



City Council Meeting

Minutes

Tuesday, January 27, 2026

1:30 PM

Council Chambers

Closed Session at 9:30 a.m.

MATT MAHAN, MAYOR
ROSEMARY KAMEI, DISTRICT 1
PAMELA CAMPOS, DISTRICT 2
ANTHONY TORDILLOS, DISTRICT 3
DAVID COHEN, DISTRICT 4
PETER ORTIZ, DISTRICT 5
MICHAEL MULCAHY, DISTRICT 6
BIEN DOAN, DISTRICT 7
DOMINGO CANDELAS, DISTRICT 8
PAM FOLEY, VICE MAYOR, DISTRICT 9
GEORGE CASEY, DISTRICT 10

- **Call to Order and Roll Call**

9:30 a.m.- Closed Session- *See Page 21-24 for the Closed Session Minutes.*

Present Councilmembers: Mahan, Foley, Kamei, Tordillos, Cohen,
Ortiz, Doan, Candelas, Mulcahy, Casey.

Absent Councilmembers: Campos.

1:34 p.m. – Regular Session

Present Councilmembers: Mahan, Foley, Kamei, Campos, Tordillos,
Cohen, Ortiz, Doan, Candelas, Mulcahy, Casey.

Absent Councilmembers: All present.

6:00 p.m.- Evening Session– Cancelled.

- **Pledge of Allegiance**

Mayor Matt Mahan led the Pledge of Allegiance.

- **Invocation (District 1)**

The Westmont High School Jazz Band offered the invocation with a performance of “A Nightingale Sang In Berkeley Square.”

- **Orders of the Day**

None provided.

- **Adjournment Recognition**

Councilmember Pamela Campos announced that the Council meeting was adjourned in memory of Max Ryan, a dedicated public servant with the San José Housing Department who passed away on September 16, 2025. Max was known throughout the community for his creativity, his empathy, and commitment to his role on the Homelessness Response Outreach Team. He spent his career on the front lines of the City's homelessness crisis and was instrumental in the design and implementation of the Homeward Bound program, connecting unhoused individuals with their families. He will be remembered for his kindness, his tireless work ethic, and his enduring legacy of service to the most vulnerable residents of San José.

- **Closed Session Report**

City Attorney, Susana Alcalá Wood, reported that the Mayor and Council authorized the City of San José to join an amicus brief on behalf of the state of Minnesota, who has been sued by the federal government regarding Minnesota's state laws.

1. CEREMONIAL ITEMS

- 1.1 Councilmember Domingo Candelas presented a commendation recognizing the San José Police Department Robbery Unit for its exceptional investigation and multi-agency coordination following the September 5, 2025, Kim Hung Jewelry Store robbery, resulting in the arrest of 15 suspects, recovery of firearms and evidence, and successful grand jury indictments enhancing public safety in San José and beyond.
- 1.2 Councilmember Bien Doan presented a commendation to Ainak, a Silicon Valley-based nonprofit organization focused on providing under-resourced students and underserved communities in the City of San José and across the country with access to free eye care services, including comprehensive vision tests, and corrective eyeglasses.
- 1.3 Councilmember David Cohen presented a proclamation recognizing January 27, 2026, as International Holocaust Remembrance Day in the City of San José, in honor of holocaust survivors and victims.

2. CONSENT CALENDAR

Mayor Matt Mahan announced that public comment was limited to one-minute for the entirety of the Council meeting, due to the high volume of speaker cards received.

Councilmember Domingo Candelas pulled Item 2.7 for comments.

Councilmember Rosemary Kamei pulled Item 2.10 for comments.

Public Comment: Betsy (Elizabeth EK) and Mike Sodergren, provided public testimony regarding the Consent Calendar.

Action: Upon motion by Councilmember Domingo Candelas, seconded by Councilmember Rosemary Kamei, and carried unanimously, the Consent Calendar was approved *as a whole*. The actions below were taken as indicated. (11-0-0)

2.1 Approval of City Council Minutes.

(a) Regular City Council Meeting Minutes of December 16, 2025.

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

Action: The City Council Minutes were approved. (11-0-0)

2.2 Final Adoption of Ordinances.

None provided.

2.3 Approval of Council Committee Minutes.

(a) Special Joint Neighborhood Services and Education Committee Minutes of December 10, 2025.

(b) Regular Joint Meeting for the Rules and Open Government Committee Minutes of December 10, 2025.

(c) Regular Community and Economic Development Committee Minutes of December 15, 2025.

(d) Regular Joint Meeting for the Rules and Open Government Committee Minutes of January 7, 2026.

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

Action: The Council Committee Minutes were approved. (11-0-0)

2.4 Mayor and Council Excused Absence Requests.

(a) Request for an excused absence for Councilmember Kamei from the regular meeting of Rules and Open Government Committee and Committee of the Whole on January 7, 2026, due to authorized family business.

(b) Request for an excused absence for Councilmember Candelas from the regular meeting of Rules and Open Government Committee and Committee of the Whole on January 14, 2026, due to authorized City business for program launch of Game On - SJ26 Youth Sports initiative.

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

[Rules Committee referral (a) 1/14/2026 - Item A.1.a and (b) 1/21/2026- Item A.1.a]

Action: (a) The excused absence for Councilmember Kamei from the regular meeting of Rules and Open Government Committee and Committee of the Whole on January 7, 2026 was approved; and (b) The excused absence for Councilmember Candelas from the regular meeting of Rules and Open Government Committee and Committee of the Whole on January 14, 2026 was approved. (11-0-0)

2.5 City Council Travel Reports.

None provided.

2.6 Report from the Council Liaison to the Retirement Boards.

None provided.

2.7 Boards and Commissions Appointment.

Approve the following Boards and Commissions appointment:

(a) Senior Citizens Commission:

(1) Citywide Seat: Appoint Patrick Waite for the term ending June 30, 2029.

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

Councilmember Domingo Candelas acknowledged Patrick Waite for his commitment to the community, his leadership at community roundtables, and his perspectives.

Action: Patrick Waite was appointed to the Senior Citizens Commission for a term ending on June 30, 2029. (11-0-0)

2.8 Actions Related to the Transportation and Community Identification Elements.

(a) Adopt a resolution authorizing the City Manager or her designee to negotiate and execute a Transportation Art Maintenance Agreement with the California Department of Transportation for Transportation and Community Identification elements on the California Department of Transportation property along State Route 87, authorizing the planned improvements and affirming the City's responsibility for ongoing maintenance of the improvements.

(b) Adopt a resolution authorizing the City Manager or her designee to negotiate and execute an agreement with the San José Downtown Association to install the Transportation and Community Identification elements upon receipt of the required California Department of Transportation encroachment permit(s) and perform the City's ongoing maintenance and insurance responsibilities of the Transportation and Community Identification elements and urban enhancements as provided in the Transportation Art Maintenance Agreement with the California Department of Transportation.

CEQA: Categorically Exempt, File No. ER25-261, CEQA Guideline Section 15301 Existing Facilities. Council Districts 3 and 6. (Economic Development and Cultural Affairs)

Action: (a) **Resolution No. RES2026-12** and (b) **Resolution No. RES2026-13** were adopted, regarding the actions related to the Transportation and Community Identification Elements. (11-0-0)

2.9 Approval of "Free Use" of City Hall Plaza and Janet Gray Hayes Rotunda for the Invisible Skies San José Art Project and Approval of the Tower and Rotunda Lighting Proclamation as an Official Public Art Display.

(a) Approve the Invisible Skies Tower and Rotunda Lighting on January 30, 2026, and January 31, 2026, as an Official Public Art Display.

(b) Approve the proclamation of Invisible Skies San José scheduled on January 30, 2026, and January 31, 2026.

(c) Adopt a resolution authorizing "Free Use" of the City Hall Plaza and Rotunda on Saturday, January 31, 2026, for the Invisible Skies event, co-hosted by the City Manager's Office of Economic Development and Cultural Affairs and ET Projects Foundation. CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Economic Development and Cultural Affairs)

Action: (a) The Invisible Skies Tower and Rotunda Lighting on January 30, 2026 and January 31, 2026, as an Official Public Art Display, was approved; (b) the proclamation of Invisible Skies San José scheduled on January 30, 2026 and January 31, 2026 was approved; and (c) **Resolution No. RES2026-14** was adopted, authorizing "Free Use" of the City Hall Plaza and Rotunda on January 31, 2026 for the Invisible Skies event. (11-0-0)

2.10 Sakauye Farmhouse Acquisition and Move to History Park.

Approve the acquisition and move of the historic Sakauye Farmhouse from the 0 Seely Avenue Mixed-Use project site to the City-owned History Park.

CEQA: Environmental Impact Report for Seely Avenue Mixed-Use Project (Resolution No. RES2024-297), File No(s). PDC21-035, PD22-002, PT22-003 and ER21-284. Council District 7. (Economic Development and Cultural Affairs)

Councilmember Rosemary Kamei recognized the entire City Council, Mayor, and community for their support of the farmhouse acquisition and move to San José History Park.

Action: The acquisition and move of the historic Sakauye Farmhouse from the 0 Seely Avenue Mixed-Use project site to the City-owned History Park was approved. (11-0-0)

2.11 Extension of the Declaration and Proclamation of a Local Emergency for the Homeless Shelter Crisis in the City of San José.

Adopt a resolution, effective retroactively as of December 15, 2025, finding the continued existence of a homeless shelter crisis in the City of San José pursuant to, and in accordance with, the provisions of the California Government Code section 8698 et seq., and renewing the proclamation of a local emergency pursuant to, and in accordance with the provisions of California Government Code sections 8558 and 8630, the San José City Charter, and San José Municipal Code caused by conditions and threatened conditions of homelessness in the City of San José.

CEQA: Mitigated Negative Declaration for the Emergency Interim Housing Programs project (Resolution No. RES2023-380), File No. ER22-198. (Housing)

Action: **Resolution No. RES2026-15** was adopted, regarding the extension of the declaration and proclamation of a local emergency for the homeless shelter crisis in the City of San José. (11-0-0)

2.12 Actions Related to the Proposed 2025-2027 Spending Plan for the Supplemental Law Enforcement Services Grant and Revised 2024-2026 Spending Plan for the Supplemental Law Enforcement Services Fund Grant.

(a) Approve the proposed 2025-2027 Spending Plan for the Supplemental Law Enforcement Grant in the amount of \$1,496,772 and authorize the Chief of Police to amend the Spending Plan in conformity to the budget priorities set out in this memorandum and in the event State Supplemental Law Enforcement Services Grant payments are less or more than expected.

(b) Approve the revised 2024-2026 Spending Plan for the additional Supplemental Law Enforcement Services Grant in the amount of \$1,520,161.

(c) Adopt the following 2025-2026 Appropriation Ordinance and Funding Source Resolution amendments in the Supplemental Law Enforcement Services (SLES) Fund:

- (1) Increase Revenue from State of California by \$3,016,933;
- (2) Establish the SLES Grant 2025-2027 City-Wide Expenses appropriation to the Police Department in the amount of \$1,496,772; and
- (3) Increase the SLES Grant 2024-2026 City-Wide Expenses appropriation to the Police Department by \$1,520,161.

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, and File No. PP17-006, Grant Application with no commitment or obligation to enter into an agreement at the time of application. (Police/City Manager)
[Deferred from 12/16/2025 - Item 2.23 (25-1322)]

Action: (a) The proposed 2025-2027 Spending Plan for the Supplemental Law Enforcement Grant and the authorization of the Chief of Police to amend the Spending Plan was approved; (b) the revised 2024-2026 Spending Plan for the additional Supplemental Law Enforcement Services was approved; and (c) Appropriation **Ordinance No. 31299** and (c) Funding Source **Resolution No. RES2026-16** were adopted, regarding the amendments in the Supplemental Law Enforcement Services (SLES) Fund. (11-0-0)

2.13 Actions Related to the Office of Juvenile Justice and Delinquency Prevention Program Fiscal Year 2025 Internet Crimes Against Children Task Force Invited Award.

(a) Adopt a resolution accepting the 2025 Internet Crimes Against Children Task Force Invited Award in the amount of \$641,658; and authorize the City Manager or her designee to execute any grant agreements, amendments, and all related documents, including online certifications at time of award acceptance and reimbursement requests, without further City Council action.

(b) Adopt the following 2025-2026 Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund:

(1) Increase the Internet Crimes Against Children Task Force Invited Award - Police 2023 City-Wide Expenses appropriation to the Police Department by \$641,658; and

(2) Increase the estimate for Revenue from the Federal Government by \$641,658.

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. (Police/City Manager)

Action: (a) **Resolution No. RES2026-17**, (b) Appropriation **Ordinance No. 31300**, and (b) Funding Sources **Resolution No. RES2026-18** were adopted, regarding the actions related to the Office of Juvenile Justice and Delinquency Prevention Program Fiscal Year 2025 Internet Crimes Against Children Task Force Invited Award. (11-0-0)

2.14 Approval of the Super Bowl 60, NVIDIA GTC, NCAA Division I Tournament, and 2026 FIFA World Cup Celebration Flag Raisings, Proclamations, and Tower and Rotunda Lighting Ceremonies Sponsored by the Office of Mayor Matt Mahan as City Council Sponsored Special Events to Expend City Funds and Accept Donations of Materials and Services for the Events.

As recommended by the Rules and Open Government Committee on January 14, 2026:

(a) Approve the NFL Super Bowl 60, NVIDIA GTC, NCAA Division I Tournament, and 2026 FIFA World Cup Celebration Flag Raisings, Proclamations, and Tower and Rotunda Lighting Ceremonies as City Council sponsored Special Events scheduled as follows:

- (1) Super Bowl 60: February 1, 2026 to February 8, 2026;
- (2) NVIDIA GTC: March 14, 2026 to March 21, 2026
- (3) NCAA Division I Tournament: March 24, 2026 to March 30, 2026; and
- (4) FIFA World Cup: June 10, 2026 to June 27, 2026 and July 6, 2026 to July 20, 2026.

(b) Approve the expenditure of funds and accept donations from various individuals, businesses, or community groups to support the events.

CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Mayor)

[Rules Committee referral 1/14/2026 - Item B.4]

Action: The City Council special events sponsored by the Office of Mayor Matt Mahan were approved. (11-0-0)

2.15 Approval of District 9 SAP Funds for Rotary Club of San José Foundation.

As recommended by the Rules and Open Government Committee on January 21, 2026, approve a grant to the Rotary Club of San José Foundation to support their Enterprise Leadership Conference in the amount of \$2,500.

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

[Rules Committee referral 1/21/2026 - Item B.2]

Action: A grant to the Rotary Club of San José Foundation to support their Enterprise Leadership Conference in the amount of \$2,500 was approved. (11-0-0)

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 Annual Report on City Services 2024-2025.

Accept the Annual Report on City Services for 2024-2025.

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

Joe Rois, City Auditor, City Auditor’s Department; and Alison Pauly, Supervising Auditor, City Auditor’s Department, offered the presentation and responded to questions.

Public Comment: None provided.

Action: Upon motion by Councilmember David Cohen, seconded by Vice Mayor Pam Foley, and carried unanimously, the Annual Report on City Services for 2024-2025 was accepted. (11-0-0)

4. PUBLIC SAFETY SERVICES

None provided.

5. TRANSPORTATION & AVIATION SERVICES

None provided.

6. ENVIRONMENTAL & UTILITY SERVICES

None provided.

7. NEIGHBORHOOD SERVICES

None provided.

8. COMMUNITY & ECONOMIC DEVELOPMENT

8.1 Senate Bill 79, Statewide Standards for Transit-Oriented Development Report and Implementation.

- (a) Accept the report on Senate Bill 79, including a summary of its provisions, initial San José specific analysis, and options for implementation.
- (b) Direct staff to return to City Council in March 2026 with a draft ordinance designating qualifying industrial areas identified in the General Plan as Employment Areas as “industrial employment hubs” and exempting nonresidential sites within those areas from the provisions of Senate Bill 79.
- (c) Direct staff to return to City Council with an ordinance exempting sites where there is no walking path less than one-mile from the location of transit-oriented development after further analysis of those sites is completed.
- (d) Direct staff to return to City Council with an ordinance temporarily exempting designated historic resources contained in the San José Historic Resources Inventory.

CEQA: Not a Project, File No. PP17-007, Preliminary direction to staff and eventual action requires approval from decision-making body. (Planning, Building, and Code Enforcement)

Chris Burton, Director, Planning, Code and Building Enforcement Department (PBCE); and Jerad Ferguson, Principal Planner, PBCE, offered the presentation and responded to questions.

Public Comment: Triana C., Alison Cingolani (SV@Home), Jeanette H., Ali Sapirman (HAC), Greg (SVYD & SVDSA), Josh Burroughs, and Mike Sodergren (PACKSJ) provided public testimony regarding the item.

Motion: Councilmember Anthony Tordillos moved approval of the January 23, 2026 joint memorandum he co-authored with Mayor Mahan, Councilmember Campos, and Councilmember Cohen. Councilmember David Cohen seconded the motion.

Friendly Amendment: Councilmember Michael Mulchay requested that the motion include staff direction to return to the full Council in March 2026 with an analysis to determine if the City can rely on CEQA to protect the Cities historic resources. The friendly amendment was accepted by the maker of the motion and seconder.

Action: Upon motion by Councilmember Anthony Tordillos, seconded by Councilmember David Cohen, and carried unanimously, the January 23, 2026 joint memorandum co-authored by Mayor Mahan, Councilmember Campos, Councilmember Tordillos, and Councilmember Cohen was approved, recommending the following:

- 1.) Approve staff recommendations with the following revisions:
 - a.) Do not direct staff to return to Council with an ordinance exempting designated historic resources from SB 79 implementation.
 - b.) Direct staff to return to Council with an ordinance increasing minimum densities in the downtown core.
 - c.) Assess options for increasing minimum densities in other growth areas, based on further analysis.

Also including staff direction to return to City Council in March 2026 with an analysis to determine if the City can rely on CEQA to protect the Cities historic resources. (11-0-0)

8.2 Downtown Residential Incentive Program Expansion to Include Commercial-to-Residential Conversion Projects.

(a) Adopt a resolution renaming the Downtown Residential High-Rise Incentive Program to the Downtown Residential Incentive Program, expanding the Program to include appropriate commercial-to-residential conversion projects for mid-rise and high-rise buildings located in the Downtown Planned Growth Area, and reducing the Inclusionary Housing In-Lieu Fee to \$0 for eligible conversion projects and 0% deed restricted residential units.

(b) Approve an ordinance amending Section 4.46.036 of Chapter 4.46 and amending Section 4.47.089 of Chapter 4.47 of Title 4 of the San José Municipal Code to provide for conversion projects eligible under the Downtown Residential Incentive Program that waive:

(1) 100% of the Building and Structure Construction Tax and the Commercial-Residential-Mobilehome Park Building Tax for up to 500 units in projects that obtain building permits by December 31, 2026, and pass first inspection within 12 months of obtaining a building permit; and

(2) 50% of the taxes for the next 1,000 units in projects that obtain building permits by December 31, 2027, and pass first inspection within 12 months of obtaining a building permit.

(c) Adopt a resolution for conversion projects eligible under the Downtown Residential Incentive Program and provide:

(1) 50% reduction in the Parkland In-Lieu fees for the first 500 units in projects that obtain building permits by December 31, 2026, and pass first inspection within 12 months of obtaining a building permit; and

(2) 30% reduction in the Parkland In-Lieu fees for the next 1,000 units in projects that obtain building permits by December 31, 2027, and pass first inspection within 12 months of obtaining a building permit.

(d) Adopt a resolution amending the Fiscal Year 2025-2026 Schedule of Fees and Charges to revise the Rental Inclusionary In-Lieu Fee for eligible projects under the Downtown Residential Incentive Program.

CEQA: Statutorily Exempt, File No. PP17-005, CEQA Guidelines Section 15273, Adjustment to Fees, Rates and Fares without changes to or expansion of services. (Housing/City Manager)

Erik L. Soliván, Director, Housing Department, offered the presentation and responded to questions.

Public Comment: Maia Harris (Jay Paul Company), Huascar Castro, Danny Mangan, Erica Valentine, Tony Mirenda (SJ Chamber/ Kitchell), Emmanuel Zendejas, Jennette, Vanessa Lemus Tapia (SBLC), Ali Sapirmon (HAC), Derek Castron (Assoc. General Contractors of CA), Kelly McAvley, Azazel Holmkust (SURJ), Deb (SURJ), Adolfo Gomez (Mezcal), Ed Davis (Chair of San José Chambers Board of Directors), Brian Kurtz (San José Downtown Association), Isabel Migan (SVLG), Leah Toenisketter, Kathryn Hedges (SURJ), John Tucker (AFSCME 101), Hadiyah Fain, and Lori Katcher provided public testimony regarding the item.

Motion: Councilmember Anthony Tordillos moved approval of the January 23, 2026 joint memorandum he co-authored with Mayor Mahan and Vice Mayor Foley. Vice Mayor Pam Foley seconded the motion.

Councilmember Domingo Candelas addressed the importance of revisiting this discussion in about two years, regarding the first 500 unit phase of the conversion program.

Friendly Amendment: Councilmember Domingo Candelas requested to extend the first phase to the end of 2027 for the first 500 units of the conversion program, regarding the January 23, 2026 joint memorandum co-authored by Mayor Mahan, Vice Mayor Foley, and Councilmember Anthony Tordillos; also including direction for the City Manager to explore workforce benefits as discussed in the background and return to council. The friendly amendment was accepted by the maker of the motion and seconder.

Friendly Amendment: Councilmember George Casey requested to further amend Councilmember Domingo Candelas' friendly amendment to extend and revisit the discussion in five years. Councilmember Domingo Candelas voiced that he did not accept that amendment. The friendly amendment was also formally not accepted by the maker of the motion and seconder.

Action: Upon motion by Councilmember Anthony Tordillos, seconded by Vice Mayor Pam Foley, and carried unanimously, **(a) Resolution No. RES2026-19**, **(c) Resolution No. RES2026-20**, and **(d) Resolution No. RES2026-21** were adopted, regarding the Downtown Residential Incentive Program expansion to include Commercial-to-Residential Conversion Projects; and **(b) Ordinance No. 31301** was *passed for publication*, amending Section 4.46.036 of Chapter 4.46 and amending Section 4.47.089 of Chapter 4.47 of Title 4 of the San José Municipal Code. (11-0-0)

AND

Including approval of the January 23, 2026 *amended* joint memorandum co-authored by Mayor Mahan, Vice Mayor Foley, and Councilmember Tordillos, recommending the following:

Approve staff recommendation with the following modifications:

- 1.) Remove the timeframe by which building permits must be pulled for all downtown residential incentive programs, aligning the phasing to unit count.
- 2.) Increase the phase 1 unit count for new construction projects within the downtown residential incentive program to 7,000.
- 3.) Establish a High Road incentive tier for both Phase 1 and Phase 2 of new construction and commercial to residential conversion projects to incentivize implementation of prevailing wage requirements and skilled apprenticeship programs:
 - a.) In Phase 1, projects that implement the above labor standards will receive a 75% Parkland In-Lieu fee reduction instead of the baseline 50%.
 - b.) In Phase 2, projects that implement the above labor standards will receive a 50% Parkland In-Lieu fee reduction instead of the baseline 30%.

Including the following amendments: phase 1 of the joint memorandum is to return to the full City Council in December 2027 for discussion; including direction for the City Manager to explore workforce benefits as discussed in the background and return to council.

(11-0-0)

8.3 Multifamily Housing Incentive Program Phase I Extension.

- (a) Adopt a resolution amending the Multifamily Housing Incentive Program to:
- (1) Extend the deadline to apply for Multifamily Housing Incentive Program benefits to February 28, 2027, maintaining current eligibility criteria and incentive levels;
 - (2) Add seven proposed housing projects to the list of eligible projects in the Multifamily Housing Incentive Program;
 - (3) Increase eligibility for a 50% reduction in the Building and Structure Tax Construction Tax and Commercial, Residential, Mobile Home Park taxes from 1,800 units to 3,600 units that obtain a building permit before February 28, 2027, to accommodate robust developer interest and pipeline demand; and
 - (4) Create a tiered prioritization system for allocating limited capacity based on a development project's construction readiness, financing commitments, and first-come, first-served basis for building permit applications.
- (b) Approve an ordinance amending Section 4.46.039.13 of Chapter 4.46 and amending Section 4.47.098 of Chapter 4.47 of Title 4 of the San José Municipal Code to provide:
- (1) A 50% reduction of the Building and Structure Construction Tax and a 50% reduction of the Commercial, Residential, and Mobile Home Park Construction Tax to the first 3,600 units in projects eligible for the temporary Multifamily Housing Incentive that also obtain a City building permit by February 28, 2027; and
 - (2) A 25% reduction of the Building and Structure Construction Tax for any additional units beyond the first 3,600 for eligible Multifamily Housing Incentive Program projects.
- (c) Adopt a resolution amending the 2025-2026 Schedule of Fees and Charges to revise the Rental Inclusionary In-Lieu Fee Schedule, reducing the fees to \$0 for projects eligible for the temporary Multifamily Housing Incentive Program that include at least 5% of units onsite at up to 110% area median income.

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

Erik L. Soliván, Director, Housing Department, offered the presentation and responded to questions.

Public Comment: Deanna Chalfant, Melissa Derkin, Jennette, Alison Cingolani (SV@Home), Andre, Ali Sapirman (HAC), Derek C. (AGC of CA), Brian Kurtz, Kelly McAvley, Azazel H., Matt Bernardis (Urban Catalyst), Kathryn Hedges (SURJ), Robert C. Wood, Leah Toeniskoetter (President and CEO of San José Chamber Board of Directors), Ed Davis (Chair of San José Chamber Board of Directors), Shaunn, and 2 speakers (*names not provided at the podium*), offered public testimony regarding the item.

Action: Upon motion by Councilmember David Cohen, seconded by Councilmember Anthony Tordillos, and carried unanimously, **(a) Resolution No. RES2026-22** and **(c) Resolution No. RES2026-23** were adopted, regarding the Multifamily Housing Incentive Program Phase I Extension; and **(b) Ordinance No. 31302** was *passed for publication*, amending Section 4.46.039.13 of Chapter 4.46 and amending Section 4.47.098 of Chapter 4.47 of Title 4 of the San José Municipal Code. (11-0-0)

8.4 Amendments to Chapter 5.08 of Title 5 of the San José Municipal Code and Regulations for the Inclusionary Housing Ordinance.

Approve an ordinance amending Chapter 5.08 (Inclusionary Housing) of Title 5 of the San José Municipal Code to:

- (a) Update affordability levels;
- (b) Refine compliance options (including Surplus Credits);
- (c) Align the affordability term for inclusionary units with state practice; and
- (d) Clarify treatment of 100% affordable developments.

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

[Deferred from 11/18/2025 - Item 8.4 (25-1217)]

Erik L. Soliván, Director, Housing Department, offered the presentation and responded to questions.

Public Comment: Deanna Chalfant (Hanover), Alison (SV@Home), Aimee Tran, Kira Kazantzis, Nicole Jackson, Jennette, Melissa Durkin, Ali Sapirman (HAC), Derek C. (AGC of CA), Kelly McAuley, Azazel H., Brooke Tran (SVCN), Paul Ring (Montara Ventures), Kathryn Hedges (SURJ), Austin Osuch, Dan Mountsier, Leah Toeniskoetter (President and CEO of San José Chambers), Ed Davis (Chair of San José Chambers), Amanda Flores, Cyrus Jahanian, Robert Aguirre, Vicky Harrison, Greg Miller, Kelly Batson (Real Coalition), Kimberly Woo (SIREN), Sandy Perry, Chimol Nwokolo (Silicon Valley Young Dems), Elizabeth Agramont-Justiniano, Gia Pham (Housing Choices), Mary Helen Doherty (SHHAC), Jeremy Barousse (Amigos De Guadalupe), Delma Hernandez, Daniel Vazquez, *A speaker spoke on behalf of* Melissa Morris (Public Interest Law Project), Emma H., Maria Valencia, Hector Hernandez, Maria, Poncho G. (Sacred Heart Community Service), Cara Ramirez (SOMOS Mayfair), Lori Katcher, Marc Adams, Albert, Oscar Q., Ashley Guerrero (SOMOS Mayfair), Janelle, Kevin Wiess, Kim Guptil, Shawnn, and 7 speakers (*name not provided at the podium*), provided public testimony regarding the item.

Motion: Councilmember Anthony Tordillos moved approval of the both the January 23, 2026 joint memorandum he co-authored with Mayor Matt Mahan, Councilmember Kamei, Councilmember Campos, and Councilmember Cohen; and the January 27, 2026 memorandum authored by Councilmember Peter Ortiz. Councilmember Rosemary Kamei seconded the motion.

Friendly Amendment: Councilmember Pamela Campos requested that Councilmember Anthony Tordillos' motion also includes the January 26, 2026 memorandum authored by Councilmember Michael Mulcahy. The maker of the motion and seconder approved the friendly amendment.

Substitute Motion: Councilmember Domingo Candelas moved approval of his January 27, 2026 memorandum. Councilmember Peter Ortiz seconded the substitute motion.

Councilmember George Casey requested clarification on the 99 to 55 year restriction in regard to the January 23, 2026 joint memorandum co-authored by Mayor Matt Mahan, Councilmember Kamei, Councilmember Campos, Councilmember Tordillos, and Councilmember Cohen. Mayor Matt Mahan and Councilmember Rosemary Kamei responded with clarifications.

Vote on the Substitute Motion: On a call to question, the substitute motion failed for a lack of yes votes. (3-8-0; Noes: Mahan, Foley, Kamei, Tordillos, Cohen, Mulcahy, Doan, Casey)

Friendly Amendment: Councilmember George Casey requested that the motion on the floor, made by Councilmember Anthony Tordillos, amend the rental affordability term from 99 years to 55 years. The friendly amendment was accepted by the maker of the motion and seconder.

Friendly Amendment: Councilmember David Cohen requested that the current 30% AMI option remain unchanged within the policy; and that *another alternative compliance of five percent (5%) inclusionary onsite at 30% AMI be added*. The friendly amendment was accepted by the maker of the motion and seconder.

Councilmember Pamela Campos stated that she signed onto the January 23, 2025 joint memorandum because of the 99 year affordability restriction. She stated that if the 99-year affordability restriction is not retained, she would not vote in support of the motion.

Motion to Bifurcate: Councilmember David Cohen made a motion to bifurcate the motion on the floor: to vote separately on amending the rental affordability term from 99 years to 55 years, which was included within the January 23, 2026 joint memorandum co-authored by Mayor Matt Mahan, Councilmember Kamei, Councilmember Campos, Councilmember Tordillos, and Councilmember Cohen. Councilmember Pamela Campos seconded the motion to bifurcate.

Vote to Bifurcate the Motion: The motion to bifurcate failed for a lack of yes votes. (4-7; Noes: Mahan, Foley, Kamei, Tordillos, Mulcahy, Candelas, Casey)

Action: Upon motion by Councilmember Anthony Tordillos, seconded by Councilmember Rosemary Kamei, and carried unanimously, the motion on the floor passed, **Ordinance No. 31303** was passed for publication, in accordance with the modifications listed below, amending Chapter 5.08 (Inclusionary Housing) of Title 5 of the San José Municipal Code.

AND

Including approval of the January 23, 2026 joint *amended* memorandum co-authored by Mayor Matt Mahan, Councilmember Kamei, Councilmember Campos, Councilmember Tordillos, and Councilmember Cohen; *including the amendment* approved in Councilmember Michael Mulcahy's January 26, 2026 memorandum, recommending the following:

- 1.) Approve the staff recommendation with the following modifications:
 - a.) If a project is at least 30 dwelling units to the acre:
 - i.) In rental developments, remove the requirement that 5% of the units be built at an AMI of 110%; and
 - 1.) Add an alternative compliance of seven percent (7%) inclusionary onsite at 50% AMI.
 - 2.) ***Also add another alternative compliance of five percent (5%) inclusionary onsite at 30% AMI.***
 - ii.) In for-sale developments, ten percent (10%) of the units built within their Residential Development shall be sold to income-qualified buyers at or below 120% of Area Median Income.
 - iii.) ~~For projects up to 30 units, the first 20 units of any residential for sale or rental development shall not count toward the inclusionary requirement.~~
Amend the Inclusionary Housing Ordinance (IHO) to raise the minimum project size for applicability to developments of 20 units or more, regardless of achieved density.
 - b.) Do not accept the changes to the percentage of units for off-site compliance with the Inclusionary Housing Ordinance.
 - c.) **Retain** Amend the existing 99-year affordability restriction **to 55-years**.

2.) Revise the Affordable Housing Regulations to implement the recommendations in this memorandum.

AND

Also including approval of the January 27, 2026 memorandum authored by Councilmember Peter Ortiz, recommending the following:

1.) Approve the staff recommendation with the modifications included from the memo from Mayor Mahan and Councilmembers Kamei, Campos, Tordillos, and Cohen.

2.) Direct staff to return to Council with an Informational Memo on Alternative Funding Options for Promoting Affordable Housing Development, which was directed during the 2025 budget process, by Tuesday, March 10, 2026.

a.) The memo should include a summary of

i.) the number of households in San Jose at each income level by tenure,

ii.) prevalence of cost burden by income level and tenure, and

iii.) an estimate of the number of housing units in San Jose's housing stock affordable to households by income category.

b.) The memo should include an assessment of the number of units below 50% AMI that alternative sources could support at a low/ moderate/ and high level of subsidy within current City subsidy guidelines, and how this affects the City's progress toward RHNA and Housing Element programs.

c.) The memo should include any and all reasonable and creative ideas and strategies for fostering or creating new funding sources or financing for the creation of affordable housing at very low and extremely low-income levels.

AND

Also including approval of the January 26, 2026 memorandum authored by Councilmember Michael Mulcahy, recommending the following:

1.) Approve staff recommendations, and the Memorandum from Mayor Mahan, and Councilmembers Kamei, Campos, Tordillos, and Cohen, with the following clarification to section (a) (iii):

a.) Amend the Inclusionary Housing Ordinance (IHO) to raise the minimum project size for applicability to developments of 20 units or more, regardless of achieved density.

(9-2-0; Noes: Candelas, Campos)

8.5 Soft Story Seismic Retrofit Pilot Financing Program.

- Heard After Item 8.6

(a) Adopt a resolution authorizing the Housing Director or his designee to negotiate and execute an amendment to the Master Services Agreement with Guidehouse Inc., to increase total compensation by

\$1,616,900, from \$350,000 to \$1,966,900, using Low and Moderate Income Housing Asset Funds, to implement a small scale, voluntary Soft Story Seismic Retrofit Pilot Financing Program by providing loans to property owners to begin retrofitting the highest-priority soft-story buildings and to evaluate the effectiveness of the program and develop a framework for a future, larger-scale seismic retrofit financing program.

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

(1) Decrease the Unrestricted Ending Fund Balance by \$1,616,900; and

(2) Establish the Soft Story Seismic Retrofit Pilot Financing Program appropriation to the Housing Department in the amount of \$1,616,900.

CEQA: Categorically Exempt, CEQA Guidelines Section 15301, Existing Facilities (File No. ER23-173). (Housing/City Manager)

Erik L. Soliván, Director, Housing Department, offered the presentation and responded to questions.

Public Comment: None provided.

Action: Upon motion by Councilmember Rosemary Kamei, seconded by Councilmember Bien Doan, and carried unanimously, (a) **Resolution No. RES2026-24** and (b) **Ordinance No. 31304** were adopted, regarding the Soft Story Seismic Retrofit Pilot Financing Program. (11-0-0)

8.6 Proposed Amendment to Chapter 17.22 (Mobilehome Rent Ordinance) of the San José Municipal Code. - **NOT HEARD BEFORE 6:00 P.M.**

Approve an ordinance amending Chapter 17.22 (Mobilehome Rent Ordinance) of Title 17 of the San José Municipal Code, to include the following substantive updates and cleanups:

- (a) Add a mobilehome resident rights petition process to resolve rent disputes;
- (b) Expand mobilehome park rental registration requirements;
- (c) When a mobilehome is sold, permit a one-time 10% rent increase;
- (d) Remove the exemption for leases longer than 12 months and outdated provisions to conform with changes in state law;
- (e) Add a limited added benefit capital improvement petition process for landlords;
- (f) Streamline the ordinance and the program regulations, separating policy and procedure; and
- (g) Add an administrative appeal process for petition decisions.

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

Erik L. Soliván, Director, Housing Department, offered the presentation and responded to questions.

Public Comment: Jenette, Alison Cingolani (SV@Home), Kelly McAuley, Ryan Jasinsky (Brandenburg, Staedler, and Moore), Eddie Truong (Brandenburg, Staedler, and Moore), Kathryn Hedges (SURJ), Gail Osmer, Greg O'Hagan, Saulo Londono, Fred Gomez, Patricia Davis, John Worting, Charlene Solomon, Huascar Castro, Maria Lynch, Robert Aguirre, Dyon Capote, Kylie Clark, Linda Ellis (Millpond Mobile Homes), Maryanne Sullivan, Elizabeth Agramont-Justiniano, Linda Taccolini, Colleen North, Maria Teresa Munoz, Juan, Henry Chow, Kelly Hunt, Martha O'Connell (GSMOL), Glenna Howcroft, Nancy DePalma, Suzanne Balistreri, John Barber, Martin Reinders, Keri R., Doug Dean, Dick Kastrop, Jeff Roloff, Terri Thornton, Marg Cimanranca, Lori Katcher, Susi Steiner, Marge Lundberg, Oscar Q., Michelle, Don Murdoch, Lori Worthen, Moria Merriweather, Cara Ramirez (SOMOS Mayfair), Ashley Guerrero (SOMOS Mayfair), Elizabeth Velez, Patrick Grimes (WRO), Mimi Spreadbury, Heidi Von Salza, Van Le, Derrick, Stacy S., Emma (SURJ), Maria Arriaga, Jenny C., Jose, Kamela Stewart, Michael Zaplitny, Roberta Peri, Ruben Navarro, Hector Hernandez, Rhonda Vasquez, Dave Vandever, Daniel Finn (Oak Crest Estates), Olivia Navarro, and 8 speakers (*names not provided at the podium*), provided public testimony regarding the item.

Motion: Councilmember Bien Doan moved approval of his January 14, 2026 memorandum and Councilmember Pamela Campos' January 26, 2026 memorandum. Councilmember Pamela Campos seconded the motion.

Substitute Motion: Vice Mayor Pam Foley made a substitute motion to: (1) postpone the proposed changes to the Mobilehome Rent Ordinance and cross-reference the item to the full City Council in Fall 2026; (2) direct the City Manager's office to engage in joint meetings with park owners and residents to develop a collaborative agreement, mutually beneficial to all involved; (3) include an analysis on the effect of the 10% rent increase on the value of mobile homes when the item returns; and (4) direct the City Manager to implement an outreach campaign. Councilmember Rosemary Kamei seconded the substitute motion.

Friendly Amendment: Councilmember David Cohen requested that the substitute motion also include approval of the specific amendments that are required to comply with state law, instead of deferring it until the fall. The friendly amendment was accepted by the maker of the substitute motion and seconder.

Friendly Amendment: Councilmember Tordillos requested that the substitute motion also include recommendation 3 of Councilmember Pamela Campos’ January 26, 2026 memorandum. Discussion amongst the Council ensued, and the proposed friendly amendment was clarified to: direct the City Manager to explore alternative options to increase revenue for mobile home parks. The friendly amendment was accepted by the maker of the substitute motion and seconder.

Action: Upon motion by Vice Mayor Pam Foley, seconded by Councilmember Rosemary Kamei, and carried unanimously, the substitute motion passed; (1) **Ordinance No. 31305** was *passed for publication*, to approve the specific amendments to Chapter 17.22 of the San José Municipal Code that are required to comply with state law; (2) defer the remaining proposed changes to the Mobilehome Rent Ordinance and cross-reference the item to the full City Council in Fall 2026; (3) direct the City Manager’s office to engage in joint meetings with park owners and residents to develop a collaborative agreement, mutually beneficial to all involved; (4) include an analysis on the effect of the 10% rent increase on the value of mobile homes when the item returns; (5) direct the City Manager to implement an outreach campaign; and (6) direct the City Manager to explore alternative options to increase revenue for mobile home parks.
(10-1-0; Noes: Doan)

9. REDEVELOPMENT – SUCCESSOR AGENCY

10. LAND USE

Land Use on Consent Calendar

No Land Use items on Consent Calendar.

END OF CONSENT CALENDAR

10 Land Use - Regular Agenda

Open Forum

1. Mike Sodergren (PAC SJ) commended the Council for handling tough issues and the public very graciously, and encouraged residents to attend Councilmember Mulcahy’s blue ribbon cutting on January 31, 2026 at Found *SJ.

Adjournment

The Council of the City of San José adjourned the meeting at 10:19 p.m., in memory and honor of Max Ryan.

Minutes Recorded, Prepared, and Respectfully Submitted by,



Yasmin Johnson
Deputy City Clerk, City of San José

Approved at Council on:

of Actions: 7



Toni Taber, MMC
City Clerk, City of San José



Office of the City Attorney

SAN JOSÉ CITY COUNCIL CLOSED SESSION MINUTES

January 27, 2026

Present Councilmembers: Mahan, Foley, Kamei, Cohen, Tordillos, Ortiz, Mulcahy, Doan, Candelas, Casey.

Absent Councilmembers: Campos.

Place: City Hall, Conference Room W-133

Time: 9:30 a.m.

CLOSED SESSION ITEM(S) DISCUSSED:

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1):

- 1. Case Name: United States of America v. State of Minnesota, et al.
- Name(s) of Party(ies): UNITED STATES OF AMERICA; STATE OF MINNESOTA; CITY OF ST. PAUL, MINNESOTA; HENNEPIN COUNTY, MINNESOTA; KEITH ELLISON, ATTORNEY GENERAL OF MINNESOTA, IN HIS OFFICIAL CAPACITY; DAWANNA S. WITT, HENNEPIN COUNTY SHERIFF
- Court: United States District Court for the District of Minnesota, St. Paul Division
- Case No: 0:25-cv-03798-ECT-JFD
- Amount of Money or Other Relief Sought: Amicus Brief

B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

Initiation of litigation pursuant to Sections 54956.9(d)(4) of the Government code:
Number of matter(s) to be discussed: 1

C. CONFERENCE REGARDING POTENTIAL THREAT TO PUBLIC SERVICES OR FACILITIES PURSUANT TO GOVERNMENT CODE SECTION 54957(a):

Consultation with: IT Department
Representatives: Khaled Tawfik

D. CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO GOVERNMENT CODE SECTION 54957.6:

City Negotiator: Aram Kouyoumdjian, Director of Employee Relations

Employee Organizations:

1. Organization or Name and Title of Unrepresented Employees: **Association of Building, Mechanical and Electrical Inspectors (ABMEI)**
 Nature of negotiations: wages/salaries, hours, working conditions, etc.
 Name of Existing Contract or MOA: Memorandum of Agreement – City of San José and Association of Building, Mechanical and Electrical Inspectors (ABMEI)
 How to Obtain a copy of Existing Contract or MOA: Web: <https://www.sanjoseca.gov/your-government/departments-offices/office-of-the-city-manager/employee-relations/labor-relations-information/bargaining-units-labor-contract-info/abmei>
 Telephone – Employee Relations: (408) 535-8150

2. Organization or Name and Title of Unrepresented Employees: **Association of Engineers & Architects (AEA)**
 Nature of negotiations: wages/salaries, hours, working conditions, etc.
 Name of Existing Contract or MOA: Memorandum of Agreement — City of San José and Association of Engineers & Architects (AEA)
 How to Obtain a copy of Existing Contract or MOA: Web: <https://www.sanjoseca.gov/your-government/departments-offices/office-of-the-city-manager/employee-relations/labor-relations-information/bargaining-units-labor-contract-info/aea>
 Telephone – Employee Relations: (408) 535-8150

3. Organization or Name and Title of Unrepresented Employees: **Association of Legal Professionals of San José (ALP)**
 Nature of negotiations: wages/salaries, hours, working conditions, etc.
 Name of Existing Contract or MOA: Memorandum of Agreement – City of San José and Association of Legal Professionals of San José
 How to Obtain a copy of Existing Contract or MOA: Web: <https://www.sanjoseca.gov/your-government/departments-offices/office-of-the-city-manager/employee-relations/labor-relations-information/bargaining-units-labor-contract-info/alp>

- Contract or MOA: [government/departments-offices/office-of-the-city-manager/employee-relations/labor-relations-information/bargaining-units-labor-contract-info/alp](https://www.sanjoseca.gov/your-government/departments-offices/office-of-the-city-manager/employee-relations/labor-relations-information/bargaining-units-labor-contract-info/alp)
 Telephone – Employee Relations: (408) 535-8150
4. Organization or Name and Title of Unrepresented Employees: **City Association of Management Personnel Agreement (CAMP)**
 Nature of negotiations: wages/salaries, hours, working conditions, etc.
 Name of Existing Contract or MOA: Benefit & Compensation Summary — City of San José and City Association of Management Personnel Agreement
 How to Obtain a copy of Existing Contract or MOA: Web: <https://www.sanjoseca.gov/your-government/departments-offices/office-of-the-city-manager/employee-relations/labor-relations-information/bargaining-units-labor-contract-info/camp>
 Telephone – Employee Relations: (408) 535-8150
5. Organization or Name and Title of Unrepresented Employees: **Municipal Employees’ Federation, AFSCME Local 101, AFL-CIO (MEF)**
 Nature of negotiations: wages/salaries, hours, working conditions, etc.
 Name of Existing Contract or MOA: Memorandum of Agreement — City of San José and Municipal Employees’ Federation, AFSCME Local 101, AFL-CIO
 How to Obtain a copy of Existing Contract or MOA: Web: <https://www.sanjoseca.gov/your-government/departments-offices/office-of-the-city-manager/employee-relations/labor-relations-information/bargaining-units-labor-contract-info/mef>
 Telephone – Employee Relations: (408) 535-8150
6. Organization or Name and Title of Unrepresented Employees: **San José Police Dispatchers’ Association (SJPDA)**
 Nature of negotiations: wages/salaries, hours, working conditions, etc.
 Name of Existing Contract or MOA: Memorandum of Agreement – City of San Jose and Municipal Employees’ Federation (MEF), AFSCME, Local 101
 How to Obtain a copy of Existing Contract or MOA: Web: <https://www.sanjoseca.gov/your-government/departments-offices/office-of-the-city-manager/employee-relations/labor-relations-information/bargaining-units-labor-contract-info/sjpda>

[info/sjpda](#)

Telephone – Employee Relations: (408) 535-8150

7. Organization or Name and Title of Unrepresented Employees: **San José Police Officers’ Association (SJPOA)**
- Nature of negotiations: wages/salaries, hours, working conditions, etc.
- Name of Existing Contract or MOA: Memorandum of Agreement — City of San José and San José Polices’ Association
- How to Obtain a copy of Existing Contract or MOA: Web: <https://www.sanjoseca.gov/your-government/departments-offices/office-of-the-city-manager/employee-relations/labor-relations-information/bargaining-units-labor-contract-info/poa>
- Telephone – Employee Relations: (408) 535-8150