



City Council Meeting SYNOPSIS

**Tuesday, August 31, 2021
1:30 PM**

**Hybrid Meeting - Council Chambers and Virtually -
<https://sanjoseca.zoom.us/j/93052835954>**

SAM LICCARDO, MAYOR
CHAPPIE JONES, VICE MAYOR, DISTRICT 1
SERGIO JIMENEZ, DISTRICT 2
RAUL PERALEZ, DISTRICT 3
DAVID COHEN, DISTRICT 4
MAGDALENA CARRASCO, DISTRICT 5
DEV DAVIS, DISTRICT 6
MAYA ESPARZA, DISTRICT 7
SYLVIA ARENAS, DISTRICT 8
PAM FOLEY, DISTRICT 9
MATT MAHAN, DISTRICT 10



- **Call to Order and Roll Call**

9:30 a.m. - Closed Session – All Present.

1:30 p.m. - Regular Session – All Present. (Remote: Carrasco.)

- **Pledge of Allegiance**

Mayor Sam Liccardo led the Pledge of Allegiance.

- **Invocation (District 7)**

Councilmember Maya Esparza honored and read the names of the 13 service members who lost their lives in the line of duty during the recent attack in Afghanistan and honored all of those who lost their lives. She introduced Pastor Bill McCorquodale, Chaplain for the United Veterans Council of Santa Clara County, who provided the Invocation.

- **Orders of the Day**

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

- **Closed Session Report**

None provided.

1. CEREMONIAL ITEMS

1.1 A Commendation was presented to the PRNS Placemaking Team for connecting people to people, building community pride and transforming parks with positive programming through Viva Parks. (Arenas)

1.2 A Commendation was presented to the PRNS Aquatics Team for their incredible achievement activating our City-operated pools providing positive, family friendly aquatics activities. (Esparza)

2. CONSENT CALENDAR

2.1 Approval of City Council Minutes.

None provided.

2.2 21-1925 Final Adoption of Ordinances.

(a) Ordinance No. 30627 - An Ordinance of the City of San José Adjusting the Deadline to Enact a Redistricting Ordinance as Permitted Under Charter Section 403.

[Passed for Publication on 8/17/2021 - Item 2.7(a) (21-1781)]

(b) Ordinance No. 30650 - An Ordinance of the City of San José Rezoning Certain Real Property of Approximately 0.53 Gross Acre Situated on the Northeast Corner of Story Road and South Jackson Avenue (2305 Story Road (APN: 484-35-022) from the CP Commercial Pedestrian Zoning District to The CN Commercial Neighborhood Zoning District.

[Passed for Publication on 8/17/2021 - Item 10.2(b) (21-1785)]

Action: Ordinance No. 30627 and Ordinance No. 30650 were passed for publication. (11-0.)

2.3 Approval of Council Committee Minutes.

None provided.

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.

None provided.

2.7 21-1788 Biennial Peer Review of the City Auditor's Office.

Approve an Agreement with the Association of Local Government Auditors (ALGA) to perform an audit of the City Auditor's Office for Fiscal Year 2019-20 and FY 2020-21, pursuant to the peer review guidelines of ALGA, in exchange for reimbursement of expenses for the audit team and the provision of reciprocal audit services by the City Auditor's Office. CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (City Auditor)

Action: The Biennial Peer Review of the City Auditor's Office was accepted. (11-0.)

2.8 21-1886

Conditional Summary Vacation, Declaration of Surplus, and Sale of a Portion of North Almaden Boulevard. - DEFERRED

(a) Adopt a resolution:

(1) Approving the report of the Director of Public Works setting forth the facts justifying the conditional summary vacation of an approximately 1,381 square foot portion of North Almaden Boulevard located northeast of the North Almaden Boulevard and East Santa Clara Street intersection (“Subject Property”);

(2) Conditionally vacating the Subject Property, which after the satisfaction of the condition, will be superseded by relocation;

(3) After satisfaction of the condition, directing the City Clerk to record a certified copy of the resolution of vacation with the Office of the Recorder, County of Santa Clara; and

(4) Declaring the Subject Property “exempt surplus land” to the needs of the City.

(b) Adopt a resolution authorizing the City Manager, or their designee, to negotiate and execute:

(1) Purchase and Sale Agreement with the adjacent property owners Kenneth S. Tersini and the Kenneth S. Tersini Living Trust for the sale of approximately 674 square feet of conditionally vacated City-owned “exempt surplus property” on a portion of Almaden Boulevard, between N. Almaden Boulevard and W. Santa Clara Street, in accordance with Cal Gov. §54221(f)(1)(B) and San José Municipal Code §4.20.070(A), in exchange for the conditionally vacated 674 square feet and Assessor’s Parcel Number 259-35-055 being voluntarily annexed to the Convention Center Facilities District;

(2) Purchase and Sale Agreement with adjacent property owner Bit Holdings Sixty-Eight, Inc. for the sale of approximately 707 square feet of conditionally vacated City-owned “exempt surplus property” on a portion of Almaden Boulevard, between N. Almaden Boulevard and W. Santa Clara Street, in accordance with to Cal Gov. §54221(f)(1)(B) and San José Municipal Code §4.20.070 in the amount of \$1; and

(3) All other documents necessary to complete the transactions.

CEQA: Supplemental Environmental Impact Report for the Almaden Corner Hotel Project, H18-038. Council District 3. (Economic Development and Cultural Affairs/Public Works)

Deferred to 9/14/2021 per Administration

2.9 21-1891

Retroactive Approval of City Hall Rotunda Free Use for Fire Captain Written Exam on Saturday, August 14, 2021.

Adopt a resolution authorizing retroactive “Free Use” for a written exam held at City Hall on Saturday, August 14, 2021 for the Fire Department, Fire Captain promotional process.

CEQA: Statutorily Exempt, File No. PP17-005, CEQA Guidelines Section 15273, Rates, Tolls, Fares, and Charges, Adjustment to Fees, Rates and Fares without changes to or expansion of services and not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Fire)

(Item Continued on the Next Page)

2.9 (Cont'd.)

Action: **Resolution No. 80196** allowing approval of City Hall Rotunda free use for the Fire Captain Written exam was adopted. (11-0.)

2.10 21-1887 Amendment to the Master Agreement with CMG Landscape Architecture for 8496 - St. James Park Phase I Design Project.

Adopt a resolution authorizing the City Manager to negotiate and execute a Third Amendment to the Master Agreement with CMG Landscape Architecture for St. James Park Phase I Design Project (Master Agreement No. 662484-0) to increase the maximum total compensation by \$1,595,878 from \$1,025,000 to \$2,620,878 and extend the contract duration to December 31, 2022.

CEQA: Environmental Impact Report for the St. James Park Capital Vision and Levitt Pavilion (Resolution No. 79770), File No. PP16-037. (Parks, Recreation and Neighborhood Services).

Action: **Resolution No. 80197** regarding an amendment to the Master Agreement with CMG Landscape Architecture was adopted. (11-0.)

2.11 21-1888 Funding Agreements with Union Pacific Railroad for the Warm Springs Subdivision.

Adopt a resolution authorizing the City Manager to negotiate and execute the Funding Agreements between the City of San José and the Union Pacific Railroad for surface crossing improvements across the rail tracks at certain locations along the Warm Springs Subdivision at an estimated cost to the City of approximately \$410,504 with all work expected to be completed by the end of 2021.

CEQA: Categorically Exempt, File No. PP19-036, CEQA Guidelines Section 15301(c), Existing Facilities. (Transportation)

Action: **Resolution No. 80198** regarding Funding Agreements with Union Pacific Railroad was adopted. (11-0.)

2.12 21-1940 Retroactive Request for Travel for Mayor Liccardo.

As recommended by the Rules and Open Government Committee on August 25, 2021:

Retroactively authorize travel for Mayor Liccardo to attend a meeting with President Joe Biden in Washington, D.C. from July 11 - 13, 2021.

Source of Funds: Mayor's Office Budget.

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

[Rules Committee referral 8/25/2021 - Item G.2]

Action: The retroactive travel request was authorized. (11-0.)

2.13 21-1945 Retroactive Approval of Movie Night Sponsored by Council District 5 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 August 25, 2021:

(a) Retroactively approve the Movie Night Event scheduled on August 20, 2021 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. (Carrasco)

[Rules Committee referral 8/25/2021 - Item G.1.a]

Action: The City Council Sponsored Special Event was retroactively approved. (11-0.)

2.14 21-1952 Retroactive Approval of Community Paint Night Community Event Sponsored by Council District 8 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 August 25, 2021:

(a) Retroactively approve the Community Paint Night scheduled on July 30, 2021 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 8/25/2021 - Item G.1.b]

Action: The City Council Sponsored Special Event was retroactively approved. (11-0.)

2.15 21-1956 VEBA Advisory Committee Appointment.

As recommended by the Rules and Open Government Committee on August 25, 2021, approve the appointment of Carlos Garibay, nominated by the Police Officers' Association as the Police Officers' Association active employee member, to the Voluntary Employees Beneficiary Association (VEBA) Advisory Committee for a partial term beginning September 21, 2021 and ending May 31, 2024.

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

[Rules Committee referral 8/25/2021 - Item F.1.a]

Action: The VEBA Advisory Commitment Appointment of Carlos Garibay was approved. (11-0.)

3. STRATEGIC SUPPORT

3.1 Report of the City Manager, Jennifer Maguire (Verbal Report)

None provided.

3.2 Labor Negotiations Update.

None provided.

3.3 21-1889 Actions Related to Purchase Orders for Concrete Removal and Replacement Services.

Adopt a resolution authorizing the City Manager to:

(a) Execute purchase orders with Duran Construction Group (San José, CA), Golden Bay Construction, Inc. (Hayward, CA), and JJR Construction, Inc. (San Mateo, CA), for the purchase of concrete removal and replacement services for an initial twelve-month period starting on or about September 1, 2021 and ending on or about August 31, 2022, for a cumulative compensation not-to-exceed amount of \$4,450,000;

(b) Approve a contingency of \$445,000 for unanticipated demand for removal and replacement of concrete, subject to the appropriation of funds; and

(c) Exercise up to four additional one-year options to extend the initial term of the purchase orders with the last option year ending on or about August 31, 2026, subject to the annual 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)

Action: **Resolution No. 80199** regarding Actions Related to Purchase Orders for Concrete Removal and Replacement Services was adopted. (11-0.)

3.4 21-1913 Actions Related to Purchase Orders for Citywide Radio Upgrade Assurance Program. - DEFERRED

Adopt a resolution authorizing the City Manager to:

(a) Execute annual purchase orders with Motorola Solutions, Inc. (“Motorola”) (Chicago, IL) for radio equipment and services leveraging a Radio Upgrade Assurance plan under the Agreement between Motorola and the Silicon Valley Regional Interoperability Authority (“SVRIA”) dated June 26, 2020 in an amount not to exceed \$5,743,108 in Fiscal Year 2021-2022 and a ten-year total not to exceed \$11,500,000, including estimated sales tax, beginning on or about August 31, 2021 and ending June 30, 2031, subject to the appropriation of funds; and

(b) Amend purchase orders as required for unanticipated changes in requirements, quantities, and sales tax for a contingency amount not to exceed \$800,000 for the ten-year term, 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).

Deferred to 9/14/2021 per Administration

3.5 21-1941 Amendment to the Hotspot Agreement with AT&T for Connected Devices During COVID-19 Response.

(a) Accept the staff report.

(b) Adopt a resolution authorizing the City Manager to negotiate and execute a Third Amendment to the AT&T Hotspot Agreement to purchase up to 7,860 hotspot devices, 1,500 Chromebooks, and 16,360 lines of service for students and members of the public impacted by COVID-19 for a one-year term not to exceed \$4,600,000, subject to award of federal Emergency Connectivity Funding.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts resulting in no physical changes to the environment. (Library/City Manager) [Rules Committee referral 8/25/2021 - Item A.1.a]

Action: The staff report was accepted, and (b) **Resolution No. 80200** regarding an amendment to the Hotspot Agreement with AT&T was adopted, with direction to staff to identify and include a breakdown by district with the status of their digital program/hotspot usage in order to create a reserve with equitable distribution of devices/hotspot for those in need, with an update to be provided at the September Neighborhood Services and Education Committee and Smart Cities and Service Improvements Committee. (11-0.)

4. PUBLIC SAFETY SERVICES

5. TRANSPORTATION & AVIATION SERVICES

5.1 21-1890 Tax Equity and Fiscal Responsibility Act Hearing with Respect to the Proposed Issuance of One or More Issues of Series B Subordinated Commercial Paper Notes.

(a) Hold a Tax Equity and Fiscal Responsibility Act (“TEFRA”) hearing with respect to the proposed issuance by the City of one or more issues of tax-exempt Series B subordinated commercial paper notes (“Series B Notes”) in an aggregate principal amount not to exceed \$600,000,000 pursuant to a plan of finance in order to provide proceeds to pay or reimburse all or a portion of the costs of acquisition, construction, equipping, financing, reconstruction, development, and modification of airport terminal and ancillary facilities that are included in or are consistent with the Airport Master Plan for the Norman Y. Mineta San José International Airport; and

(b) Adopt a resolution approving, for purposes of Section 147(f) of the Internal Revenue Code of 1986, the issuance of Series B Notes, in an aggregate principal amount together with certain other commercial paper notes not to exceed \$600,000,000 to be issued from time to time, to finance and refinance the Facilities at the Airport described in the Notice of Public Hearing.

CEQA: Environmental Impact Report for Norman Y. Mineta San José International Airport Master Plan (Resolution No. 79497 and SCH#2018102020), File No. PP18-103, and addenda thereto. (Finance/Airport)

5.1 (Cont'd.)

Action: The TEFRA hearing was held, and (b) **Resolution No. 80201** regarding the issuance of Series B Notes was adopted. (11-0.)

6. ENVIRONMENTAL & UTILITY SERVICES

7. NEIGHBORHOOD SERVICES

8. COMMUNITY & ECONOMIC DEVELOPMENT

8.1 21-1892 Allocation of Community Benefit Payment from Google.

(a) Approve staff's recommended funding allocation of the \$3,000,000 community benefit payment from Google as follows:

(1) Outreach to tenants and landlords on the eviction moratorium and rental relief funding in the amount of \$1,250,000;

(2) Capacity building for nonprofit organizations in the amount of \$1,000,000;

(3) Preservation pilot program in the amount of \$500,000; and

(4) Land trust predevelopment work in the amount of \$250,000.

(b) Adopt the following 2021-2022 Funding Sources Resolution and Appropriation Ordinance Amendments in the General Fund:

(1) Increase the estimate for Other Revenue by \$3,000,000; and

(2) Establish the Google Community Benefits City-wide appropriation to the Office of Economic Development and Cultural Affairs in the amount of \$3,000,000.

CEQA: Downtown West Mixed-Use Plan Environmental Impact Report, GP19-009, PDC19-039, PD19-029 (State Clearinghouse # 2019080493, City Council Resolution No 80018). (Economic Development and Cultural Affairs/Housing/City Manager)

Action: Staff's recommended allocation of Community Benefit Payment from Google was accepted; (b) Funding Sources **Resolution No. 80202** and Appropriation **Ordinance No 30653** were adopted. Staff was directed to return with an info memo including specifics on selections regarding the solicitation process and return to the Neighborhood Services and Education Committee (NSE) with the update. (11-0.)

Authorization to Negotiate and Execute Grant Agreements and Grant Amendments for Multiple Homeless Programs in Fiscal Year 2021-2022.

(a) Adopt a resolution authorizing the Director of Housing to negotiate and execute FY 2021-2022 agreements and amendments for the following homeless programs and services:

- (1) Hygiene and Basic Needs Services:
 - (i) Shower and Laundry Program at Grace Baptist Shelter;
 - (ii) Dignity on Wheels Mobile Showers, Laundry and Rest Stop;
 - (iii) UPLIFT Transit Pass Program;
- (2) Homeless Systems Support:
 - (i) Security System at Boccardo Reception Center;
 - (ii) Countywide Centralized Shelter Hotline;
 - (iii) Employment Initiative;
 - (iv) Program and Grant Administration;
- (a) (3) Housing Opportunities:
 - (i) Rapid Rehousing Programs;
 - (ii) Homelessness Prevention System;
 - (iii) Motel Vouchers for Families;
 - (iv) Women in Supported Housing;
 - (v) Permanent Affordable Housing at the SureStay Hotel;
 - (vi) Interim Housing at the Plaza Hotel;
 - (vii) Care Coordination Project; and
 - (viii) Shelter and Housing Support for Homeless Youth.

(b) Adopt the following Appropriation Ordinance Amendments in the General Fund:

- (1) Decrease the Measure E - 10% Homelessness Prevention Reserve appropriation by \$1,000,000; and
- (2) Increase the Measure E - Homelessness Prevention appropriation to the Housing Department by \$1,000,000.

(c) Adopt the following Appropriation Ordinance Amendments in the Homeless Housing, Assistance, and Prevention Fund:

- (1) Decrease the Emergency Shelters appropriation to the Housing Department by \$2,500,000; and
- (2) Establish a Countywide Centralized Shelter Hotline appropriation to the Housing Department in the amount of \$1,500,000; and
- (3) Establish a Homeless Youth appropriation to the Housing Department in the amount of \$1,000,000.

(d) Adopt the following Appropriation Ordinance Amendments in the Multi-Source Housing Fund:

- (1) Decrease Unrestricted Ending Fund Balance by \$200,000; and
- (2) Establish a \$200,000 Crisis Response Interventions appropriation to the Housing Department in the amount of \$200,000.

CEQA: Not a Project, File No. PP17-009, 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. (Housing/City Manager)

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8.2 (Cont'd.)

Action: (a) **Resolution No. 80203** regarding FY 2021-2022 agreements and amendments for homeless programs and services, and (b) Appropriation **Ordinance No 30654**; (c) Appropriation **Ordinance No 30655**; and (d) and Appropriation **Ordinance No 30656** were adopted. (11-0.)

The Council recessed at 5:30 p.m. and returned at 6 p.m. with all members present (Councilmember Magdalena Carrasco continued remotely).

8.3 21-1895 Approval of a Loan Commitment to First Community Housing for the Development of McEvoy Apartments, a New Affordable Apartment Community.

(a) Adopt a resolution:

(1) Approving a total commitment of up to \$20,000,000 in Measure E funding reserved in the General Fund for a Construction-Permanent Loan to First Community Housing, or an affiliated entity, for the McEvoy Apartments, a new affordable development to be located at 280 McEvoy Street, which is being developed to offer 222 rent-and income-restricted apartments for extremely low-income, very low-income, low-income at 80% of Area Median Income households and two unrestricted manager's unit ("Development");

(2) Authorizing the Director of Housing to negotiate and execute loan documents, amendments and all other documents, including any amendments thereto, related to the City financing for the Development; and

(3) Approving a loan-to-value ratio of greater than 100% for this loan.

(b) Adopt the following Appropriation Ordinance Amendments in the General Fund:

(1) Decrease the Measure E - 45% Extremely Low Income Reserve appropriation by \$15,625,000;

(2) Decrease the Measure E - 35% Low Income Reserve appropriation by \$4,375,000;

(3) Establish a Measure E - 45% Extremely Low Income appropriation to the Housing Department in the amount of \$15,625,000; and

(4) Establish a Measure E - 35% Low Income appropriation to the Housing Department in the amount of \$4,375,000.

CEQA: Addendum to the Diridon Station Area Plan Final Environmental Impact Report (SCH#2011092022, Resolution No. 77096), File Nos. GP17-015, C18-034, SP18-059, and T19-017.
(Housing/City Manager)

Action: (a) **Resolution No. 80204** regarding Loan Commitment to First Community Housing for the Development of McEvoy Apartments, and (b) Appropriation **Ordinance No 30657** were adopted. (11-0.)

8.4 21-1894

Approval of a Loan Commitment to Algarve Apartments Development, LP, for the Development of the Algarve (The Dahlia) Development, a New Affordable Apartment Community.

(a) Adopt a resolution:

(1) Approving a total commitment of up to \$10,500,000 in Low and Moderate Income Housing Asset Funds for a Construction-Permanent Loan to Algarve Apartments Development, LP, a California limited partnership, or an affiliated development entity, for the Algarve (also known as The Dahlia) Development, located at 1135 East Santa Clara Street, San José, which is being developed to provide 90 affordable, rent restricted apartments, and one unrestricted manager's home;

(2) Authorizing the loan terms to allow an increase in the Algarve Development's rents and income restrictions up to 60% AMI (low income) for new tenants in subsidized units in the event of expiration or termination of Project Based Vouchers, and for all tenants in the event of foreclosure, to the extent the City has determined such increase is needed for the feasibility of the Algarve Development and allowed by other funds;

(3) Authorizing the Director of Housing to negotiate and execute loan documents and all other documents, including any amendments thereto, related to City financing for Development; and

(4) Approving a loan-to-value ratio of greater than 100% for this loan.

(b) Adopt the following Appropriation Ordinance amendments in the Low-and Moderate-Income Housing Asset Fund:

(1) Decrease the Housing Project Reserve appropriation by \$10,500,000; and

(2) Increase the Housing Loans and Grants appropriation to the Housing Department by \$10,500,000.

CEQA: Exempt per Public Resources Code Section 21080(b)(1) and CEQA Guidelines Section 15369, Ministerial Project pursuant to Government Code Section 65913.4, File No. ER20-109. (Housing/City Manager)

Action: (a) **Resolution No. 80205** regarding Loan Commitment to Algarve Apartments Development, LP for development of the Dahlia Development, and (b) Appropriation **Ordinance No 30658** were adopted. (11-0.)

8.5 21-1896

Approval of a Loan Commitment to ROEM Development Corporation for the Development of 961 Meridian Apartments, a New Affordable Apartment Community. - DROP

(a) Adopt a resolution:

(1) Approving a total commitment of up to \$8,250,000 in Low and Moderate Income Housing Asset Funds and \$6,750,000 in Inclusionary Fee Funds for a Construction-Permanent Loan to ROEM Development Corporation, or an affiliated entity, for the 961 Meridian Apartments, a new affordable development to be located at 961 Meridian Ave, which is being developed to offer 231 rent-and income-restricted apartments for extremely low-income, very low-income, low-income households and two unrestricted manager's units;

(2) Authorizing the Director of Housing to negotiate and execute loan documents, amendments and all other documents, including any amendments thereto, related to the City financing for the Development; and

(3) Approving a loan-to-value ratio of greater than 100% for this loan.

(b) Adopt the following Appropriation Ordinance Amendments in the Low and Moderate Income Housing Asset Fund:

(1) Decrease the Housing Project Reserve appropriation by \$8,250,000; and

(2) Increase the Housing Loans and Grants appropriation to the Housing Department by \$8,250,000.

(c) Adopt the following Appropriation Ordinance Amendments in the Inclusionary Fee Fund:

(1) Decrease the Housing Project Reserve appropriation by \$6,750,000; and

(2) Increase the Housing Loans and Grants appropriation to the Housing Department by \$6,750,000.

CEQA: Environmental Impact Report for the Meridian Apartments Project (SCH#2019050006, Resolution No. 79499), File No. SP19-064. (Housing/City Manager)

ITEM DROPPED

8.6 21-1893

Actions Related to the Affordable Housing Siting Policy.

(a) Accept the staff report regarding the proposed City of San José's Affordable Housing Siting Policy, including an annual report out to the Community and Economic Development City Council Committee, and authorize a plan that is applicable to all housing developments that accept Housing Department funding, based on the distribution of homes as follows:

(1) In Phase One (initial three-year period effective July 1, 2021), 30 percent of affordable homes located in Category 1 neighborhoods, 50 percent in Category 2 neighborhoods, and 20 percent in Category 3 neighborhoods, as shown in the Siting Policy Map;

(2) In Phase Two (after initial three-year period), 60 percent of affordable homes located in Category 1 neighborhoods, 30 percent in Category 2 neighborhoods, and 10 percent in Category 3 neighborhoods; and

(3) Limit funding in high-impacted census block groups where 50 percent or more of existing homes are deed-restricted and the block group contains 200 or more homes.

(b) Adopt a resolution approving the Affordable Housing Siting Policy and the Affordable Housing Siting Policy Map and repealing the former Dispersion Policy under Resolution 67604.

(c) Direct the Housing Department to identify potential nonprofit partners to administer a predevelopment and land acquisition loan program for sites in Category 1 neighborhoods.

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

Heard at 6 p.m.

Action: The staff report related to the Affordable Housing Siting Policy was accepted, and (b) **Resolution No. 80206** approving the Affordable Housing Siting Policy and the Affordable Housing Siting Policy Map and repealing the former Dispersion Policy under Resolution 67604 was adopted, including direction to the Housing Department to identify potential nonprofit partners to administer a predevelopment and land acquisition loan program for sites in Category 1 neighborhoods. Including the motion to include the following:

The joint memorandum from Councilmembers Peralez, Esparza and Jimenez, dated August 27, 2021, directing staff to return with the following:

1. Prior to consideration of the Affordable Housing Siting Policy, an analysis of the Policy that considers, for the purpose of determining Category 3 criteria, crime data disaggregated to the census block group level, and establishes a cut off at the 90th percentile of block groups for defining high violent crime areas.
2. An analysis on the Notification of Funding Availability (NOFA) and readjustment of criteria as necessary to ensure equitable distribution between levels of affordability between Category 1, 2 and 3 neighborhoods at the end of Phase One.

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8.6 (Cont'd.)

3. Direct staff to provide periodic updates to Council demonstrating how work on the Housing Element aligns with the Siting Policy, specifically focusing on sites identified in Category 1 neighborhoods. This analysis should include the likelihood these sites would actually be developed with affordable housing, the appropriateness of each site for Supportive/Special Needs Housing, and the compatibility of the Housing Element with the investment program proposed in the Siting Policy (Phase One and Phase Two).”

Including the memorandum from Councilmember Sylvia Arenas, dated August 30, 2021, with Item 1 to include Recommendation #1 from Councilmember Raul Peralez’ joint memo:

1. Approve Recommendations 2 and 3 from the August 27, 2021 memo from Councilmembers Peralez, Esparza and Jimenez.
2. Approve Recommendations 1, 2, 3, and 4 from the August 27, 2021 memo from Mayor Liccardo, Vice Mayor Jones and Councilmembers Cohen, Foley and Mahan with the addition of:
 - a. “(d) The location of affordable projects in all category neighborhoods that secured funding upon implementation of the Siting Policy” to Recommendation 3.
 - b. “(e) Information regarding which category the project would have been inside based on the criteria proposed in Recommendation 1 of the August 27, 2021 memo from Councilmembers Peralez, Esparza, and Jimenez.”
3. Direct the administration to include a review of Recommendation 5 in the August 27, 2021 memo from Mayor Liccardo and Councilmembers Cohen, Foley and Mahan when they return to Council by June of 2022.
4. Agendize for the September 14th Council Meeting to direct the City Manager to draft a letter from the City Council to the Santa Clara County of Board of Supervisors urging Santa Clara County and the Santa Clara County Housing Authority to consider aligning their funding decisions with the City’s high-level Siting Policy goals.
5. Include an Affordable Housing Siting Policy implementation update in the Assessment of Fair Housing Plan Report, currently scheduled to be heard by the Neighborhood Services and Education Committee in February 2022.

Also including the joint memorandum from Mayor Sam Liccardo, Vice Mayor Chappie Jones and Councilmembers Foley, Cohen and Mahan, dated August 2, 2021, to:

1. Accept staff recommendations for the Affordable Housing Siting Policy.
2. To ensure alignment of siting efforts for affordable projects that leverage public funding, direct staff to engage in conversations with County staff to request formal action at the County in support of the Policy.
3. Direct staff to return to Council no later than the end of June 2022 with initial outcomes from the implementation of the Policy, including but not limited to:
 - a. An update on the status of formal action taken by the County to align their funding guidelines with the Policy;

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8.6 (Cont'd.)

- b. The number of affordable projects and units in the pipeline for all Categories,
- c. The number of affordable projects that were discouraged or disallowed because of the new Policy.
- 4. To aid in the identification of viable sites for affordable housing under the new Policy, direct staff to include in the City's new Housing Site Explorer online mapping tool an overlay with integrated criteria from the Policy.
- 5. Grant the City Manager the authority to override policies and/or administrative barriers to affordable project developments in Category 1 areas on a case-by-case basis.

Additionally, Notification of Funding Availability (NOFA) to use the Gang Prevention Task Force as Category 3, and include analysis allowing exemptions to open up downtown zoning (treating the same as other Category 3 neighborhoods).

(11-0.)

10. LAND USE

10.1 Land Use on Consent Calendar

(a) **21-1898 PDC20-002 - Planned Development Rezoning for Property Located on an Approximately 28.99-gross acre site (2376 South Evergreen Loop).**

(1) Adopt a resolution adopting the Evergreen Circle Rezoning Project Initial Study/Mitigated Negative Declaration and associated Mitigation Monitoring and Reporting Program, in accordance with the California Environmental Quality Act (CEQA).

(2) Approve an ordinance rezoning an approximately 28.99-gross acre site from the A(PD) Planned Development Zoning District to the A(PD) Planned Development Zoning District to increase the allowable commercial square footage from up to 344,000 square feet to up to 370,000 square feet.

CEQA: Mitigated Negative Declaration for Evergreen Circle Rezoning.
(Planning, Building and Code Enforcement)

Heard Immediately After Consent

Action: (1) **Resolution No. 80207** adopting the Evergreen Circle Rezoning Project Initial Study/Mitigated Negative Declaration and associated reporting program was adopted; and (b) **Ordinance No 30659** rezoning the site from the A(PD) Planned Development Zoning District to the A(PD) Planned Development Zoning District was passed for publication. (11-0.)

(b) **21-1899 C21-013, C21-015 & C21-016 - City Initiated Conforming Rezoning to align the Zoning Ordinance with the General Plan.**

Approve an ordinance rezoning 62 certain real properties consisting of 51 properties from the CP Commercial Neighborhood Zoning District to the CIC Combined Industrial/Commercial Zoning District, nine properties from the CP Commercial Pedestrian Zoning District to the LI Light Industrial Zoning District, and two properties from the CN Commercial Neighborhood Zoning District to the IP Industrial Park Zoning District, located in various locations in the City in accordance with Senate Bill 1333.

CEQA: Determination of Consistency with the Envision San José 2040 General Plan EIR (Resolution No. 76041) and the Envision San José General Plan Supplemental EIR (Resolution No. 77617), and Addenda thereto. (Planning, Building and Code Enforcement)

Action: **Ordinance No 30660** regarding City Initiated Conforming Rezoning to align the Zoning Ordinance with the General Plan was passed for publication. (11-0.)

END OF CONSENT CALENDAR

10 Land Use - Regular Agenda

None provided.

OPEN FORUM

1. Robert Roemer spoke to an on-going lawsuit by Protecting the Children of Orchard School to prevent the Charcot overpass and the need to mobilize the community
2. Roland addressed the MOU for high speed rail, questioning the 30' clearance for the Monterey Highway portion and need for the City to await the outcome pending discussions with CalTrain and to look for potential partnerships which will better serve San José's needs.
3. Paul Soto spoke on a threat made to his life and addressed the obligation he has to his ancestors to make a difference in the City.
4. Blair Beekman spoke to good academic ideas and lessons learned.
5. Tessa Woodmansee complained of changes made to the General Plan without warning and addressed diesel emissions in her neighborhood.
6. Robert Aguirre offered support to Paul Soto and addressed the need for representation of the unhoused.
7. 5140 opined that 'disrupters' attending last week's council meeting were peaceful protesters expressing their displeasure with the mask mandate.

ADJOURNMENT

The Council of the City of San José adjourned at 9:40 p.m.

FOR RECEIPT:

Tract: 10473

Location: W/S of Almaden Expressway at the southern terminus of Brasilia Way

District: 10

Lots/Units: 12/10

Type: SFD

Developer: Brasilia Hills LLC

JOINT CITY OF SAN JOSÉ CITY COUNCIL AND FINANCING AUTHORITY MINUTES
Tuesday, August 31, 2021

1. 21-1900 Actions Related to the City of San José Financing Authority’s Commercial Paper Program.

(a) City Council adopt a resolution to:

(1) Authorize the execution and delivery of amendments to certain financing documents, including an amendment to a Letter of Credit and Reimbursement Agreement, and authorizing other related actions in connection with the City of San José Financing Authority’s Lease Revenue Commercial Paper Notes in order to increase the not-to-exceed aggregate principal amount thereof to \$175 million and to extend the expiration date and commitment available under such Letter of Credit and Reimbursement Agreement to March 2025; and

(2) Authorize the negotiation, execution and delivery of one or more additional extensions to the Letter of Credit issued under the Letter of Credit and Reimbursement Agreement or the commitment available under such Letter of Credit and Reimbursement Agreement based on substantially the same terms and conditions for a duration of time that the City Designated Officers deem necessary, advisable or prudent, provided that no such extension shall require an annual fee in excess of 1.00% of the commitment available thereunder.

(b) City of San José Financing Authority Board “(Authority Board)” adopt a resolution to:

(1) Authorize the execution and delivery of amendments to certain financing documents, including an amendment to a Letter of Credit and Reimbursement Agreement and authorizing other related actions in connection with the City of San José Financing Authority’s Lease Revenue Commercial Paper Notes in order to increase the not-to-exceed aggregate principal amount thereof to \$175 million and to extend the stated expiration date and commitment available under such Letter of Credit and Reimbursement Agreement to March 2025; and

(2) Authorize the negotiation, execution and delivery of one or more additional extensions to the Letter of Credit issued under the Letter of Credit and Reimbursement Agreement or the commitment available under such Letter of Credit and Reimbursement Agreement based on substantially the same terms and conditions for a duration of time that the Authority Designated Officers deem necessary, advisable or prudent, provided that no such extension shall require an annual fee in excess of 1.00% of the commitment available thereunder.

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. (Finance)

Heard After Item 10.1(b)

Action: (a) City Council **Resolution No. 80208** regarding actions Related to the City of San José Financing Authority's Commercial Paper Program; and (b) City of San José Financing Authority Board **Resolution No. SJFA 153** regarding actions Related to the City of San José Financing Authority's Commercial Paper Program were adopted. (11-0.)

The Joint City of San José City Council and Financing Authority Council of the City of San José was adjourned.