



City Council Meeting

SYNOPSIS

Tuesday, March 27, 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



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

- **Call to Order and Roll Call**

9:00 a.m.- Closed Session, Call to Order in Council Chambers
All present

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

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

- **Invocation (District 3)**

Reverend Dana Bainbridge of First Christian Church and Co-founder of Recovery Café, provided the Invocation.

- **Pledge of Allegiance**

Mayor Sam Liccardo, accompanied by students of John Muir Elementary School, led the Pledge of Allegiance.

- **Orders of the Day**

The Orders of the Day and the Amended Agenda were approved with no changes.

- **Closed Session Report**

None provided

1. CEREMONIAL ITEMS

- 1.1 18-393** Mayor Sam Liccardo and Councilmember Sergio Jimenez presented a commendation to the Blue Tarp Project for showing us through portraits, the individuality of our unhoused residents, and reminding us that, they do not fit popular stereotypes, yet we all share a sense of hope. Virginia and Albert Becker accepted on behalf of the Project.
Heard in the Evening
- 1.2 18-395** Mayor Sam Liccardo presented a proclamation recognizing the month of March 2018 as Red Cross Month in the City of San José.
- 1.3 18-409** Mayor Sam Liccardo and Vice Mayor Magdalena Carrasco, (on behalf of Councilmember Sylvia Arenas), presented a commendation to the Silver Creek High School Key Club for their dedication and services to the community. Vivian Pham, President of Key Club accepted on the Club's behalf.
Heard in the Evening
- 1.4 18-426** Mayor Sam Liccardo and Vice Mayor Magdalena Carrasco presented a proclamation declaring the month of March 2018 as Youth Arts Month.
- 1.5 18-458** Mayor Sam Liccardo and Councilmember Tam Nguyen presented a commendation to Deb Kramer for her dedication and commitment to keeping Coyote Creek clean, safe, and vibrant for the people of San Jose.
- 1.6 18-464** Mayor Sam Liccardo and Vice Mayor Magdalena Carrasco presented a commendation to for Girl Scouts Troop St. John Vianney. (Carrasco)
Heard in the Evening

2. CONSENT CALENDAR

The Consent Calendar was approved as recommended, and with the following actions as indicated.

2.1 18-389 Approval of City Council Minutes.

Recommendation: Regular Council Meeting Minutes of October 3, 2017.
CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.
Approved.

2.2 18-401 Final Adoption of Ordinances.

Recommendation: (a) ORD. NO. 30078 - An ordinance of the City of San José rezoning certain real property of approximately 1.89-gross acres located on the northeast corner of East Santa Clara and North 17th Streets (Assessor's Parcel Numbers 467-13-001, 467-13-002), from the CG Commercial General Zoning District and LI Light Industrial Zoning District to the PQP Public/Quasi Public Zoning District
CEQA: Determination of Consistency with the Envision San José 2040 General Plan

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2.2 18-401

Final Adoption of Ordinances. (Cont'd)

EIR (Resolution No. 76041), Supplemental EIR to Envision San José General Plan EIR (Resolution No. 77617), and Addenda thereto. Director of Planning, Building and Code Enforcement recommends approval. (Planning, Building and Code Enforcement)
C17-037- Council District 3

Adopted

(b) ORD. NO. 30079 - An ordinance of the City of San José rezoning certain real property of approximately 1.2-gross acre site located northeast of the intersection of North 4th street and East Rosemary Street (1302 North 4th Street), from the LI Light Industrial Zoning District to the CIC Combined Zoning District.

CEQA: Determination of Consistency with the Envision San José 2040 General Plan EIR (Resolution No. 76041), and Supplemental EIR to Envision San José 2040 General Plan EIR (Resolution No. 77617), and Addenda thereto. Director of Planning, Building and Code Enforcement recommends approval. (Planning Building and Code Enforcement) C18-004- Council District 3

Adopted

(c) ORD. NO. 30080 - An ordinance of the City of San José rezoning certain real property of approximately 0.3 acre portion of a 0.46 acre property located on the southeast corner of Lick Avenue and Goodyear Street (1102 Lick Avenue), from the LI Light Industrial Zoning District to the R-2 Two- Family Residence Neighborhood Zoning District.

CEQA: Determination of Consistency with Envision San José 2040 General Plan EIR (Resolution No. 76041), Supplemental EIR to the San José 2040 General Plan Program EIR (Resolution No. 77517), and Addenda thereto. Planning Commission recommends approval (6-0-1; Vora absent). (Planning, Building and Code Enforcement)

Adopted

2.3 18-380

Approval of Council Committee Minutes.

Recommendation:

(a) Rules and Open Government Committee Minutes of February 7, 2018. (Mayor)
(b) Rules and Open Government Committee Minutes of February 14, 2018. (Mayor)
CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

Approved.

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.

Councilmember Davis presented a report.

Approved

- 2.7 18-382** Authorize travel for Vice Mayor Carrasco to Chicago, Illinois on April 10-April 13, 2018 for the Policy Link Equity Summit, and authorize an excused absence from the Rules and Open Government Committee on April 11, 2018. Source of Funds: District 5 Office Budget.
CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Carrasco)
Authorized.
- 2.8 18-383** (a) Authorize international travel for Councilmember Lan Diep to Okayama, Japan from April 7-12, 2018 to join San José's Sister Cities delegation;
(b) Approve the receipt of gifts received in an official capacity as a representative of the City in accordance with San José Municipal Code Section 12.08.040(c);
(c) Excuse Councilmember Diep from the City Council meeting on April 10, 2018 and from the Treatment Plant Advisory Committee on April 12, 2018. Source of Funds: District 4 Office Budget (Personal travel after April 12, 2018 will be paid for using personal funds).
CEQA: Not a Project, File No. PP17-010, City Organization & Administrative Activities resulting in no changes to the physical environment. (Diep)
Authorized.
- 2.9 18-384** Authorize Councilmember Lan Diep's travel to Seattle, Washington from May 23-24, 2018 for the City Age Conference. Source of Funds: District 4 Office Budget (Personal travel after May 24, 2018 will be paid for with personal funds).
CEQA: Not a Project, File No. PP17-010, City Organization & Administrative Activities resulting in no changes to the physical environment. (Diep)
Authorized.
- 2.10 18-402** (a) Approve the Vista Park Neighborhood Beautification Day scheduled on April 28, 2018 as a City Council sponsored Special Event and approve the expenditure of funds;
And
(b) Approve and accept donations from various individuals, businesses or community groups to support the event.
CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Khamis)
[Rules Committee referral 3/14/18 - Item G.1.a]
Approved.
- 2.11 18-404** (a) Approve the Scottish Flag Raising scheduled on April 6, 2018 as a City Council sponsored Special Event and approve the expenditure of funds; and
(b) Approve and accept donations from various individuals, businesses or community groups to support the event.
CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Khamis)
[Rules Committee referral 3/14/18 - Item G.1.b]
Approved.

- 2.12 18-405** (a) Retroactively approve the Faith Leaders Panel scheduled on March 9, 2018 as a City Council sponsored Special Event and approve the expenditure of funds; and
(b) Approve and accept donations from various individuals, businesses or community groups to support the event.
CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Arenas)
[Rules Committee referral 3/14/18 - Item G.1. c]
Approved.
- 2.13 18-406** (a) Retroactively approve the Sound the Alarm scheduled on February 24, 2018 as a City Council sponsored Special Event and approve the expenditure of funds; and
(b) Approve and accept donations from various individuals, businesses or community groups to support the event.
CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Arenas)
[Rules Committee referral 3/14/18 - Item G.1.d]
Approved.
- 2.14 18-407** (a) Retroactively approve the Children's Dental Health Fair scheduled on February 21, 2018 as a City Council sponsored Special Event and approve the expenditure of funds;
And
(b) Approve and accept donations from various individuals, businesses or community groups to support the event.
CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Arenas)
[Rules Committee referral 3/14/18 - Item G.1.e]
Approved.
- 2.15 18-410** Authorize travel for Councilmember Arenas to Okayama, Japan on April 4, 2018 to April 13, 2018 for the Okayama Sister Cities delegation trip and excuse her absence from the regular meeting of City Council on April 10, 2018, and her absence for the Neighborhood Services and Education Committee Meeting on April 12, 2018. Source of Funds: District 8 Office Funds and Personal Funds (personal travel or activities on April 5-7, 2018 will be paid for using personal funds).
CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Arenas)
Authorized.
- 2.16 18-435** As recommended by the Rules and Open Government Committee on March 7, 2018, approve a grant to Branham High School for their Sports Booster Club in the amount of \$1,500.00 to support student programs and activities to be paid by Council District 9's Office Appropriation.
CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Rocha)
[Rules Committee referral 3/7/18 - Item G.3]
Approved.

- 2.17 18-443** Aadopt a position of support for AB 3171 (Ting) and SB 912 (Beall and Skinner). CEQA: Not a Project, File No. PP17-011, City Organization & Administrative Activities resulting in no changes to the physical environment. (Housing) [Rules Committee referral 3/21/18 - Item G.3.]
Adopted
- 2.18 18-444** Adopt a position of Support for SB 918 (Wiener/Rubio) Homeless Youth Act of 2018. CEQA: Not a Project, File No. PP17-010, City Organization & Administrative Activities resulting in no changes to the physical environment. (Housing) [Rules Committee referral 3/21/18 - Item G.4.]
Adopted
- 2.19 18-445** Adopt a position of support for the Veterans and Affordable Housing Bond on the November 2018 statewide ballot. CEQA: Not a Project, File No. PP17-010, City Organization & Administrative Activities resulting in no changes to the physical environment. (Housing) [Rules Committee referral 3/21/18 - Item G.5.]
Adopted
- 2.20 18-446** Approve a grant to Kiwanis Club of Almaden for their Turnaround Scholarships in the amount of \$1,000.00 to be paid by Council District 10's SAP Center Community Fund City-Wide appropriation. CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Khamis) [Rules Committee referral 3/21/18 - Item G.6.]
Approved.
- 2.21 18-442** Adopt a position of Support for AB 2562 (Mullin), HCD Authority to Adjust Interest Rates. CEQA: Not a Project, File No. PP17-010, City Organization & Administrative Activities resulting in no changes to the physical environment. (Housing) [Rules Committee referral 3/21/18 - Item G.2]
Adopted

3. STRATEGIC SUPPORT

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

None provided

3.2 Labor Negotiations Update.

None provided

- 3.3 18-379** (a)Accept the Status of Open Audit Recommendations as of December 31, 2017, and either affirm or drop the recommendation from the City Council-accepted 2012 Audit of Environmental Services to eliminate the public art requirement for underground ratepayer-funded capital projects. (City Auditor)

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The Status of Open Audit Recommendations as of December 31, 2017 (Cont'd)

(b)Close out the City Auditor’s recommendation that the City Council amend the public art ordinance to eliminate the public art requirement for “The Administration should consider recommending that certain ratepayer-funded capital projects, including those related to underground utilities or the wastewater treatment process.”

(City Manager)

CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

Approved as recommended, including the Memorandum from Mayor Liccardo to accept staff recommendation and the recommendation of Vice-Mayor Carrasco and Councilmembers Rocha and Peralez to drop the recommendation from the 2012 Audit of Environmental Services to eliminate the public art requirement for underground ratepayer-funded capital projects. 2. Defer acceptance of the status report of Open Audit Recommendations for sixty (60) days. 3. Direct the City Manager to meet with the City Auditor to jointly develop a priority list of the top three key audit recommendations in each of the following four categories of benefits: budgetary savings/revenue generation, operational efficiency, improved services, and risk mitigation—and reset target dates in accordance with the new priority list: (a). When staff returns to Council within sixty (60) days with the list for Council adoption, Council may resolve any disagreement that the City Auditor and City Manager may have about those priorities. (b). Future annual reports regarding remaining open audit recommendations shall prominently describe the progress of the City in addressing these priorities, and submit new recommendations to supplant completed priorities. (c). Periodic reports to the Rules Committee may also include a discussion of progress on key priorities, as the City Auditor deems appropriate.

4. COMMUNITY & ECONOMIC DEVELOPMENT

Adopt a resolution to:

(a) Reaffirm the previously adopted Council Policy Number 1-16 entitled: “Issuance of Multifamily Housing Revenue Bonds”;

(b)Approve Post-Issuance Compliance Policies for Tax Exempt Multifamily Bonds in order to comply with the California Debt Limit Allocation Committee (“CDLAC”) Regulation 5031(c) and authorize the Directors of Housing and Finance to submit updates to the Guidelines to CDLAC without additional Council action; and

(c)Authorize the Director of Housing and Director of Finance, or respective designees, to take any and all necessary actions to execute, amend (including administrative procedures as needed from time to time), and deliver all documents relating to the issuance, reporting, and compliance monitoring of new and existing Multifamily Housing Revenue Bonds issued by the City of San José, to remain in compliance with CDLAC or other appropriate regulatory agencies.

CEQA: Not a Project, 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. (Housing/Finance)

Resolution No. 78538 Adopted

5. NEIGHBORHOOD SERVICES

5.1 18-364

Adopt a resolution to:

(a) Authorize the City Manager, or designee, to submit a grant application in an aggregate amount up to \$1,000,000 to Santa Clara County for the All-Inclusive Playground Grant for Alum Rock Park; and

(b) Authorize the City Manager, or designee, to submit, negotiate and execute agreements with Santa Clara County for All-Inclusive Playground Grants for Emma Prusch Farm Park in an amount not to exceed \$2,000,000, Lincoln Glen Park in an amount not to exceed \$1,000,000, and Alum Rock Park in an amount not to exceed \$1,000,000. CEQA: Exempt, File No. PP18-022 and PP18-023, CEQA Guidelines Section 15301, Existing Facilities. Council Districts 5 and 6.

(Parks, Recreation and Neighborhood Services)

Resolution No. 78539 Adopted

6. TRANSPORTATION & AVIATION SERVICES

6.1 18-385

Accept the report on San José's Complete Streets Design Guidelines and adopt a resolution to:

(a) Adopt the San José Complete Streets Design Guidelines that will serve as the official street design guide to be used by staff in the design of San José streets for all roadway users;

(b) Adopt Complete Streets principles, implementation methods, and exceptions as required by the Valley Transportation Authority (VTA) to be eligible to receive VTA 2016 Measure B funding; and

(c) Endorse the National Association of City Transportation Officials' (NACTO) Design Guidance, which serves as a model for the City's Complete Streets Guidelines.

CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Transportation) [Transportation and Environment Committee referral 2/5/18 - Item (d)1]

Deferred to 5/1/18 per Administration

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 18-349

Approve the Professional Services Agreement for Wholesale Energy Services with Northern California Power Authority for San José Clean Energy for a period of two years and five months from the date of execution in an amount not to exceed \$1,400,000 and up to two one-year agreement extension options, each for an additional \$655,452 and \$668,561 in the third and fourth year respectively for a total contract amount not to exceed \$2,725,000 subject to appropriation of funds in 2018-2019 and subsequent fiscal years.

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

Resolution No. 78540 Adopted

8. PUBLIC SAFETY

9. REDEVELOPMENT – SUCCESSOR AGENCY

• Open Forum

1. Mark Trout offered comments on being positive and encouraging.
2. Blair Beekman offered comments about being hopeful for what 2018 can be and about technology.

• Council recessed until 6:00 p.m.

10. LAND USE

10.1 Land Use on Consent Calendar

- (a) **18-363** Consideration of an ordinance of the City of San José rezoning an approximately 0.3 gross acre site located at 375 and 383 South Baywood Avenue from the CG Commercial General Zoning District to the CP Commercial Pedestrian Zoning District. CEQA: Determination of Consistency with Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041), Supplemental EIR to the Envision San José 2040 General Plan Program EIR (Resolution No. 77517), and Addenda thereto. Director of Planning, Building and Code Enforcement recommends approval. (Planning, Building and Code Enforcement)
C18-001 - Council District 6
Ordinance No. 30082 passed for publication.

END OF CONSENT CALENDAR

10 Land Use - Regular Agenda

- 10.2 18-362** (a) Adopt a resolution adopting the Race Street and Grand Avenue Residential Development Project Mitigated Negative Declaration, for which an Initial Study was prepared, all in accordance with the California Environmental Quality Act, as amended (CEQA), and adopting a related Mitigation Monitoring and Reporting Program.
Resolution No. 78541 Adopted
- (b) Consideration of an ordinance of the City of San José rezoning an approximately 2.3-gross acre site located between Race Street and Grand Avenue, 300 feet southerly of Park Avenue (237-253 Race Street & 216-280 Grand Avenue) from the A(PD) Planned Development to the R-M(PD) Planned Development Zoning District to allow up to 206 dwelling units located in one six-story multi-family residential building and one five-story multi-family residential building (Race Street Investments LLC, Owner). CEQA: Initial Study/Mitigated Negative Declaration and Environmental Assessment for the Race and Grand Residential Project. Planning Commission recommends approval (6-0-1, Ballard absent). (Planning, Building and Code Enforcement)
PDC17-019 - Council District 6
Ordinance No. 30083 passed for publication, including approval of the

memorandum from Councilmember Davis to approve recommendations (a) and (b) as outlined in the staff report dated 3/14/18 [(a) adopt a resolution adopting Race Street and Grand Avenue Residential Development Project Mitigated Negative Declaration, for which an Initial Study was prepared, all in accordance with the California Environmental Quality Act, as amended (CEQA), and adopting a related Mitigation Monitoring and Reporting Program; and (b) adopt a Rezoning Ordinance as described in the attached staff report.], the unanimous recommendation of the Planning Commission, and the recommendations associated with the amended Development Standards as outlined in the supplemental staff report dated 3/27/18, regarding the PD rezoning at Race Street and Grand Avenue. [The Development Standards to require a minimum of 2,000 square feet of ground floor commercial space. The commercial uses shall be consistent with the CP Commercial Pedestrian and CN Commercial Neighborhood Zoning Districts. Active ground floor uses, such as public or quasi-public community gathering spaces, shall be allowed. The following uses shall be excluded: day care centers, public or private elementary and secondary schools, and church/religious assembly uses.]

- **Open Forum**

There were no speaker's cards from the floor.

- **Adjournment: 6:51 p.m.**

This meeting was adjourned in memory of James Hartle. James passed away on February 9, 2018. James was a Navy man. At the age of 17 he enlisted and spent 4 years on active duty serving in the Marshall Islands, Gilbert Islands, Hong Kong, Vietnam and Korea along with many other locations. After the Navy, James went back to school and got his AA. James was an extremely hard worker. He eventually ended up working as an electrician for many companies including United Technologies testing rockets. During his career James had 2 to 3 jobs to provide for his six children. James believed that "All you need is self-confidence, you got to work, go get it and put it to use." James was a wonderful man who will be missed by his family and friends.