



City Council Meeting SYNOPSIS

Tuesday, May 15, 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

- **Call to Order and Roll Call**

9:40 a.m. - Closed Session, Call to Order in Council Chambers

Absent Councilmembers: Jimenez, Peralez, Diep. (Excused)

1:32 p.m. - Regular Session, Council Chambers, City Hall

Absent Councilmembers: Peralez, Diep. (Excused)

4:19 p.m.- Joint Meeting of the San José City Council and the Retirement Boards, W118-120, City Hall

Absent Councilmembers: Peralez, Diep, Rocha. (Excused)

- **Invocation (District 5)**

As keepers of tradition and ceremony within their respective communities, Corina Herrera-Loera and Gerardo Loera performed a ceremony and provided awareness of our Nation's first people, a tribute to Indigenous cultures living life with intention while healing generations of the past-present-and-future.

- **Pledge of Allegiance**

Mayor Sam Liccardo led the Pledge of Allegiance.

- **Orders of the Day**

The Orders of the Day and the Amended Agenda were approved.

- **Closed Session Report**

City Attorney Richard Doyle

1. CEREMONIAL ITEMS

- 1.1** Mayor Liccardo presented a proclamation recognizing May 11-18, 2018 as Affordable Housing Week in the City of San José. (Mayor)
- 1.2** Mayor Liccardo and Councilmember Johnny Khamis presented a proclamation to honor and recognize May 2018 as Older Persons Month. (Khamis)
- 1.3** Mayor Liccardo and Councilmember Sylvia Arenas presented a proclamation recognizing May 2018 as Mental Health Awareness Month in the City of San José. (Arenas)

2. CONSENT CALENDAR

2.1 18-675 Approval of City Council Minutes.

(a) Regular City Council Meeting Minutes of January 23, 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.
Approved. (9-0-2. Absent: Peralez, Diep.)

2.2 18-671 Final Adoption of Ordinances.

(a) ORD NO. 30092 - An ordinance of the City of San José amending Sections 2.08.080, 2.08.090, 2.08.130, and 2.08.150 of Chapter 2.08 of Title 2 of the San José Municipal Code relating to the establishment of the Voluntary Employees Beneficiary Association Advisory Committee.

CEQA: Not a Project, File No. PP17-008, General Procedure & Policy Making resulting in no changes to the physical environment.

Adopted. (9-0-2. Absent: Peralez, Diep.)

(b) ORD NO. 30093 - An ordinance of the council of the City of San José dedicating as public right-of-way approximately 6,483 square feet of the City-owned property at the northernmost terminus of 21st Street.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities, File No. PP18-049.

Adopted. (9-0-2. Absent: Peralez, Diep.)

(c) ORD NO. 30096 - An ordinance of the City of San José amending Chapter 17.38 of Title 17 of the San Jose Municipal Code to establish mandatory registration of vacant or abandoned buildings and storefronts in downtown.

CEQA: Not a Project, File No. PP17-008, General Procedure & Policy Making resulting in no changes to the physical environment.

Adopted. (9-0-2. Absent: Peralez, Diep.)

(d) ORD. NO. 30099 - An ordinance of the City of San José adding a new chapter 20.190 to Title 20 of the San Jose Municipal Code and amending Section 5.08.450 of Chapter 5.08 of Title 5 of the San José Municipal Code to implement California Government Code Sections 695615 Et. Seq. (State Housing Density Bonuses and Incentives Law) and provide affordable housing incentives consistent with the San José General Plan.

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, and does not involve new significant impacts beyond those analyzed in the aforementioned documents.

(e) ORD. NO. 30100 - An ordinance of the City of San José amending various sections in Titles 9,11,17, and 19 and adding a new chapter 13.05 to Title 13 of the San José Municipal Code to implement the San José Complete Streets Design Standards and Guidelines.

2.2 18-671 Final Adoption of Ordinances (Cont'd.)

CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program Environmental Impact Report (EIR) (Resolution No. 76041) and the Envision San José General Plan Supplemental EIR (Resolution No. 77617), and Addenda thereto, and does not involve new significant impacts beyond those analyzed in the aforementioned documents.

Adopted. (9-0-2. Absent: Peralez, Diep.)

(f) ORD. NO. 30089 - An ordinance of the City of San José amending Part 12 to Chapter 17.23 of Title 17 of the San José Municipal Code to add a criminal activity cause for eviction and to add protection from retaliation related to immigration status.

CEQA: Not a Project, File No. PP17-008, General Procedure & Policy Making resulting in no changes to the physical environment.

Deferred from 5/8/18 Item 2.2 to 5/15/18

Adopted. (9-0-2. Absent: Peralez, Diep.)

2.3 18-637 Approval of Council Committee Minutes.

(a) Ad-Hoc Committee for Development Service Minutes of March 23, 2017. (Davis)

(b) Ad-Hoc Committee for Development Service Minutes of April 27, 2017. (Davis)

(c) Smart Cities and Service Improvements Committee Minutes of May 4, 2017. (Jones)

(d) Ad-Hoc Committee for Development Service Minutes of May 25, 2017. (Davis)

(e) Smart Cities and Service Improvements Committee Minutes of June 1, 2017. (Jones)

(f) Rules and Open Government Committee Minutes of June 14, 2017. (Mayor)

(g) Rules and Open Government Committee Minutes of June 21, 2017. (Mayor)

(h) Public Safety, Finance and Strategic Support Committee Minutes of August 17, 2017. (Peralez)

(i) Community and Economic Development Committee Minutes of August 28, 2017. (Khamis)

(j) Rules and Open Government Committee Minutes of November 1, 2017. (Mayor)

(k) Rules and Open Government Committee Minutes of November 8, 2017. (Mayor)

(l) Rules and Open Government Committee Minutes of November 15, 2017. (Mayor)

(m) Rules In-Lieu Meeting Minutes of November 21, 2017. (Mayor)

(n) Rules and Open Government Committee Minutes of November 29, 2017. (Mayor)

(Item Continued on the Next Page)

2.3 18-637 Approval of Council Committee Minutes (Cont'd.)

(o) Ad-Hoc Committee for Development Service Minutes of November 30, 2017. (Davis)

(p) Rules and Open Government Committee Minutes of December 6, 2017. (Mayor)

(q) Smart Cities and Service Improvements Committee Minutes of December 7, 2017. (Jones)

(r) Neighborhood Services and Education Committee Minutes of December 14, 2017. (Rocha)

(s) Rules In-Lieu Meeting Minutes of December 20, 2017. (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. (9-0-2. Absent: Peralez, Diep.)

2.4 18-709 Mayor and Council Excused Absence.

Request for a retroactive excused absence for Councilmember Sergio Jimenez from the Special Council Meeting on Citywide Education and Digital Literacy Strategy and the Regular Meeting of the Transportation and Environment Committee on May 7, 2018 due to illness.

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

[Rules Committee referral 5/9/18 - Item A.1.a]

Approved. (9-0-2. Absent: Peralez, Diep.)

2.5 City Council Travel Reports.

Councilmember Johnny Khamis discussed his recent trip to Saudia Arabia to attend the Global Ventures Summit, offered clarification and discussed the importance of learning more about the Saudi culture and their business relationship with the United States. (8-0-3. Absent: Diep, Peralez, Rocha.)

2.6 Report from the Council Liaison to the Retirement Boards.

None provided.

2.7 18-664 Ordinance Modifying the Definition of Compensation to Exclude Non-Pensionable Wage Increases for the Federated City Employees' Retirement System.

Approve an ordinance amending Section 3.28.030.05 of Chapter 3.28 of Title 3 of the San José Municipal Code to modify the definition of "Compensation" to exclude non-pensionable wage increases in the Federated Employees Retirement Plan.

CEQA: Not a Project, File No. PP17-008, General Procedure & Policy Making resulting in no changes to the physical environment. (City Manager)

Ordinance No. 30101 passed for publication.
(9-0-2. Absent: Peralez, Diep.)

2.8 18-631 Agreement with Magical Bridge Foundation for the Emma Prusch Farm Park All-Inclusive Playground Grant Project.

Adopt a resolution authorizing the City Manager to:

- (a) Negotiate and execute an Agreement with Magical Bridge Foundation to provide consulting design services and fundraising for a new all-inclusive play area at Emma Prusch Farm Park. The park's improvements will include new universally-accessible play equipment to replace existing equipment, new restrooms, and related improvements; and
- (b) Submit a grant application and, if awarded, negotiate, and execute a grant agreement with the Santa Clara County Open Space Authority for an amount up to \$600,000 in funding to plan, design, and construct a new all-inclusive play area at Emma Prusch Farm Park.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities, File No. PP18-022. (Parks, Recreation and Neighborhood Services)
Deferred from 5/15/18 Item 2.8 to 6/12/18 per Administration.

2.9 18-577 Actions Related to the Vacation of a Setback Easement Located at 4940 Gattuccio Drive.

- (a) Adopt a resolution of intention to vacate the 25-foot and 12.5-foot light and air easements located at 4940 Gattuccio Drive.
- (b) Set a Public Hearing on Tuesday, June 19, 2018, at 1:30 p.m., for consideration of the vacation.
- (c) Direct the City Clerk to file the vacation map and advertise said public hearing.

CEQA: Categorically Exempt, CEQA Guidelines Section 15305, Minor Alterations in Land Use Limitation, File No. PP18-039. Council District 9. (Public Works)

Resolution No. 78582 adopted.
(9-0-2. Absent: Peralez, Diep.)

2.10 18-670 Retiree Representative Appointment to the Board of Administration for Federated City Employees' Retirement System.

Appoint Lawrence Jay Castellano as the Retiree Representative to the Board of Administration for Federated City Employees' Retirement System for the term ending November 30, 2020.

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

Lawrence Jay Castellano appointed to the Board of Administration for Federated City Employees' Retirement System for the term ending November 30, 2020.

(7-1-3. Noes: Khamis. Absent: Carrasco, Peralez, Diep.)

2.11 18-665

Retroactive Approval and Approval of Community Events Sponsored By Council District 7 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Event.

As recommended by the Rules and Open Government Committee on May 2, 2018:

- (a) Retroactively approve the Meet and Greet with Tuscan Hills HOA on Saturday, April 28, 2018 at Viera Park as a City Council Sponsored Special Event and approve the expenditure of funds.
- (b) Retroactively approve the Clean Up With Tam on Saturday, April 28, 2018 at College Connection Academy at Yerba Buena High School as a City Council Sponsored Special Event and approve the expenditure of funds;
- (c) Approve the following District 7 events as City Council sponsored Special Events and approve the expenditure of funds:
 - (1) Ice Cream Social at Casa Real Apartments on Thursday, May 3, 2018 at Casa Real Apartments;
 - (2) Cinco De Mayo at Santee on Friday, May 4, 2018 at Franklin McKinley Children's Initiative;
 - (3) District 7 Youth Commission Appreciation BBQ on Sunday, May 6, 2018 at Emma Prusch Farm Park;
 - (4) Clean Up With Tam on Saturday, June 23, 2018 at Fontaine Road Neighborhood;
 - (5) Dump Your Junk on Saturday, August 18, 2018 at Windmill Springs Elementary School;
 - (6) Dump Your Junk on Saturday, September 29, 2018 at Dahl Elementary School; and
 - (7) 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. (Nguyen)

[Rules Committee referral 5/2/18 - Item G.1.a]

Approved. (9-0-2. Absent: Peralez, Diep.)

2.12 18-616

Annual Status Reports on the Safe Neighborhood Parks and Recreation Bond Projects, and the Branch Library Bond Projects for FY 2016-2017.

Recommendation:

Accept the Fiscal Year 2016-2017 Safe Neighborhood Parks and Recreation Bond Projects and the Branch Library Bond Projects audit reports.

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

Deferred from 5/8/18 Item 2.8 to 5/15/18 Item 2.12 Per Administration.

Accepted. (9-0-2. Absent: Peralez, Diep.)

2.13 18-624 Actions Related to the 2016-2017 Annual Development In-Lieu Fee Report.

Recommendation:

Adopt a resolution:

- (a) Accepting the Fiscal Year 2016-2017 Annual Development In-Lieu Fee Report regarding in-lieu fees collected by the City from developers in lieu of construction of public improvements; and
- (b) Making certain findings as required by Government Code Section 66001 (d) (1). CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Public Works)

Renumbered from Item 3.4

Resolution No. 78583 adopted.

(7-0-4. Absent: Diep, Peralez, Khamis, Rocha.)

2.14 18-711 Retroactive Approval of D1 Decides Participatory Budgeting Voting Day Sponsored By Council District 1 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Event.

As recommended by the Rules and Open Government Committee on May 9, 2018:

- (a) Retroactively approve the D1 Decides Voting Day scheduled on May 14, 2018 as a

City Council sponsored Special Event and approve the expenditure of funds.

- (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. (Jones)

[Rules Committee referral 5/9/18 - Item G.1.c]

Approved. (9-0-2. Absent: Peralez, Diep.)

2.15 18-710 Retroactive Approval of Silver Leaf Neighborhood Dumpster Day and Approval of Additional Events Sponsored By Council District 2 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Events.

As recommended by the Rules and Open Government Committee on May 9, 2018:

- (a) Retroactively approve the Silver Leaf Neighborhood Dumpster Day scheduled on

May 5, 2018 as a City Council sponsored Special Event and approve the expenditure of funds.

- (b) Approve the Roundtable Neighborhood Dumpster Day scheduled on May 19, 2018 as a City Council sponsored Special Event and approve the expenditure of funds.

(Item continued on the next page)

2.15 (Cont'd.)

(c) Approval of the District 2 Spring Fling Resource Fair scheduled for June 2, 2018 as a City Council sponsored Special Event and approve the expenditure of funds.

(d) Approve the District 2 Village Fest scheduled on June 23, 2018 as a City Council sponsored Special Event, approve the expenditure of funds and approve the purchase of gift cards and other items as raffle prizes.

(e) 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. (Jimenez)

[Rules Committee referral 5/9/18 - Item G.1.d]

Approved.

Approved. (9-0-2. Absent: Peralez, Diep.)

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 18-636

Public Hearing on the Proposed Operating and Capital Budgets and the Proposed Fees and Charges Report for Fiscal Year 2018-2019.

Recommendation:

Conduct a Public Hearing on the City's Proposed Operating and Capital Budgets for the Fiscal Year 2018-2019, the Proposed Five-Year Capital Improvement Program for 2019-2023, and the Proposed Fees and Charges Report for the Fiscal Year 2018-2019.

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

Public hearing held. No speakers.

Item Continued. (7-0-4. Absent: Peralez, Diep, Khamis, Rocha.)

3.4 18-624

Actions Related to the 2016-2017 Annual Development In-Lieu Fee Report.
Renumbered to Item 2.13

4. COMMUNITY & ECONOMIC DEVELOPMENT

5. NEIGHBORHOOD SERVICES

6. TRANSPORTATION & AVIATION SERVICES

6.1 18-632 Award of a Construction Contract for the 2018 Street Sealing Project.

(a) Approve award of a construction contract for the 2018 Street Sealing Project to the low bidder, Pavement Coatings Co., in the amount of \$10,495,286.

(b) Approve a 5% contingency in the amount of \$524,764.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities, File No. PP14-069. (Transportation)

Approved.

Approved. (9-0-2. Absent: Peralez, Diep.)

7. ENVIRONMENTAL & UTILITY SERVICES

8. PUBLIC SAFETY

9. REDEVELOPMENT – SUCCESSOR AGENCY

The Meeting of the Successor Agency to the Redevelopment Agency of the City of San José was Convened at 3:12 P.M.

9.1 18-633 Termination of the Retirement Plans of the Former Redevelopment Agency of the City of San Jose.

Board of the Successor Agency to the Redevelopment Agency adopt the following resolutions:

(a) Authorizing the termination of the Redevelopment Agency of the City of San Jose Retirement Plan and Trust Agreement (the “401(a) Plan”) effective June 30, 2018 and authorizing the Executive Officer to execute all future instruments related to the termination of the 401(a) Plan.

Successor Agency Resolution No. 7071 adopted.

(8-0-3. Absent: Carrasco, Diep, Peralez.)

(b) Authorizing the termination of the Redevelopment Agency of the City of San Jose 457 Public Employee Deferred Compensation Plan (the “457 Plan”) effective June 30, 2018 and authorizing the Executive Officer to execute all future instruments related to the termination of the 457 Plan.

Successor Agency Resolution No. 7072 adopted.

(8-0-3. Absent: Carrasco, Diep, Peralez.)

(c) Authorizing the termination of the Redevelopment Agency of the City of San Jose Retirement Plan and Trust Agreement (the “Group Variable Annuity Contract”) effective June 30, 2018 and authorizing the Executive Officer to execute all future instruments related to the termination of the Group Variable Annuity Contract.

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

Successor Agency Resolution No. 7073 adopted.

(8-0-3. Absent: Carrasco, Diep, Peralez.)

9.2 18-646 Approval of the Purchase and Sale Agreement for Property Located at 525 South Market Street.

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 the County of Santa Clara as buyer to allow the sale of 525 South Market Street for a purchase price of \$2,635,000.

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

Approved.

(6-3-2. Noes: Davis, Jimenez, Khamis. Absent: Diep, Peralez.)

9.3 18-647

Approval of the Purchase and Sale Agreement for Property Located at 490 South First Street.

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 San Jose Stage Company as buyer to allow the sale of 490 South First Street for a purchase price of \$2,300,000.

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

Approved, including the memorandum from Councilmember Raul Peralez, dated May 11, 2018, approving staff recommendations. (9-0-2. Absent: Diep, Peralez.)

The Meeting of the Successor Agency to the Redevelopment Agency of the City of San José was Adjourned at 3:55 p.m.

10. LAND USE

10.1 Land Use on Consent Calendar

No Land Use items on Consent Calendar.

10. Land Use - Regular Agenda

No Land Use items

OPEN FORUM

- 1. Blair Beekman offered comments regarding Bigbelly smart waste & recycling system.**
- 2. J. Perez, L.R.O.N. Chairman and CEO urged support resurfacing San José City streets.**

ADJOURNMENT

The Meeting of the City Council was adjourned at 4 p.m. to a Joint Meeting of the City of San José City Council and the Retirement Board, in City Hall, Wing 118-120.

**JOINT MEETING OF THE CITY OF SAN JOSE CITY COUNCIL AND THE FINANCING
AUTHORITY AGENDA**

TUESDAY, MAY 15, 2018

The Joint Meeting was called to order at 3:56 p.m.

**18-634 Actions Related to the City of San José Financing Authority Lease Revenue
Bonds, Series 2008CD - Hayes Mansion Refunding Project.**

Recommendation: (a) City Council adopt a resolution approving and authorizing the negotiation, execution, and delivery of a Second Amendment to the Continuing Covenant Agreement with U.S. Bank National Association relating to the City of San José Financing Authority Lease Revenue Bonds, Series 2008C (Hayes Mansion Refunding Project) and the City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2008D (Hayes Mansion Refunding Project), and authorizing other related actions.

**Resolution No. 78584 adopted.
(9-0-2. Absent: Diep, Peralez.)**

(b) City of San José Financing Board adopt a resolution approving and authorizing the negotiation, execution, and delivery of a Second Amendment to the Continuing Covenant Agreement with U.S. Bank National Association relating to the City of San José Financing Authority Lease Revenue Bonds, Series 2008C (Hayes Mansion Refunding Project) and the City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2008D (Hayes Mansion Refunding Project), approving and authorizing the execution and delivery of a Fourth Amendment to the Amended and Restated Indenture of Trust, and authorizing other related actions.

**San José Financing Authority Resolution No. 142.
(9-0-2. Absent: Diep, Peralez.)**

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

The Joint Meeting of the City Council and the Financing Authority was adjourned at 4 p.m.; the Meeting of the City Council was reconvened, then adjourned to a Joint Meeting with the Retirement Board.

JOINT MEETING OF THE CITY OF SAN JOSE CITY COUNCIL AND THE RETIREMENT BOARDS AGENDA

The Joint Meeting was called to order at 4:19 p.m.

18-635 STUDY SESSION PRESENTATION: Joint Meeting of the San José City Council and Retirement Boards.

Recommendation: (a) Accept the staff presentation on the role of the Retirement Boards and Council, investment strategy of the Boards, and investment risk tolerance.
 (b) Discuss the role of the Retirements Boards and City Council, investment strategy, and the level of risk tolerance expected in the Boards' investment strategy.
 CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Retirement Services)
 The staff presentation was accepted.

The Joint Meeting of the City Council and the Retirement Board was adjourned at 6:03 p.m.