

SPECIAL MEETING MINUTES OF THE CITY COUNCIL

SAN JOSÉ, CALIFORNIA

WEDNESDAY, JANUARY 24, 2019

The Council of the City of San José convened in a Special Session of the City Council at 2:34 p.m. in the Council Chambers at City Hall to continue a meeting begun on January 16, 2019.

Present: Councilmembers - Arenas, Carrasco, Davis, Esparza, Jimenez, Jones, Peralez; Liccardo (2:58 p.m.)

Absent: Councilmembers - Foley, Khamis, Diep. (Excused)

Staff: City Attorney Richard Doyle; City Manager, David Sykes; Director of Finance Julia H. Cooper; Budget Director Margaret McCahan; Assistant Director of Aviation, Judy Ross, A.A.E.; Director of Housing Jacky Morales-Ferrand; Deputy City Manager, Civic Innovation and Digital Strategy, Kip Harkness; City Clerk Toni J. Taber, CMC; Council Assistant Mackenzie Mossing; Deputy City Clerk Ruth Krantz.

REQUIRES A DETERMINATION BY A TWO-THIRDS (2/3) VOTE OF THE MEMBERS OF THE COUNCIL PRESENT AT THE MEETING, OR, IF LESS THAN TWO-THIRDS (2/3) OF THE MEMBERS OF THE COUNCIL ARE PRESENT AT THE MEETING, A UNANIMOUS VOTE OF THOSE MEMBERS PRESENT THAT THERE IS A NEED TO TAKE ACTION IN FEWER THAN FOUR (4) CALENDAR DAYS. Open Government and Ethics Resolution No. 77135, Section 2.3.2.5.C.

1. 18-1868 Federal Shutdown: Tenant Eviction Moratorium

The discussion of the Tenant Eviction Moratorium began at 2:58 p.m. upon the arrival of Mayor Sam Liccardo. A vote was required to take action, with eight votes sufficient to waive the Sunshine ordinance.

Action: Upon motion by Vice Mayor Chappie Jones, seconded by Councilmember Raul Peralez and carried unanimously, the Council voted to waive Sunshine with eight members of Council present. (8-0-3. Absent: Diep, Foley, Khamis.)

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1. 18-1868 Federal Shutdown: Tenant Eviction Moratorium

1. Adopt an urgency ordinance that establishes a 90-day moratorium for non-payment of rent for tenants with incomes affected by the federal government. Specifically, the ordinance would:

a. Invoke the urgency provisions in the City Charter, as an emergency measure for immediate preservation of the public peace, health or safety, to adopt an ordinance to temporarily prohibit eviction of a tenant for nonpayment of rent, if that tenant:

i. Is a holder of a federal housing voucher, such as Section 8 (including Veteran's Administration Supportive Housing (VASH) vouchers), or the beneficiary of another federal rent subsidy, and the responsible federal agency has failed to make its standard, routine payment of such subsidies due to the federal shutdown; or

ii. Is an employee of a federal agency or a federal contractor who is not being paid as a direct result of the federal shutdown.

b. Provide that the moratorium will expire ninety days (90) days from adoption or thirty (30) days after the end of the federal shutdown, whichever is sooner.

2. Direct staff to evaluate temporary relief of fees and taxes paid by landlords affected by nonpaying tenants, such as deferral of collection of occupancy fees, business license taxes, and apartment rent ordinance fees (to the extent they haven't already been paid). Return to Council in approximately three weeks should the shutdown continue, so that Council can consider a deferral of these fees until landlords have restored their receivables from nonpaying tenants.

Documents Filed: Memorandum from Mayor Sam Liccardo, dated January 23, 2019, recommending adoption of an urgency ordinance with direction to staff.

Director of Housing Jacky Morales-Ferrand responded to questions. Executive Director of the Housing Authority, Katherine Harris, spoke on releasing HUD funds, and noted a special meeting would be held on February 21 for this purpose.

Motion: Councilmember Sylvia Arenas moved approval of the ordinance, and Councilmember Magdalena Carrasco seconded the motion.

Senior Deputy City Attorney Shasta Greene offered clarification regarding the wording of the ordinance.

Public Comments: Offering support to the moratorium and relief to those affected by the Federal shutdown, were: Nadia Aziz (Silicon Valley Renter's Rights Coalition), Kathy Lin, Martha O'Connell, Glenna Howcroft and Anil Babbar.

Action: Councilmember Raul Peralez moved to call the question, which was seconded by Vice Mayor Chappie Jones. The underlying motion carried unanimously, Ordinance No. 30211, entitled: “An Urgency Ordinance of the Council of the City of San José Enacting a Temporary Moratorium on Evictions of Federal Employees, Federal Contractor Employees and Federal Rent Subsidy Recipients for Nonpayment of Rent and Setting Forth the Facts Constituting Such Urgency”, was adopted. (8-0-3. Absent: Diep, Foley, Khamis.)

2. 18-1869 Actions Related to Federal Workers at the Norman Y. Mineta San José International Airport

(a) Adopt a resolution authorizing the City Manager or his authorized designees to negotiate and execute one or more agreements with Technology Credit Union (TechCU) and to take any other necessary actions in connection therewith for the servicing and administering of a loan assistance program available to all federal employees assigned to the Norman Y. Mineta San José International Airport in an amount not to exceed their monthly take home pay, with a loan program not to exceed \$5,000,000 and approval of 100% collateralization of the loan program in an additional amount not to exceed \$5,000,000, for a total amount not to exceed \$10,000,000.

(b) Adopt the following 2018-2019 Appropriation Ordinance amendments in the General Fund:

(1) Establish a Federal Worker Loan Assistance Program
City-Wide expenses appropriation to the Finance Department in the amount of \$10,000,000.

(2) Decrease the Budget Stabilization Reserve by
\$10,000,000.

(c) Direct staff to expeditiously implement the Federal Worker Loan Assistance Program and dedicate resources to ensure successful outreach to the federal workers at Norman Y. Mineta San José International Airport. (Airport/City Manager)

Documents Filed: Joint memorandum from Deputy City Manager, Civic Innovation & Digital Strategy, Kip Harkness and Budget Director Margaret McCahan, dated January 23, 2019, recommending adoption of a resolution and adoption of an appropriation ordinance and funding sources resolution amendment.

Assistant Director of Aviation, Judy Ross, A.A.E. provided an introduction, and Director of Finance Julia H. Cooper followed with details of the loan program.

Council discussion followed.

Councilmember Raul Peralez left the meeting at approximately 3:20 p.m.

2. **18-1869 Actions Related to Federal Workers at the Norman Y. Mineta San José International Airport (Cont'd.)**

Action: Upon motion by Councilmember Sergio Jimenez, seconded by Councilmember Dev Davis and carried unanimously, Resolution No. 78957, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager or His Authorized Designees to Negotiate and Execute One or More Agreements with Technology Credit Union (TechCU) and to take any other Necessary Actions in Connection Therewith for the Servicing and Administering of a Loan Assistance Program Available to all Federal Employees Assigned to the Norman Y. Mineta San Jose International Airport in an Amount not to Exceed their Monthly Take Home Pay, with a Loan Program not to Exceed \$5,000,000 and Approval of 100% Collateralization of the Loan Program in an Additional Amount not to Exceed \$5,000,000, for a Total Amount not to Exceed \$10,000,000”; and Ordinance No. 30212, (b) Adopting 2018-2019 Appropriation Ordinance amendments in the General Fund: (1) Establish a Federal Worker Loan Assistance Program City-Wide expenses appropriation to the Finance Department in the amount of \$10,000,000. (2) Decrease the Budget Stabilization Reserve by \$10,000,000. (c) Direct staff to expeditiously implement the Federal Worker Loan Assistance Program and dedicate resources to ensure successful outreach to the federal workers at Norman Y. Mineta San José International Airport, were adopted. (7-0-4. Absent: Diep, Foley, Khamis, Peralez.)

OPEN FORUM

Kathy Lin expressed appreciation for the City’s actions during this Federal Government shutdown.

ADJOURNMENT

The Council of the City of San José adjourned at 3:24 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

draft

Toni J. Taber, CMC
City Clerk

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