



MINUTES OF THE COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

SAN JOSE, CALIFORNIA

MONDAY, APRIL 26, 2021

Consistent with the California Governor's Executive Order No. N-29-20, Resolution No. 79450 from the City of San José and the Santa Clara County Health Officer's March 16, 2020 Shelter in Place Order, the City Council meeting was not physically open to the public. Public comments were accepted via eComment, email, by phone/Webinar or online.

The Community and Economic Development Committee of the City of San Jose was teleconferenced from remote locations and convened at 1:30 p.m.

Present: Councilmembers - Foley, Esparza, Mahan, Peralez, Carrasco.

Absent: Councilmembers - All Present.

Staff: Office of the City Manager, Rosalynn Hughey; City Attorney Office, Johnny Phan; City Clerk, Toni Taber; Mayor's Office, Kelly Kline; and City Clerk's Office, Yasmin Johnson.

B. Review of Work Plan

- 1. City Council Policy Priority # 8 (re-prioritized as City Roadmap Backlog #22): Cannabis Equity Application Program Status Report. (Economic Development)**
- 2. City Council Policy Priority #4 (now on the un-numbered City Roadmap Priorities): Soft Story Retrofit Program Status Report. (Planning, Building and Code Enforcement)**
- 3. Moderate-Income Housing Strategy Report. (Housing)**

DROPPED.

C. Consent Calendar

None provided.

D. Reports to Committee

1. Economic Development Activities Verbal Update. (Economic Development)

Public Comments: Blair Beekman spoke on COVID-19 cases increasing, the vaccination process, and the next stages moving forward for San José.

Public Information Manager, Office of Economic Development, Elisabeth Handler offered the verbal update.

Action: Upon motion by Councilmember Matt Mahan, seconded by Councilmember Raul Peralez and carried unanimously, the Committee accepted the brief verbal update on recent announcements, significant accomplishments, and upcoming events related to economic development. (5-0.)

2. Real Estate Services Audit. (City Auditor)

Public Comments: (1) Caller ‘5140’ spoke on electricity, natural gases, mass transit, urban villages, and parking issues. (2) Blair Beekman spoke to urban villages and mixed-income housing ideas.

Division Manager, Planning, Building and Code Enforcement Department, Jared Hart offered the presentation.

Action: Upon motion by Councilmember Maya Esparza, seconded by Councilmember Matt Mahan and carried unanimously, the Committee accepted the status report on the Planning Division’s Citywide Planning activities. (5-0.)

3. 2020-2021 City Council Policy Priority #7: Review of Cannabis Land Use and Regulatory Provisions Status Report. (Police/Planning, Building and Code Enforcement)

Public Comments: (1) Caller ‘5140’ spoke on arrests relating to marijuana and permits. (2) Hirsh Jain, representing Caliva, one of the sixteen cannabis retailers in the city, stated that relocating due to rezoning would boost the city’s tax receipts in a positive way. (3) Dan Georgatos, Director, Chief Legal Officer, representing the Purple Lotus cannabis retailer stated that they support the efforts to have five equity applicants in the city. (4) Michael, owner of the White Fire Dispensary in San José spoke to state regulation setbacks, vacancy rates, rezoning, expanding the footprint, and social equity. (5) Fernando E. Alvarez, founder of VaporTent Lounges, spoke to economic development issues, land use discussions, cannabis tourism, and advocated for social consumption policies in San José.

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D. 3 (Cont'd.)

(6) Sean Kali-Rai, a representative for Cannabis Clients, thanked Wendy, Martina, and the staff at their departments for their time, communication, and availability to help answer any questions he had.

San José Police Department Division Manager, Wendy Sollazzi; San José Police Department Deputy Chief, David Tindall; and Planning, Building and Code Enforcement Planner, Martina Davis offered the presentation.

Action: Upon motion by Councilmember Raul Peralez, seconded by Councilmember Maya Esparza and carried unanimously, the Committee accepted the progress update on Fiscal Year 2020-2021 City Council Policy Priority #7: Review of Cannabis Land Use and Regulatory Provisions, including further analysis of current cannabis businesses to obtain a second retail license to open a second location, assessing modifying the audit requirement for cannabis businesses, for staff to report back to the Committee for further discussion on their analysis of the Committee's recommendations on cannabis manufacturing, distribution, testing business registration; to also include further analysis on setbacks of 1,000 feet in sensitive areas, 150 feet setbacks from residential use, alignment of other setbacks with California's Guidelines, a separate review on Downtown San José locations, consideration of prohibiting new cannabis retail storefronts from opening in police beats with crime reports 20% above the average of reported crimes, and the five new businesses that qualify under the equity plan. (5-0.)

4. **2020-2021 City Council Policy Priority #1 (re-prioritized as City Roadmap Backlog #4): Local Hiring/Local Business/Apprentice Utilization Program Status Report. (Public Works)**

Public Comments: (1) Caller '5140' spoke on the city's budget and wage increases for restaurant workers. (2) Blair Beekman spoke to connections in the current efforts being done and ideas on sustainability.

Director of Public Works, Matt Cano; Public Works Division Manager, Christopher Hickey; and Stanford Fellow, Sebastian Green offered the presentation.

Action: Upon motion by Councilmember Maya Esparza, seconded by Councilmember Raul Peralez and carried unanimously, the Committee accepted and provided feedback on the report regarding local worker participation on City of San José Public Works projects. The City Council re-prioritized this item from the 2020-2021 City Council Policy Priority #1 to City Roadmap Backlog #4, to include that staff look into developing an equity lense. (5-0.)

Open Forum

1. Blair Beekman thanked staff for publishing the letters from the public, spoke on earthquake preparation, and equity.
2. Caller '5140' spoke on the selling of marijuana, code enforcement, and the building on Hillsdale Ave that caught on fire.

Adjournment

Councilmember Pam Foley adjourned the Committee meeting at 4:37 p.m.

Approved at the 6/29/21 Council Meeting

Councilmember Pam Foley, Chair
Community and Economic Development Committee

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