 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. The City Council, or less than a quorum, may adjourn any regular, special or adjourned meeting to a later date, time and place specified in the order of adjournment. If all members are absent, the City Clerk may declare the meeting adjourned to a stated date, time and place. 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

19-133

Closed Session Agenda

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

6:00 p.m.- Evening Session, Council Chambers, City Hall

Will not begin until 6pm or until after all afternoon items are heard.

- Invocation (District 5)
- 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 proclamation declaring the month of May 2019 as “Building Safety Month” in the City of San José.

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.

2.2 Final Adoption of Ordinances.

19-330 Final Adoption of Ordinances.

Recommendation: (a) Ord No. 30264 - An Ordinance of the City of San José Amending Section 3.48.140 of Chapter 3.48 of Title 3 of the San José Municipal Code to Allow Loan Repayment Plans after Severance from City Employment.

(b) Ord No. 30267 - An Ordinance of the City of San José Adding a New Chapter 10.50 to Title 10 of The San José Municipal Code to Prohibit Spectators at Street Races and Reckless Driving Exhibitions.

2.3 Approval of Council Committee Minutes.

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 19-314 Actions Related to the Agreement with the City and County of San Francisco for the 2018 Urban Areas Security Initiative Grant.

Recommendation: (a) Adopt a resolution authorizing the City Manager to execute a First Amendment to the Agreement between the City of San José and the City and County of San Francisco, acting as fiscal agent for the Bay Area Urban Areas Security Initiative, to accept the additional 2018 Urban Areas Security Initiative grant allocation of \$270,945.

(b) Adopt the following 2018-2019 Appropriation Ordinance and Funding Sources Resolution Amendments in the General Fund:

(1) Increase the City-Wide Expenses appropriation to the Police Department for the Urban Areas Security Initiative Grant - Police 2018 by \$90,315 to \$385,315;

(2) Increase the City-Wide Expenses appropriation to the City Manager's Office/Office of Emergency Management (OEM) for the Urban Areas Security Initiative Grant - OEM 2018 by \$90,315 to \$555,437;

(3) Increase the City-Wide Expenses appropriation to the Fire Department for the Urban Areas Security Initiative Grant - Fire 2018 by \$90,315 to \$152,315; and

(4) Increase the estimate for Revenue from Federal Government by an additional \$270,945 to \$1,093,067.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment and File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.

(Police/Fire/City Manager)

2.8 19-315 Actions Related to the Agreements with AST LLC and Oracle America, Inc. for Service Request Management/Customer Relationship Management Software Solution.

Recommendation: Adopt a resolution authorizing the City Manager to:

- (a) Execute an Amendment to the Agreement with AST LLC (Naperville, IL) for a Customer Relationship Management Software Solution to increase the compensation by \$65,000 for a total maximum compensation of \$539,483 to provide supplemental technical support, issue resolution, and technical development services for new features and enhancements for the MySanJosé application;
- (b) Negotiate and execute amendments and/or change orders to the agreements with AST LLC and Oracle America, Inc. (Redwood City, CA) for the Service Request Management/Customer Relationship Management Software Solution for additional technical support, feature/enhancement development, additional software and hosting, and related professional services as required, subject to the appropriation of funds; and
- (c) Increase contingency by \$100,000 to cover any additional in-scope changes or requirements to the agreements with AST LLC or Oracle America Inc. for the Service Request Management/Customer Relationship Management Software Solution for a total contingency not to exceed \$200,000 during the initial five-year term ending on November 30, 2021, 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.
(Finance)

2.9 19-316 Actions Related to the 2019-2020 Transportation Development Act, Article 3 (TDA3) State Grant for Bicycle and Pedestrian Projects.

Recommendation: Adopt a resolution:

- (a) Authorizing the City Manager or designee to submit a request to the Metropolitan Transportation Commission for the allocation of Fiscal Year 2019-2020 Transportation Development Act, Article 3 (TDA3) State grant funding in the amount of \$1,183,758 for bicycle and pedestrian projects;
- (b) Making the certifications and assurances required under the TDA3 grant; and
- (c) Authorizing the City Manager or designee to accept TDA3 grant funding awarded from Metropolitan Transportation Commission, and to negotiate and execute any grant documents to effectuate the grant.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities, File No. PP18-029. (Transportation)

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.

3.3 19-317 Public Hearing on the Proposed Operating and Capital Budgets and the Proposed Fees and Charges Report for Fiscal Year 2019-2020.

Recommendation: Conduct a Public Hearing on the City's Proposed Operating and Capital Budgets for the Fiscal Year 2019-2020, the Proposed Five-Year Capital Improvement Program for 2020-2024, and the Proposed Fees and Charges Report for the Fiscal Year 2019-2020.

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

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 19-318 North San José Area Development Policy Update.

Recommendation: Accept staff's status report on its work to propose minor amendments to the North San José Area Development Policy to make 8,000 units of the existing housing capacity available for development.
CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Economic Development/Planning, Building, and Code Enforcement)

4.2 19-319 Public Hearing on the 2019-2020 Annual Action Plan for the Use of the U.S. Department of Housing and Urban Development.

Recommendation: (a) Conduct a Public Hearing on the Draft FY 2019-2020 Annual Action Plan, as required by the U.S. Department of Housing and Urban Development; and
(b) Provide Housing Department staff with input on the draft FY 2019-2020 Annual Action Plan and funding priorities.
CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Housing)

5. NEIGHBORHOOD SERVICES

6. TRANSPORTATION & AVIATION SERVICES

6.1 19-320 Report on Bids and Award of Contract for the 2019 Local Streets Concrete & ADA Ramps Project.

Recommendation: (a) Report on bids and award of a construction contract for the 2019 Local Streets Concrete & ADA Ramps Project, to the low bidder, FBD Vanguard Construction, Inc. in the amount of \$6,593,025.
(b) Approve a five percent contingency in the amount of \$329,651.
CEQA: Categorically Exempt, File No. PP18-029, CEQA Guidelines Section 15301(c), Existing Facilities. (Transportation)

6.2 19-321 Report on Bids and Award of Contract for the 2019 Local Streets Rubberized Slurry Seal Project.

Recommendation: (a) Report on bids and award of a construction contract for the 2019 Local Streets Rubberized Slurry Seal Project to the low bidder, Pavement Coatings Co., in the amount of \$7,093,892.
(b) Approve a five percent contingency in the amount of \$354,695.
CEQA: Categorically Exempt, File No. PP18-029, CEQA Guidelines Section 15301(c), Existing Facilities. (Transportation)

7. ENVIRONMENTAL & UTILITY SERVICES

8. PUBLIC SAFETY

9. REDEVELOPMENT – SUCCESSOR AGENCY

- 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.

OPEN GENERAL PLAN HEARING (FIRST CYCLE)

10.1 Land Use on Consent Calendar

- (a) **19-322** **C19-006 - Conforming Rezoning of the Real Property Located at 2001 Fortune Drive.**

Recommendation: Approve an ordinance rezoning certain real property located on the north side of Fortune Drive, approximately 500 feet westerly of Lundy Avenue (2001 Fortune Drive) from the IP Industrial Park Zoning District to the TEC Transit Employment Center Zoning District on an approximately 9.26-gross acre site.
CEQA: Determination of Consistency with the Envision San José 2040 General Plan EIR (Resolution No. 76041), the Envision San José General Plan Supplemental EIR (Resolution No. 77617), and Addenda thereto. Council District 4. (Planning, Building and Code Enforcement)

- (b) **19-323** **C18-028 - Conventional Rezoning of the Real Property Located at 12 South 11th Street.**

Recommendation: (1) Adopt a resolution approving the 12 South 11th Street Rezoning Project Addendum to the Envision San José 2040 General Plan Final Program Environmental Impact Report (Resolution No. 76041), the Envision San José General Plan Supplemental Environmental Impact Report (Resolution No. 77617), and Addenda thereto, all in accordance with the California Environmental Quality Act, as amended.
(2) Approve an ordinance rezoning certain real property located at on the east side of S. 11th Street, approximately 170 feet southerly E. Santa Clara Street (12 South 11th Street) from the CG Commercial General Zoning District to the R-M Multiple Residence Zoning District on an approximately 0.15-gross acre site.
CEQA: Addendum to the Envision San José 2040 General Plan Final Program Environmental Impact Report (Resolution No. 76041), the Envision San José General Plan Supplemental Environmental Impact Report (Resolution No. 77617), and Addenda thereto. Planning Commission recommends approval (5-0-2; Leyba and Vora absent). Council District 3. (Planning, Building and Code Enforcement)

- (c) **19-324** **GPT19-002 - City-Initiated General Plan Text Amendment to the Envision San José 2040 General Plan to Allow Additional General Plan Hearing for Publicly Funded Affordable Housing Projects.**

Recommendation: Adopt a resolution approving the General Plan Text Amendment to the Envision San José 2040 General Plan to establish an additional General Plan Hearing cycle for non-City-initiated amendments for publicly funded 100% deed restricted affordable housing projects, and to create an Affordable Priority Planning Area Overlay.

CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program Environmental Impact Report (Resolution No. 76041), Supplemental Environmental Impact Report to the Envision San José General Plan Final Program Environmental Impact Report (Resolution No. 77617), and Addenda thereto. Planning Commission recommends _____ (Planning, Building and Code Enforcement)

- (d) **19-325** **PDC17-054/PD17-026 - Planned Development Zoning and Planned Development Permit of the Real Property located at 2601 Nuestra Castillo Court, 2605 La Hacienda Court, and the Alum Rock Transit Center.**

Recommendation: (1) Approve an ordinance rezoning certain real property situated on the northwest corner of Nuestra Castillo Court and South Capitol Avenue (2601 Nuestra Castillo Court, 2605 La Hacienda Ct., and Alum Rock Transit Center), from the A(PD) Planned Development Zoning District to the A(PD) Planned Development Zoning District to reflect the current parking spaces required per Chapter 20.90 of the Municipal Code for multi-family developments on an approximately 9.3-gross acres; and

(2) Adopt a resolution approving, subject to conditions, a Planned Development Permit to effectuate the Planned Development Zoning District to amend the parking requirements to reflect the current parking spaces required per Chapter 20.90 of the Municipal Code for multi-family developments.

CEQA: Categorically Exempt, CEQA Guidelines Section 15305 Minor Land Alteration in Land Use Limitations. Planning Commission recommends _____ Council District 5. (Planning, Building and Code Enforcement)

END OF CONSENT CALENDAR

10 Land Use - Regular Agenda

- 2. 19-327 SP18-016 - Conduct a Public Hearing on an Appeal of the Environmental Determination for a Special Use Permit for Real Property Located at 27 South First Street.**

Recommendation: (a) Conduct an Administrative Hearing to consider the Appeal of the Planning Director's reliance on the Addendum to the Downtown Strategy 2040 Environmental Impact Report (Addendum) in accordance with the California Environmental Quality Act (CEQA) for a Special Use Permit (File No. SP18-016) to allow the demolition of a one-story, 24,696 square-foot commercial building and development of a 22-story residential tower with up to 374 dwelling units and ground floor commercial uses on an approximately 0.6-acre site, in the Downtown Primary Commercial Zoning District located at 27 South First Street. (b) Adopt a resolution denying the appeal and upholding the Planning Director's reliance on the Addendum, and finding that:

(1) The City Council has read and considered the Addendum for the 27 South First Street Mixed-Use Project and related administrative record related to Special Use Permit File No. SP18-016;

(2) The Addendum for the 27 South First Street Mixed-Use Project was prepared and completed in full compliance with the California Environmental Quality Act of 1970, as amended, together with State and local implementation guidelines; and

(3) Reliance on the Addendum for the 27 South First Street Mixed-Use Project reflects the independent judgment and analysis of the City of San José; and

(4) Preparation of an environmental impact report is not required because the following events did not occur as outlined in Section 21166 of the Public Resources Code: (i) Substantial changes are proposed in the project which will require major revisions of the environmental report, (ii) Substantial changes occur with respect to the circumstances under which the project is being undertaken which will require major revisions in the environmental impact report, or (iii) New information, which was not known and could not have been known at the time the environmental impact report was certified as complete, becomes available.

CEQA: Addendum to the Downtown Strategy 2040 Final Environmental Impact Report (Resolution No. 78942). Council District 3. (Planning, Building, and Code Enforcement)

3. 19-326 GP18-015/PDC18-038 - General Plan Amendment and a Planned Development Zoning of the Real Property Located at 1202 and 1250 Campbell Avenue.

Recommendation: (a) Recommend that the City Council deny the applicant's request to amend the Envision San José 2040 General Plan Land Use/Transportation Diagram designation from Light Industrial to Transit Residential on the 3.0-gross acre site.
(b) Recommend that the City Council deny the applicant's request to rezone the subject site to the A(PD) Planned Development Zoning District to allow 295 residential units and 20,000 square feet of commercial office.
CEQA: Statutorily Exempt, CEQA Guideline Section 15270, Projects Which Are Disapproved. Planning Commission recommends continued processing of the application so that the General Plan amendment, zoning amendment, and related land use permit may be considered together in the fall. (4-2-1; Leyba and Oliverio opposed, and Yesney absent). Council District 3. (Planning, Building and Code Enforcement)

CLOSE GENERAL PLAN HEARING (FIRST CYCLE)

- **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**

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. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Council, Committee, Board or Commission.
- 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.