

**MINUTES OF THE
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE**

SAN JOSE, CALIFORNIA

MONDAY, AUGUST 25, 2014

The Community and Economic Development Committee of the City of San José convened in regular session at 1:33 p.m. in Conference Rooms 118 – 120, Council Wing, City Hall.

PRESENT: Council Member Rose Herrera, Chair; Council Member Sam Liccardo, Vice Chair; Council Member Ash Kalra and Council Member Pierluigi Oliverio.

ABSENT: All Present.

STAFF: Director of Economic Development/Chief Strategist Kim Welsh, Assistant City Attorney Ed Moran, Mayor's Senior Policy Advisor Ru Weerakoon and Deputy City Clerk Susan M. Davis.

REVIEW OF WORK PLAN

Upon motion by Council Member Kalra, seconded by Council Member Oliverio and carried unanimously, the Committee accepted the work plan and the below listed actions were taken as indicated. (4-0.)

(1) General Plan and Urban Village Implementation.

Action: Deferred to the October 27, 2014 Community and Economic Development Committee Meeting.

(2) Homeless Response.

Action: Deferred to the November 17, 2014 Community and Economic Development Committee Meeting.

CONSENT CALENDAR

(1) Curb Café Pilot Program Update.

Documents Filed: Memorandum from Assistant to the City Manager/Downtown Manager Lee Wilcox, dated September 10, 2014, recommending acceptance of the report on the Curb Café Pilot Program.

Director of Economic Development/Chief Strategist Kim Walesh and Assistant City Attorney Ed Moran responded to Committee questions.

Action: Upon motion by Council Member Oliverio, seconded by Council Member Kalra and carried unanimously, the Committee accepted the report. (4-0.)

REPORTS TO COMMITTEE

(1) Verbal Report on Economic Development Activities. (Economic Development)

Documents Filed: Copy of San José Economy News dated October 2014.

Director of Economic Development/Chief Strategist Kim Walesh offered the report on Economic Development Activities and responded to Committee questions.

The Committee received the verbal report.

(2)(a) Downtown High Rise Development Activities.

Recommendation: Forward the following recommendations to the full Council for consideration:

- (1) **Adopt a resolution modifying the 2,500 unit limit of the 2007 Parks Specific High Rise Incentive Program to add 50 units to the maximum limit of units that are eligible to receive the incentive and sunset the program by June 30, 2016 even if the unit count is not reached.**
- (2) **Update the Council on the Administration's work plan and timeline to establish a Downtown Parks Maintenance District for high rise and mid rise residential projects.**
- (3) **Direct the City Attorney to draft an ordinance amending Chapter 4.46 of Title 4 of the San José Municipal Code and Chapter 4.47 of Title 4 of the San José Municipal Code to add sections to suspend the collection of the building and structure construction tax for a single commercial high rise development project within two years.**

(Economic Development)

REPORTS TO COMMITTEE

(2)(a) (Cont'd.)

Documents Filed: (1) Memorandum from Director of Economic Development/Chief Strategist Kim Walesh, Director of Planning, Building and Code Enforcement Harry Freitas and Director of Parks, Recreation and Neighborhood Services Julie Edmonds-Mares, dated September 12, 2014, recommending acceptance of the report and to forward the items to the full Council for consideration. (2) Handout on "Why Discounts Harm Downtown" dated September 22, 2014, submitted by Jean Dresden.

Deputy Director of Parks, Recreation and Neighborhood Services Matt Cano and Assistant to the City Manager/Downtown Manager Lee Wilcox presented the report and responded to Committee questions and concerns.

Public Comments: Jean Dresden, Scott Knies, San José Downtown Association and Martin Delson expressed comments about the downtown high rise development activities.

Action: Upon motion by Council Member Liccardo, seconded by Council Member Oliverio and carried unanimously, the Committee accepted the report and forwarded recommendations (1) and (3) to the full Council for discussion and formal action on October 21, 2014. Staff directed to return to the Community and Economic Development Committee for more discussion on Item (2). (4-0.)

(2) (b) Extension of North San José Development Incentive.

Recommendation: Forward a recommendation to the full Council to adopt a resolution amending the North San José Area Development Policy to:

- (1) **Extend the North San José Traffic Impact Fee Incentive deadline for Tier 2 projects (build to suit projects of over 1 million square feet) to obtain building permits for one year to December 31, 2015 and to receive a certificate of occupancy for one year to December 31, 2017.**
- (2) **Limit the amount of development capacity in the incentive to a total of 4 million square feet across both Tiers.**
- (3) **Designate the point at which the allocation of the incentive occurs is at the time of payment of the Traffic Impact Fee, or upon execution of an Industrial Project Completion Agreement upon approval of a valid development permit.**

(Economic Development)

Assistant to the City Manager/Senior Business Development Manager Chris Burton provided the report.

Public Comments: Dennis Martin NAIOP Silicon Valley expressed support to the development incentives.

REPORTS TO COMMITTEE

(2)(b) (Cont'd.)

Action: Upon motion by Council Member Liccardo, seconded by Council Member Oliverio and carried unanimously, the Committee accepted the report and forwarded the item to the full Council for discussion and formal action on October 21, 2014. (3-0-1. Absent: Kalra.)

(3) **Development Services Process Improvement Work Plan and Development Services Staffing.**

Documents Filed: (1) Memorandum from Director of Planning, Building and Code Enforcement Harry Freitas, Director of Public Works David Sykes and Acting Fire Chief Ruben Torres, dated September 5, 2014, recommending acceptance of the report. (2) Memorandum from Council Member Khamis, dated September 19, 2014, requesting more information on the development services process improvement work plan and development services staffing. (3) Staff presentation dated September 22, 2014 summarizing the Development Services Process Improvement Work Plan and Development Services Staffing.

Director of Planning, Building and Code Enforcement Harry Freitas presented the report. Director of Public Works David Sykes provided comments.

Chief of Staff Shane Patrick Connolly provided background on the request for more information memorandum from Council Member Khamis, dated September 19, 2014.

Action: Upon motion by Council Member Oliverio, seconded by Council Member Liccardo and carried unanimously, the Committee accepted the report. (3-0-1. Absent: Kalra.)

(4) **Homeless Housing: Potential Tools for Combating Homelessness.**

Documents Filed: (1) Memorandum from Director of Housing Leslye Corsiglia, dated September 5, 2014, recommending acceptance of the report, provide feedback and a course of action. (2) Staff presentation dated September 22, 2014 describing Interim Housing Solutions for Homelessness.

Assistant Director of Housing Jacky Morales-Ferrand presented introductory remarks. Homelessness Response Team Manager Ray Bramson offered the report.

Public Comments: Martha O'Connell, Alejandra Herrera Chavez, Destination: Home and Darryl Ospring, Coyote Creek Neighborhood Association presented comments related to homeless housing.

Committee discussion ensued.

REPORTS TO COMMITTEE

(4) (Cont'd.)

Council Member Herrera suggested that Staff consider an overall approval and engage all the stakeholders.

Action: Upon motion by Council Member Kalra, seconded by Council Member Oliverio and carried unanimously, the Committee accepted the report. Staff was directed to return to Community and Economic Development Committee in November with more comprehensive information. (3-0-1. Absent: Liccardo.)

(5) Susan and Phil Hammer Theatre Centre.

Documents Filed: Memorandum from Director of Cultural Affairs Kerry Adams Hapner, dated September 12, 2014, recommending acceptance of the report.

Director of Economic Development/Chief Strategist Kim Walesh presented introductory remarks.

Director of Cultural Affairs Kerry Adams Hapner and Deputy Director of Public Works Joe Garcia provided the report and responded to Committee questions and concerns.

Public Comments: Dennis Martin, San José Stage Company and Tina Morrill provided comments. Martha O'Connell expressed opposition to the Staff recommendations.


Action: Upon motion by Council Member Kalra, seconded by Council Member Oliverio and carried unanimously, the Committee accepted the report. (3-0-1. Absent: Liccardo.)

OPEN FORUM

There was no public testimony from the floor.

ADJOURNMENT

Council Member Rose Herrera adjourned the meeting at 4:19 p.m.



Council Member Rose Herrera, Chair
Community and Economic Development Committee

RH/smd

Access the video, the agenda and related reports for this meeting by visiting the City's website at <http://www.sanjoseca.gov/civiccenteriv>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.