



# CITY COUNCIL AGENDA

**JUNE 14, 2016**

## SYNOPSIS

CHAPPIE JONES  
ASH KALRA  
RAUL PERALEZ  
MANH NGUYEN  
MAGDALENA CARRASCO

DISTRICT 1  
DISTRICT 2  
DISTRICT 3  
DISTRICT 4  
DISTRICT 5

SAM LICCARDO MAYOR

PIERLUIGI OLIVERIO  
TAM NGUYEN  
ROSE HERRERA VICE MAYOR  
DONALD ROCHA  
JOHNNY KHAMIS

DISTRICT 6  
DISTRICT 7  
DISTRICT 8  
DISTRICT 9  
DISTRICT 10

*The City of San José is committed to open and honest government and strives to consistently meet the community's expectations by providing excellent service, in a positive and timely manner, and in the full view of the public.*

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- ***Strategic Support Services*** — The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- ***Community & Economic Development*** — Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- ***Neighborhood Services*** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- ***Transportation & Aviation Services*** — A safe and efficient transportation system that contributes to the livability and economic health of the City; and provide for the air transportation needs of the community and the region at levels that is acceptable to the community.
- ***Environment and Utility Services*** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- ***Public Safety Services*** — Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

You may speak to the City Council about any discussion item that is on the agenda, and you may also speak during Open Forum on items that are not on the agenda and are within the subject matter jurisdiction of the City Council or Successor Agency to the Redevelopment Agency Board. If you wish to speak to the City Council, please refer to the following guidelines:

- **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item(s) that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
- When the Council reaches your item on the agenda, the Mayor will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City Clerk's table.
- Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
- To assist you in tracking your speaking time, there is a display on the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and Tuesday at 7 p.m. as needed, unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <http://www.sanjoseca.gov/index.aspx?NID=3549>. Council Meetings are televised live and rebroadcast on Channel 26.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at San José City Hall, 200 E. Santa Clara Street, Tower 14<sup>th</sup> Floor, San José, CA 95113 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. Contact the Office of the City Clerk at (408) 535-1260 or [CityClerk@sanjoseca.gov](mailto:CityClerk@sanjoseca.gov) for the final document.

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events or printed materials, please call (408) 535-1260 or (408) 294-9337 as soon as possible, but at least three business days before the meeting.

On occasion the City Council may consider agenda items out of order.

- **Call to Order and Roll Call**

**9:06 a.m.** - Closed Session, Call to Order in Council Chambers  
**Absent Council Members: All Present.**

**11:57 a.m.**- Regular Session, Council Chambers, City Hall  
**Absent Council Members: All Present.**

**1:30 p.m.** - Regular Session, Council Chambers, City Hall  
**Absent Council Members: All Present.**

7:00 p.m. - General Plan Hearings/Public Hearings, Council Chambers, City Hall  
**Continued to the June 21, 2016 Special Evening Meeting.**

- **Invocation (District 6)**

**Pastor Rebecca Irelan, Willow Glen United Methodist Church offered the Invocation.**

**Mayor Sam Liccardo requested a moment of silence for the victims of the tragedy in Orlando, Florida which occurred on Sunday, June 12, 2016.**

- **Pledge of Allegiance**

**Mayor Sam Liccardo led the Pledge of Allegiance.**

- **Orders of the Day.**  
The Orders of the Day and the Amended Agenda were approved, a Sunshine Waiver for Item 5.1 was granted and Item 2(a)(b) San José Financing Authority was heard in regular Agenda order.
  
- **Closed Session Report**  
*Heard following the Ceremonial Items.*  
No Report.

## **1. CEREMONIAL ITEMS**

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- 1.1 Administer the Oath of Office to the Youth Commissioners. (City Clerk)  
**To Be Heard in the Evening.**  
**Continued to the June 21, 2016 Special Evening Meeting.**
  
- 1.2 Presentation of a commendation to Blanca Carbajal, East San José community leader, educator and a neighborhood advocate for parents and their students striving to positively impact their community. (Carrasco)  
**To Be Heard in the Evening.**  
**Continued to the June 21, 2016 Special Evening Meeting.**
  
- 1.3 Presentation of a commendation to Halle Thompson for being named 2016 Miss California Junior High. (Khamis)  
**To Be Heard in the Evening.**  
**Continued to the June 21, 2016 Special Evening Meeting.**
  
- 1.4 Presentation of a commendation to Scott Krijnen of Castellero Middle School for being named a 2016 All-Star Teacher finalist. (Khamis)  
**To Be Heard in the Evening.**  
**Continued to the June 21, 2016 Special Evening Meeting.**
  
- 1.5 Presentation of a proclamation declaring the month of June 2016 as “Immigrant Heritage Month” in the City of San José. (Mayor/Kalra/T. Nguyen/Khamis)  
**Mayor Sam Liccardo, Council Member Ash Kalra, Council Member Tam Nguyen, Council Member Johnny Khamis, Council Member Manh Nguyen and Council Member Magdalena Carrasco recognized the month of June 2016 as “Immigrant Heritage Month”.**
  
- 1.6 Presentation of a proclamation recognizing June as “Alzheimer’s and Brain Awareness Month” in the City of San José. (Herrera)  
**Mayor Sam Liccardo, Vice Mayor Rose Herrera and Council Member Magdalena Carrasco recognized June 2016 as “Alzheimer’s and Brain Awareness Month”.**

## 2. CONSENT CALENDAR

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### 2.1 Approval of Minutes.

**Recommendation:** Approval of Minutes.

- (a) Regular Minutes of March 1, 2016.
- (b) Regular Minutes of March 8, 2016.
- (c) Housing Authority Minutes of March 8, 2016.
- (d) Study Session of March 14, 2016 on Prostitution/Human Trafficking.
- (e) Regular Minutes of March 15, 2016.
- (f) Regular Minutes of March 22, 2016.
- (g) Public Hearing of March 28, 2016 on the FY 2016-207 Mayor's March Budget Message.
- (h) Regular Minutes of March 29, 2016.

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (City Clerk)  
**Approved.**

### 2.2 Final Adoption of Ordinances.

**There were none.**

### 2.3 Approval of Council Committee Minutes.

**Recommendation:** Approval of Council Committee Minutes.

- (a) Community and Economic Development Committee Minutes of May 23, 2016. (Khamis)
- (b) Rules and Open Government Committee Minutes of May 25, 2016. (Mayor)

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities.

**Deferred to June 21, 2016 per City Clerk.**

### 2.4 Mayor and Council Excused Absence Requests.

**There were none.**

### 2.5 City Council Travel Reports.

**Council Member Tam Nguyen offered an informative presentation on "Sleepless in Portland" and Exploring Homeless Shelter Options.**

### 2.6 Report from the Council Liaison to the Retirement Boards.

**No Report.**

### 2.7 Amendment to the Agreement with David J. Powers & Associates, Inc. for Airport Environmental Analysis Services.

**Recommendation:** Approve a Third Amendment to the Consultant Agreement with David J. Powers & Associates, Inc. for Airport environmental analysis services, increasing maximum compensation from \$450,000 to \$550,000 with no change in the term of Agreement. CEQA: Not a Project, PP10-066(d), Consultant Services for Design/Study/Research/Inspection or other professional consulting services to determine the feasibility of a project with no commitment to further action. (Airport)  
**Approved.**

## 2. CONSENT CALENDAR

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### 2.8 Settlement of San Francisco Baykeeper vs. City of San José.

**Recommendation:** Approve a settlement with San Francisco Baykeeper in the form of a Consent Decree, subject to approval of the U. S. Department of Justice and to be presented to Northern District Federal Court Judge Beth L. Freeman for signature, and authorize the City Attorney to execute the Settlement Agreement to settle the case of San Francisco Baykeeper v. City of San José. CEQA: Not a Project; File No. PP10-066(h), Settlement Agreements. (City Attorney)

**Approved.**

**Staff was directed to return to Council in January 2017 with a funding plan consisting of a proposed set of options for the next five years.**

**Noes: Khamis.**

### 2.9 Spring 2016 Boards and Commissions Appointments.

**Recommendation:** Approve the following Board and Commission Appointments:

- (a) Arts Commission:
  - (1) Citywide Seat: Appoint Roma Dawson to a term expiring 6/30/20;
  - (2) District 5 Seat: Appoint Albert Le to a term expiring 6/30/20;
  - (3) District 7 Seat: Appoint Ron Muriera to a term expiring 6/30/20;
  - (4) District 9 Seat: Appoint Ramona Snyder to a term expiring 6/30/20;
- (b) Council Appointment Advisory Commission:
  - (1) District 1 Seat: Appoint Michelle Jones-Roberts to a term expiring 12/31/18;
  - (2) District 5 Seat: Appoint Maryann Haggerty to a term expiring 12/31/16;
  - (3) District 10 Seat: Appoint Ben Mazzone to a term expiring 12/31/18;
- (c) Downtown Parking Board:
  - (1) At-Large Representative: Appoint Chad Leege to a term expiring 6/30/19;
  - (2) At-Large Representative: Appoint Ajay Singh to a term expiring 6/30/20;
- (d) Neighborhoods Commission:
  - (1) District 1 Seat: Appoint Anne Szymanski to a term expiring 6/30/18;
- (e) Youth Commission:
  - (1) District 1 Seat: Appoint Marilyn Zhang to a term expiring 5/31/17;
  - (2) District 2 Seat: Appoint Katherine Ho to a term expiring 5/31/18;
  - (3) District 4 Seat: Appoint Lydia Ma to a term expiring 5/31/18;
  - (4) District 6 Seat: Appoint Rhena Zhong to a term expiring 5/31/18;
  - (5) District 8 Seat: Appoint Anooshree Sengupta to a term expiring 5/31/18;
  - (6) District 10 Seat: Appoint Samuel Hirst to a term expiring 5/31/18.

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (City Clerk)

**Approved.**

## 2. CONSENT CALENDAR

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### 2.10 Setting Public Hearings on the Downtown Business Improvement District, Hotel Business Improvement District, and Japantown Business Improvement District for FY 2016-2017 Budget Reports.

**Recommendation:**

- (a) Preliminary approval of the report as filed by the Downtown Business Improvement District Advisory Board, or as modified by Council, and adopt a resolution of intention to levy the annual assessment for Fiscal Year 2016-2017, to suspend collection of the Downtown BID assessments for businesses that qualify for the business tax financial hardship exemption under the City's general business tax ordinance, and set June 28, 2016 at 1:30 p.m. as the date and time for the Public Hearing on the levy of the proposed assessments.

**Resolution No. 77767 adopted.**

- (b) Preliminary approval of the report as filed by the Hotel Business Improvement District Advisory Board, or as modified by Council, and adopt a resolution of intention to levy the annual assessment for Fiscal Year 2016-2017 and set June 28, 2016 at 1:30 p.m. as the date and time for the Public Hearing on the levy of the proposed assessments.

**Resolution No. 77768 adopted.**

- (c) Preliminary approval of the report as filed by the Japantown Business Improvement District Advisory Board, or as modified by Council, and adopt a resolution of intention to levy the annual assessment for Fiscal Year 2016-2017 and set June 28, 2016 at 1:30 p.m. as the date and time for the Public Hearing on the levy of the proposed assessments.

CEQA: Exempt, Section 15061(b)(3), No potential for causing a significant effect on the environment, File No. PP08-048. Council District 3. (Economic Development)

**Resolution No. 77769 adopted.**

### 2.11 Actions Related to the Workforce Development Fund for the Santa Clara County Summer Youth Employment Program.

**Recommendation:** Adopt the following 2015-2016 Appropriation Ordinance and Funding Sources Resolution amendments to the Workforce Development Fund:

- (a) Increase the estimate for Earned Revenue by \$117,000; and  
(b) Establish an appropriation to the Office of Economic Development for the Santa Clara County Summer Youth Employment Program in the amount of \$117,000.

CEQA: Not a Project; File No. PP10-067(b), Appropriation Ordinance. (Economic Development/City Manager)

**Ordinance No. 29745 adopted.**

**Resolution No. 77770 adopted.**

## 2. CONSENT CALENDAR

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### 2.12 Children's Discovery Museum Extension.

**Recommendation:** Adopt a resolution authorizing the City Manager to execute an Amendment to extend the term of the Agreement with the Children's Discovery Museum for the construction of expansion improvements at Discovery Meadow in Guadalupe River Park through June 30, 2018 and authorizing the City Manager the option to extend the Agreement term further if necessary. CEQA: San José Downtown Strategy 2000 Plan EIR, Resolution No. 72767. Council District 3. (Economic Development/Parks, Recreation and Neighborhood Services)

**Resolution No. 77771 adopted.**

### 2.13 Amendment to the Master Agreements with CDM Smith and Kennedy/Jenks for Engineering Services at the Regional Wastewater Facility.

**Recommendation:**

- (a) Approve an amended and restated Master Consultant Agreement with CDM Smith, Inc. for engineering and construction management services for the 7701 – Headworks Project, with no extension to the term or increase to the maximum total compensation.
- (b) Approve an amended and restated Master Consultant Agreement with Kennedy/Jenks Consultants, Inc. for engineering services for the 7448 – Filter Rehabilitation Project, with no extension to the term or increase to the maximum total compensation.

CEQA: Exempt, File No. PP10-066(d), Consultant Services with no change in the physical environment. (Environmental Services)

**Approved.**

### 2.14 Actions Related to the Repeal of Chapter 9.56 of Title 9 of the Municipal Code Related to Ozone-Depleting Compounds and Amend Resolution of Fines.

**Recommendation:**

- (a) Approve an ordinance to repeal Chapter 9.56 of Title 9 of the San José Municipal Code related to ozone-depleting compounds.

**Ordinance No. 29746 passed for publication.**

- (b) Adopt a resolution amending the Administrative Citation Schedule of Fines to remove the \$500 fine from 9.56.410 and add a \$500 fine to 9.10.3110 for EPS Prohibition enforcement.

CEQA: Not a Project, File No. PP10-068(c), Code or Policy change that involves no changes in the physical environment. (Environmental Services)

**Resolution No. 77772 adopted.**

## 2. CONSENT CALENDAR

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### 2.15 Amendment to the Agreement with Santa Clara Valley Transportation Authority for Tamien Park.

**Recommendation:** Approve the First Amendment to extend the term of the Purchase and Sale Agreement with the Santa Clara Valley Transportation Authority by six months and the right to do soil remediation work prior to final disposition of the “Phase II Property” described in the agreement. CEQA: Exempt, Section 15316 Transfer of Ownership of Land in Order to Create Parks, File No. PP10-023 and Tamien Park Master Plan Mitigated Negative Declaration, File No. PP14-057. (Parks, Recreation and Neighborhood Services)

**The memorandum from Mayor Sam Liccardo and Council Member Raul Peralez, dated June 10, 2016, was approved:**

- (1) **The Staff recommendations were accepted to extend the term of the Purchase and Sale Agreement with the Santa Clara Valley Transportation Authority (VTA) by six months and the right to do soil remediation work prior to the final disposition of the Phase II Property.**
- (2) **Staff was directed to work on construction Phase I and Phase II of the park in a timeline that is as close together as possible.**

### 2.16 Amendment to Title 23 of the Municipal Code (the Sign Code) for Additional Signage in the Airport Sign Zone.

**Recommendation:** Approve an ordinance amending Title 23 of the San José Municipal Code to amend Section 23.02.870 of Part 2 of Chapter 23.02 to identify the Director of Aviation as the administrative authority for signs located within the Airport Sign Zone; and to amend Sections 23.04.200, 23.04.210, 23.04.220, 23.04.230, 23.04.240, 23.04.250 and 23.04.260, and add a new Section 23.04.215 of Part 3 of Chapter 23.04 to amend provisions related to temporary signs, delete allowed time and temperature signage, allow up to three free-standing programmable electronic signs at each vehicular entrance to the Norman Y. Mineta San José International Airport; and to make nonsubstantive, ministerial, technical, or typographical changes to various sections of Chapters 23.02 and 23.04 of Title 23. CEQA: Exempt, Section 15311 for Accessory Structures, File No. PP16-019. (Planning, Building and Code Enforcement)

**Ordinance No. 29747 passed for publication.**

### 2.17 Report on Bids and Award of Contract for the 7877 - Alviso Storm Sewer Improvement B Project.

**Recommendation:** Report on bids and award of contract for the 7877 - Alviso Storm Sewer Improvement B project to the low bidder, JMB Construction, Inc., in the amount of \$1,143,128, and approve a ten percent contingency in the amount of \$114,300. CEQA: Exempt, Section 15282(h), Other Statutory Exemptions and Public Resource Code Section 21080.21(a)(b), Application of division to public right-of-way pipeline projects less than one line in length, File No. PP13-076. Council District 4. (Public Works)  
**Approved.**

## 2. CONSENT CALENDAR

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### 2.18 Report on Bids and Award of Contract for the 7192 - Coleman Road Sanitary Sewer Improvement Phase II Project.

**Recommendation:** Report on bids and award of contract for the 7192 - Coleman Road Sanitary Sewer Improvement Phase II Project to the low bidder, Pacific Underground Construction, Inc., in the amount of \$1,850,533 and approval of a contingency in the amount of \$185,053. CEQA: Addendum to the San José 2040 General Plan Final Program EIR, File No. PP12-076. Council District 10. (Public Works)

**Approved.**

### 2.19 Report on Bids and Award of Contract for the 7231 – Spreckles Sanitary Sewer Force Main Supplement – Phase II Project.

**Recommendation:** Report on bids and award of contract for the 7231 – Spreckles Sanitary Sewer Force Main Supplement – Phase II Project to the low bidder, Ranger Pipelines, Inc., in the amount of \$2,705,300 and approve a contingency in the amount of \$270,530. CEQA: Addendum to the Spreckles Sanitary Sewer Force Main Supplement & Pump Station Rehabilitation Project Mitigated Negative Declaration, File No. PP16-067. Council District 4. (Public Works)

**Approved.**

### 2.20 Downtown San José Property-Based Improvement District Annual Report for Fiscal Year 2016-2017.

**Recommendation:** Adopt a resolution:

- (a) Approving the Downtown San José Property-Based Improvement District Annual Report prepared by the Downtown San José Property Owners Association for Fiscal Year 2016-2017 as filed or modified by Council;
- (b) Confirming the individual assessments as proposed by the Downtown San José Property Owners Association, or as modified by Council;
- (c) Directing that the City baseline services contribution in the amount of \$365,000 be continued in Fiscal Year 2016-2017; and
- (d) Directing the Director of Public Works to deliver the assessment roll to the County for collection with the property taxes.

CEQA: Not a Project, File No. PP10-069(a), Assessment/Annual reports that involve no approvals of any City Actions. Council District 3. (Transportation/Public Works)

**Resolution No. 77773 adopted.**

## 2. CONSENT CALENDAR

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### 2.21 Memorial Day Breakfast and Cherrywood Dumpster Day.

**Recommendation:** As recommended by the Rules and Open Government Committee on June 1, 2016:

- (a) Approve the Cherrywood Dumpster Day scheduled on June 4, 2016, as a City Council sponsored Special Event and approve the expenditure of funds.
- (b) Retroactively approve the Memorial Day Breakfast scheduled on May 28, 2016 as a City Council sponsored Special Event and approve the expenditure of funds.
- (c) Approve and accept donations from various individuals, businesses or community groups to support the events.

CEQA: Not a Project, File No. PP15-077, Temporary Special Events. (M. Nguyen)  
[Rules Committee referral 6/1/16 – Item G.1.a]

**Approved.**

### 2.22 Cambrian Fun Run.

**Recommendation:** As recommended by the Rules and Open Government Committee on June 1, 2016:

- (a) Approve the Cambrian Fun Run scheduled on August 21, 2016, as a City Council sponsored Special Event and approve the expenditure of funds.
- (b) Approve and accept donations from various individuals, businesses or community groups to support the events.

CEQA: Not a Project, File No. PP15-077, Temporary Special Events. (Rocha)  
[Rules Committee referral 6/1/16 – Item G.1.b]

**Approved.**

### 2.23 Cleaning Alameda Arches.

**Recommendation:** As recommended by the Rules and Open Government Committee on June 1, 2016, approve the cleaning of the brick arches and concrete benches at the intersection of the Alameda and Singletary Avenue.

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Oliverio)  
[Rules Committee referral 6/1/16 – Item G.2]

**Approved.**

### 2.24 Actions Related to Vice Mayor Rose Herrera’s Travel to Monterey, California.

**Recommendation:** Approve travel for Vice Mayor Rose Herrera’s Travel to Monterey, California on June 22 to June 25, 2016 for the Mayor’s and Council Members Executive Forum and League of California Cities Board of Directors Meeting. Source of Funds: League of CA Cities and Mayor/Council Travel Fund. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Herrera)

**Approved.**

### 3. STRATEGIC SUPPORT SERVICES

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#### 3.1 Report of the City Manager, Norberto Dueñas (Verbal Report).

City Manager Norberto Dueñas announced that the City of San José has stepped up its efforts to increase public awareness of illegal fireworks including providing flyers in multiple languages, Public Service announcements, the ability to report illegal fireworks online July 1 through July 5, 2016 and increased Police presence. City Manager Norberto Dueñas pointed out there are several free public fireworks displays on July 4, 2016 for residents to attend in San José such as the Rotary Fireworks Show at Discovery Meadow Downtown, the Third Family Fun Festival and Fireworks Show at Almaden Lake Park and the San José Giants Independence Day Celebration at Municipal Stadium.

#### 3.2 Labor Negotiations Update.

**Recommendation:** Accept Labor Negotiations Update.

**Heard at 9:06 a.m.**

**No Report.**

#### 3.3 Mayor's 2016 June Budget Message.

**Recommendation:**

(a) Review, discussion and approval of the Mayor's 2016 June Budget Message.

(b) Adopt a resolution by the City Council authorizing the City Manager to negotiate and execute agreements addressed in the Mayor's Budget Message which are for amounts that exceed the City Manager's contract authority, provided that any required environmental review has been completed.

CEQA: Not a Project, File No. PP10-069, City Organizational and Administrative Activities. (Mayor)

➤ **The memorandum from Mayor Sam Liccardo, dated June 3, 2016, was approved:**

(1) **Approving the City Manager's Proposed Budget with additional direction outlined in this memorandum for purposes of adopting a final budget for Fiscal Year 2016-2017.**

(2) **Adopt a resolution authorizing the City Manager to negotiate and execute agreements addressed in the Mayor's Budget Message which are for amounts that exceed the City Manager's contract authority, provided that any required environmental review has been completed.**

(3) **Authorize the changes proposed in the Manager's Budget Addenda and incorporate them in the Adopted Budget, except in cases where the Addenda are amended or superseded by the contents of this Budget Message.**

**MBA #4: Office of Immigrant Affairs. MBA #5: 2017-2021 Proposed Capital Improvement Program. MBA #6: Destination Marketing Program to Support International Air Service. MBA #7: Proposed 2016-2021 Transient Occupancy Tax Funded Arts and Cultural Development Grants. MBA #9: Public Works Capital Program Staffing. MBA #10: Mayor's Gang Prevention Task Force and San José Bringing Everyone's Strengths Together Resource Allocation Plan.**

*(Action Continued on the Next Page)*

### 3. STRATEGIC SUPPORT SERVICES

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#### 3.3 Mayor's 2016 June Budget Message. (Action Cont'd.)

- (3) (Cont'd.) **MBA #13: Extension of Homeless Response Team Park Rangers. MBA #14: Sales Tax Ballot Measure 2016-2017 Provisional Budget and Ongoing Spending Priorities Plan. MBA #16: Implementation of the Modified Apartment Rent Ordinance. MBA #18: Team San José 2016-2017 Performance Measures. MBA #19: Intergovernmental Relations. MBA #20: Regional Rail Planning Staffing Revision. MBA #27: Amendments to the 2016-2017 Proposed Fees and Charges Document. MBA #28: Development Services Process Improvement Study Update. MBA #29: 2016-2017 Updated Revenue and Expenditure Estimates in the General Fund and Transient Occupancy Tax Fund. MBA #30: Recommended Amendments to the 2016-2017 Proposed Operating and Capital Budgets.**

**Resolution No. 77774 adopted.**

- **The supplemental memorandum from Mayor Sam Liccardo, dated June 8, 2016, was approved:**

- (1) **MBA #30: "Recommended amendments to the 2016-2017 Proposed Operating and Capital Budgets", identified \$330,000 in surplus in ongoing available funding. Pending the voters' determination of Measure B, San José's quarter-center sales tax, the allocation of any of those dollars are not recommended in order to ensure ample savings to dampen anticipated deficits in the following years.**
- (2) **MBA #14: "Sales Tax Ballot Measure 2016-2017 Provisional Budget and Ongoing Spending Priorities Plan: with a modification to include restoration of an additional two-person squad to enhance emergency medical response in the Fire Department.**

#### 3.4 Recycle Plus Rates for 2016-2017 for Multi-Family Services and Large Item Service.

**Recommendation:** Adopt a resolution to amend the current Recycle Plus Rate resolution effective July 1, 2016, as follows:

- (a) Increase rates for multi-family households by 2.5 percent; and
- (b) Increase the rates for on-demand large item collection services by 0.87 percent for single-family service and 0.33 percent for multi-family service, applicable after free collections have been redeemed.

CEQA: Not a Project, File No. PP10-067(a), Increase or Adjustments to Fees, Rates, & Fares. (Environmental Services)

**Resolution No. 77775 adopted.**

### 3. STRATEGIC SUPPORT SERVICES

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#### 3.5 Amendment to the City Pay Plan for Various Classifications.

**Recommendation:** Adopt a resolution to:

- (a) Amend the City of San José Pay Plan effective June 19, 2016, to create the following classifications:
  - (1) Water Systems Operator II/III (3638/3639)
  - (2) Water Systems Foreperson II (3645)
  - (3) Water Systems Operations Superintendent I/II (3646/3647)
  - (4) Water Systems Operations Manager (3648)
- (b) Amend the City of San José Pay Plan effective June 19, 2016, to change the salary range and title for the following classifications:
  - (1) Water Systems Operator I (3632) (formerly Water Systems Technician)
  - (2) Water Systems Operations Foreperson I (3633) (formerly Senior Water Systems Technician)
- (c) Amend the City of San José Pay Plan effective June 19, 2016, to change the salary range for the following classification:
  - (1) Cross Connection Specialist (3630)
- (d) Amend the City of San José Pay Plan effective June 19, 2016, 2016, to delete the following classifications:
  - (1) Water Meter Reader PT (3634)
  - (2) Senior Water Meter Reader (3629)

CEQA: Not a Project, File No. PP10-068(b), Municipal Code, Title 3. (Human Resources)

**Item 3.5 was heard Jointly With Item 3.6.**

**Resolution No. 77776 adopted.**

#### 3.6 Municipal Water System Water Rate Increase for 2016-2017.

**Recommendation:**

- (a) Hold a Public Hearing on proposed San José Municipal Water System 2016-2017 potable water rates and charges.  
**The Public Hearing was held.**
- (b) Adopt a resolution increasing the San José Municipal Water System potable water rates and charges, effective July 1, 2016, except for quantity charges in the McCarthy/Dixon zone, which are indexed to the cost of potable water purchased from the City of Milpitas, as follows:
  - (1) If the Amendments to the City Pay Plan for Various Classifications item on this Council Agenda is approved, a resolution increasing San José Municipal Water System potable water rates and charges by up to 3.0%, effective July 1, 2016; OR

**Resolution No. 77777 adopted.**

### 3. STRATEGIC SUPPORT SERVICES

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#### 3.6 Municipal Water System Water Rate Increase for 2016-2017. (Cont'd.)

**Recommendation:**

- (b) (2) If the Amendments to the City Pay Plan for Various Classifications item on this Council Agenda is not approved, a resolution increasing San José Municipal Water System potable water rates and charges by up to 2.0%, effective July 1, 2016.

CEQA: Not a Project, File No. PP10-067(a), Increase or Adjustment to Fees, Rates and Fares. Council Districts 2, 4, 7, and 8. (Environmental Services)

**Item 3.6 was heard Jointly With Item 3.5.**

**Not Approved.**

#### 3.7 Actions Related to the Sewer Service and Use Charges and Storm Sewer Service Charges Rates.

**Recommendation:**

- (a) Adopt a resolution setting the following Sewer Service and Use Charge rates for 2016-2017:

**Resolution No. 77778 adopted.**

<u>Category</u>	<u>2016-2017 Monthly Rates</u>
Single-Family Residential	\$35.60
Multi-Family Residential	\$23.85 per unit
Mobile Home	\$26.88 per unit
Non-Monitored Commercial and Industrial	See Attachment A
Monitored Industrial	See Attachment A

- (b) Adopt a resolution setting the following Storm Sewer Service Charge rates for 2016-2017:

**Resolution No. 77779 adopted.**

<u>Category</u>	<u>2016-2017 Monthly Rates</u>
Single-Family Residential and Duplex	\$7.87
Mobile Home	\$3.94 per unit
Residential Condominium	\$4.30 per unit
Large Multi-Family Residential (5 or more units)	\$4.30 per unit
Small Multi-Family Residential (3-4 units)	\$14.95
Commercial, Institutional and Industrial	See Attachment B

CEQA: Not a Project, File No. PP10-067 (a), Increases or Adjustments to Fees, Rates & Fares. (Environmental Services)

### **3. STRATEGIC SUPPORT SERVICES**

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#### **3.8 Actions Related to the Library Parcel Tax Rates for FY 2016-2017.**

**Recommendation:** Adopt a resolution increasing the Library Parcel Tax rates for fiscal year 2016-2017 by 3.00% over the fiscal year 2015-2016 rates and approving the placement of the Library Parcel Tax on the fiscal year 2016-2017 Santa Clara County Property Tax Roll. CEQA: Not a Project, File No. PP10-067(a), Increases or Adjustments to Fees, Rates & Fares. (Finance/Library)

**Resolution No. 77780 adopted.**

#### **3.9 Approve the 2016-2017 Operating and Capital Budgets for the City of San José and Schedule of Fees and Charges.**

**Recommendation:**

(a) Adopt a resolution approving the Operating Budget for 2016-2017 for the City of San José, the Capital Budget for 2016-2017 for the City of San José, and the Five-Year Capital Improvement Program for 2017-2021 for the City of San José as revised by the Mayor's Budget Message and directing the City Manager to prepare final documents for adoption.

**Resolution No. 77781 adopted.**

**Resolution No. 77782 adopted.**

**Resolution No. 77783 adopted.**

(b) Adopt a resolution establishing the Schedule of Fees and Charges for 2016-2017. CEQA: Not a Project, File No. PP10-069, City Organizational and Administrative Activities and Not a Project, File No. PP10-068(c), Code or Policy change that involves no changes in the physical environment. (City Manager)

**Resolution No. 77784 adopted.**

#### **3.10 Public Hearing on Recording Liens on Properties for the Reimbursement of the Cost of Sidewalk Repairs for Fiscal Year 2016-2017 Santa Clara County Secured Property Tax Bill.**

**Recommendation:**

- (a) Conduct a Public Hearing on recording liens on properties for the reimbursement of the cost of sidewalk repairs.
- (b) Adopt a resolution confirming the Report from the Director of Finance concerning the delinquent sidewalk repair costs and the assessments contained in the report.
- (c) Direct the recording of liens and the placement of charges as set forth therein on the 2016-2017 Santa Clara County Secured Property Tax Bill for the cost of sidewalk repairs.

CEQA: Not a Project, File No PP10-067(a), Non-Project Specific Funding Mechanism for Increase or Adjustment to Fees, Rates and Fares. (Finance)

**To Be Heard in the Evening.**

**Continued to the June 21, 2016 Special Evening Meeting.**

## 4. COMMUNITY & ECONOMIC DEVELOPMENT

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### 4.1 Actions Related to the Sale of Hayes Mansion Property.

**Recommendation:** Adopt a resolution:

- (a) Declaring the Hayes Mansion hotel and conference center property, consisting of 6.32 acres of land and 275,231 square feet of commercial building space, surplus to the needs of the City concurrent with the transfer of title from the City of San Jose Financing Authority;
- (b) Authorizing the City Manager or his designee to negotiate the sale of the hotel property, including furniture, fixtures, equipment, vehicles and art for \$47,000,000 to Asha Companies based upon the terms and conditions outlined in this memorandum, and to execute a purchase and sale agreement, the deed and all other documents needed to complete the transaction, contingent upon the transfer of the property from the Authority to the City;
- (c) Authorizing the City Manager to Assign the Management Agreement between Dolce International Holdings, Inc. and the City to Asha Companies;
- (d) Accepting the transfer of the Grant Deed for the Hayes Mansion property as of the closing date of the sale of the property to Asha Companies in exchange for funds sufficient (in combination with proceeds on hand in associated Debt Service Reserve Funds) to retire all bonds issued by the City of San Jose Financing Authority that are secured by the Hayes Mansion property; and
- (e) Directing staff to apply the balance of the sale proceeds and other related proceeds and savings to the retirement of debt and payment of obligations as set forth in the June 3, 2016 memorandum on this subject.

CEQA: Exempt, Section 15301 Existing Facilities, File No. PP16-016. (Economic Development)

**Moved to San José Financing Authority Meeting. See Item 2(a)(b) for Action.**

### 4.2 Actions Related to the Refinancing Conditions for Rincon de Los Esteros.

**Recommendation:** Adopt a resolution authorizing the Director of Housing to:

- (a) Negotiate and execute amendments to the City's existing loan documents on the Rincon de los Esteros Apartments, a 246-apartment affordable property located at 1780 Old Oakland Road ("Property"), to enable refinancing of the Property's senior loan and withdrawal of no more than \$3,000,000 in refinancing proceeds by the Property's owner, Rincon de los Esteros, Inc. ("Owner"), an affiliate of the San José-based nonprofit developer First Community Housing ("Sponsor"); and
- (b) Negotiate and execute amendments to the City's other project-related documents to implement the changes described in the memorandum to Council.

CEQA: Exempt, Section 15301(d) Existing Facilities, File No. PP16-066. Council District 4. (Housing)

**Resolution No. 77785 adopted.**

## **4. COMMUNITY & ECONOMIC DEVELOPMENT**

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### **4.3 Actions Related to the Affordable Housing and Sustainable Communities Grant for the St. James Station Project.**

**Recommendation:** Adopt a resolution:

- (a) Authorizing the City Manager or his designee to submit a joint application, with First Community Housing (“FCH” or “Developer”), to the California Strategic Growth Council (SGC) and/or California Department of Housing and Community Development (HCD) in an amount not to exceed \$18,651,319 under the 2015-16 Affordable Housing and Sustainable Communities (AHSC) program to fund new affordable housing, infrastructure and programs that help reduce greenhouse gas emissions in San José.
- (b) Authorizing the City Manager or his designee to enter into, execute, and deliver a State of California Standard Agreement (Standard Agreement) in a total amount not to exceed \$18,651,319 (\$14,404,113 for the AHSC Loan and \$4,247,206 for the AHSC Grant), and any and all other documents required or deemed necessary or appropriate to secure the AHSC Program funds.
- (c) Identifying the City Manager or his designee is authorized to execute in the name of Applicant the AHSC Program Application Package and the AHSC Program Documents as required by the Department for participation in the AHSC Program.
- (d) Authorizing the City Manager or his designee to negotiate and execute an agreement with FCH to allocate responsibilities and liabilities between the City and the Developer in the event the grant and loan are awarded to the City and FCH as co-applicants.

CEQA: Brandenburg Mixed Use Project/North San Pedro Housing Sites Final Program EIR and Addenda thereto, File No. PP16-056. Council District 3. (Housing)

**Resolution No. 77786 adopted.**

**Staff was directed to:**

- (1) **To push the limits, aim high and report back to Council once the awards have been made.**
- (2) **Open up the process to include input from the Council.**

## 4. COMMUNITY & ECONOMIC DEVELOPMENT

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### 4.4 Actions Related to the Affordable Housing and Sustainable Communities Grant for the Renascent Place Project.

**Recommendation:** Adopt a resolution:

- (a) Authorizing the City Manager or his designee to submit a joint application, with Charities Housing Development Corporation (“Charities Housing” or “Developer”) to the California Strategic Growth Council (SGC) and/or California Department of Housing and Community Development (HCD) in an amount not to exceed \$14,979,486 under the 2015-16 Affordable Housing and Sustainable Communities (AHSC) program to fund new affordable housing, infrastructure and programs that help reduce greenhouse gas emissions in San José;
- (b) Authorizing the City Manager or his designee to enter into, execute, and deliver a State of California Standard Agreement (Standard Agreement) in a total amount not to exceed \$14,979,486 (\$7,766,134 for the AHSC Loan and \$7,213,352 for the AHSC Grant), and any and all other documents required or deemed necessary or appropriate to secure the AHSC Program funds;
- (c) Identifying the City Manager or his designee is authorized to execute in the name of Applicant the AHSC Program Application Package and the AHSC Program Documents as required by the Department for participation in the AHSC Program; and
- (d) Authorizing the City Manager or his designee to negotiate and execute an agreement with Charities Housing to allocate responsibilities and liabilities between the City and the Developer in the event the grant and loan are awarded to the City and Charities Housing as co-applicants.

CEQA: Addendum to the 2500 Senter Road Residential Project Mitigated Negative Declaration and Addenda thereto, the Coyote Creek Trail Story Road to Phelan Avenue Mitigated Negative Declaration, and the Coyote Creek Trail Master Plan Los Lagos Golf Course to Tully Road Mitigated Negative Declaration, File No. PP16-065. Council District 7. (Housing)

**Resolution No. 77787 adopted.**

### 4.5 Public Hearing on the Vacation of a Portion of Julian Street West of Terraine Street.

**Recommendation:** Conduct a Public Hearing and adopt a resolution:

- (a) Approving the report of the Director of Public Works setting forth the facts justifying the vacation of a portion of Julian Street, west of Terraine Street with the reservation of a public service easement over the entire area being vacated (“PSE”).
- (b) Vacating the approximately 8,334 square feet portion of Julian Street which is unnecessary for present or prospective public use with the reservation of the PSE.
- (c) Directing the City Clerk to record a certified copy of the resolution of vacation with the Office of the Recorder, County of Santa Clara.

CEQA: Brandenburg Mixed-Use Project/North San Pedro Housing Sites EIR (Resolution No. 72170), File No. GP03-03-01. Council District 3. (Public Works)

**The Public Hearing was Held.**

**Resolution No. 77788 adopted.**

## 4. COMMUNITY & ECONOMIC DEVELOPMENT

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### 4.6 Public Hearing on the Annexation Area No. 2 to Community Facilities District No. 8 (Communications Hill) for Improvements.

**Recommendation:** Conduct a Public Hearing and take the following actions relating to annexing Annexation Area No. 2 into Community Facilities District No. 8 (Communications Hill):

- (a) Adopt a resolution:
  - (1) Declaring the results of the special election;
  - (2) Contingent upon two-thirds qualified voter approval, determining that Annexation Area No. 2 is annexed to Community Facilities District No. 8;
  - (3) Directing the City Clerk to record a notice of special tax lien.

**The Public Hearing was Held.**

**Resolution No. 77789 adopted.**

**Abstain: Khamis.**

- (b) Adopt an ordinance levying special taxes within Annexation Area No. 2 to Community Facilities District No. 8.

CEQA: Communications Hill 2 Final EIR (Resolution No 77172), File No. PDA14-035-01. Council District 7. (Public Works)

**Ordinance No. 29748 adopted.**

**Abstain: Khamis.**

## 5. NEIGHBORHOOD SERVICES

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### 5.1 Actions Related to Reducing Economic Barriers to Library Access.

**Recommendation:** As recommended by the Neighborhood Services & Education Committee on March 10, 2016:

- (a) Accept the report regarding Reducing Economic Barriers to Library Access.  
**Accepted.**

- (b) Adopt a resolution to authorize the Library Director, in partnership with the Director of Finance, to implement one-time and ongoing programs that eliminate outstanding Library cardholder debt, provided that certain conditions are met, including:

- (1) A one-month fee Amnesty for patrons who return items in “billed” status, to be implemented in 2016.
- (2) Programs that allow patrons to have their Library cardholder debt reduced or eliminated when they replace “billed” items, volunteer on behalf of the Library, or participate in designated reading activities.
- (3) A one-time per patron forgiveness of overdue fines for patrons who register for the 2016 Summer Reading Challenge.

CEQA: Not a Project, File No. PP10-069, City Organizational and Administrative Activities. (Library)

*(Action Continued on the Next Page)*

## **5. NEIGHBORHOOD SERVICES**

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### **5.1 Actions Related to Reducing Economic Barriers to Library Access. (Action Cont'd.)**

The memorandum from Mayor Sam Liccardo, Council Member Raul Peralez and Council Member Magdalena Carrasco, dated June 10, 2016, was approved:

- (1) Accept the Staff Report and Recommendations on Actions related to reducing economic barriers to library access with the following changes:**
  - (a) Reduce the maximum number of items allowed per cardholder account from 100 to 25 and create a program that allows educators to check-out up to 50 items.**
  - (b) Develop a survey that generates information and insights on library usage programs to develop new, or improve existing strategies for on-time returns.**
  - (c) Establish a differentiated fine structure for children and youth that incorporates the following:**
    - (i) Fines are significantly lower than those in place for adults.**
    - (ii) Establish a cap on maximum accrued fines that ensures access.**
    - (iii) Allow fees to be waived or reduced only when the late item is returned.**
- (2) Report to Council through the Neighborhood Services and Education Committee:**
  - (a) Whether the City, or its contracted debt collection agency, has reported or continues to report library patron debt to any credit agencies; what impacts that might have on the patron's credit, and what options remain available to the City.**
  - (b) Whether the City can recover more revenue and reduce administrative costs on nonperforming patron debt through fine/debt "work-outs" with patrons.**
  - (c) Whether the City can work with Silicon Valley Community Foundation (SVCF) and other interested foundations to promote and fundraise resources that will:**
    - (i) Establish a fund to cover the cost of replacing missing children's books.**
    - (ii) Reinforce the vision of San Jose libraries as an accessible and welcoming place to our entire community.**
    - (iii) Implement and study the impact of a one-time fee-waiver program.**
    - (iv) Educate and incentivize children to foster responsible use and return of library materials.**
  - (d) On the integration of these efforts with existing City programs that promote equity and children's access, such as My Brothers' Keeper, the Library's Teen Center, Library Works, San José Learns and San José Works.**

**Resolution No. 77790 adopted.**

## **6. TRANSPORTATION & AVIATION SERVICES**

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### **6.1 Airport Disadvantaged Business Enterprise Program for Grant Funded Airport Development Projects for Federal Fiscal Years 2017-2019.**

**Recommendation:** Adopt a resolution:

- (a) Approving a proposed overall Disadvantaged Business Enterprise (DBE) participation race-neutral goal of 6.30% for Federal Aviation Administration (FAA) Airport Improvement Program grant funded Airport development projects at the Norman Y. Mineta San José International Airport for Federal Fiscal Years 2017-2019;
  - (b) Authorizing the City Manager to submit the three-year DBE participation plan to the FAA, which is due by August 1, 2016; and
  - (c) Authorizing the City Manager to make revisions as requested by the FAA.
- CEQA: Not a Project, File No. PP10-068, General Procedure & Policy Making. (Airport) (Deferred from 5/24/16 – Item 6.1)

**Resolution No. 77791 adopted.**

## **7. ENVIRONMENTAL & UTILITY SERVICES**

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### **7.1 Agreements with Hazen and Sawyer, and Value Management Strategies, Inc. for Engineering and Peer Review Services Capital Improvement Program at the Regional Wastewater Facility.**

**Recommendation:** Approve Master Consultant Agreements with Hazen and Sawyer, and Value Management Strategies, Inc. to provide value engineering and peer review services for the Capital Improvement Program at the San José-Santa Clara Regional Wastewater Facility from the date of execution through June 30, 2021, in a total amount not to exceed \$5,000,000 for each agreement, subject to the appropriation of funds. CEQA: Exempt, Section 15262, Feasibility and Planning Studies, File No. PP10-066(d). (Environmental Services)

**Continued to the June 21, 2016 Meeting.**

### **7.2 Agreement with Brown and Caldwell for Engineering Services for 8001 – Aeration Tanks Rehabilitation Project and 8073 – Blower Improvements Project at the San José-Santa Clara Regional Wastewater Facility.**

**Recommendation:** Approve a Master Consultant Agreement with Brown and Caldwell to provide engineering services for the 8073 – Blower Improvements Project and 8001 – Aeration Tanks Rehabilitation Project at the San José-Santa Clara Regional Wastewater Facility from the date of execution through December 31, 2024, in an initial total amount not to exceed \$7,900,000, subject to the appropriation of funds. CEQA: Exempt, File No. PP10-066(d), Section 15262, Feasibility and Planning Studies. (Environmental Services)

**Continued to the June 21, 2016 Meeting.**

## **7. ENVIRONMENTAL & UTILITY SERVICES**

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### **7.3 Report on Bids and Award of Contract for the 7987- Construction-Enabling Improvement Project.**

**Recommendation:**

- (a) Adopt a resolution approving the Construction-Enabling Improvements Project Addendum to the San José / Santa Clara Water Pollution Control Plant Master Plan Environmental Impact Report (SCH# 2011052074) and related Mitigation Monitoring and Reporting Program (File No. PP15-120).
- (b) Report on bids and award of contract for the 7987 – Construction-Enabling Improvements Project to the low bidder, Teichert Construction, Inc., for the base bid of \$3,124,885 and Add Alternate No. 2 in the amount of \$11,025 for a total amount of \$3,135,910 and approval of a 10 percent construction contingency in the amount of \$314,000.
- (c) Adopt a resolution authorizing the Director of Public Works to execute one or more change orders in excess of \$100,000 for the duration of the Construction Enabling Improvements project, not to exceed the total contingency amount approved for the project.
- (d) Adopt the following 2015-2016 Appropriations Ordinance amendments in the San José-Santa Clara Treatment Plant Capital Fund:
  - (1) Decrease the Urgent and Unscheduled Treatment Plant Rehabilitation appropriation to the Environmental Services Department by \$455,000; and
  - (2) Increase the Construction-Enabling Improvements appropriation to the Environmental Services Department by \$455,000.

CEQA: Addendum to the San José/Santa Clara Water Pollution Control Plant Master Plan Final EIR (SCH# 2011052074), File No. PP15-120. (Environmental Services/Public Works/City Manager)

**Continued to the June 21, 2016 Meeting.**

### **7.4 Agreements with Kennedy/Jenks Consultants, Inc. and MNS Engineers, Inc. for Construction Management Services for the San José- Santa Clara Regional Wastewater Facility Capital Improvement Program.**

**Recommendation:** Approve Master Consultant Agreements with Kennedy/Jenks Consultants, Inc. and MNS Engineers, Inc., for construction management and inspection services for various capital improvement projects at the San José-Santa Clara Regional Wastewater Facility, from the date of execution through June 30, 2024, in a total amount not to exceed \$8,000,000 for each agreement, subject to the appropriation of funds.

CEQA: Exempt, File No. PP10-066(d), Section 15262, Feasibility and Planning Studies. (Environmental Services/Public Works)

**Continued to the June 21, 2016 Meeting.**

## **8. PUBLIC SAFETY SERVICES**

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## **9. REDEVELOPMENT – SUCCESSOR AGENCY**

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### **9.1 Actions Related to the Purchase and Sale Agreements for the Properties Located at 92 South Montgomery Street and a Landscape Area at Almaden Boulevard.**

**Recommendation:** Successor Agency Board approve the Purchase and Sale Agreements and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San José, as seller and:

- (a) Imwalle Annex HBD, LLC, as buyer to allow the sale of real property located at 92 South Montgomery Street for a purchase price of \$613,000.
- (b) Lawrence Wu, as buyer to allow the sale of a landscape area located at Almaden Boulevard (APN 264-3-101) for a purchase price of \$508,000.

CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. (Successor Agency)

**Continued to the June 21, 2016 Meeting.**

### **9.2 Purchase and Sale Agreement for Real Property Located at 300 South Almaden Boulevard.**

**Recommendation:** Successor Agency Board approve the Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San José, as seller, and the County of Santa Clara, as buyer, to allow the sale of 300 South Almaden Boulevard to the County for the appraised value of \$96,000.

CEQA: Not a Project, File No. PP10-066(a), Agreements and Contracts. (Successor Agency)

**Continued to the June 21, 2016 Meeting.**

- **Open Forum**

**Continued to the June 21, 2016 Meeting.**

**The Council adjourned to Closed Session at 5:08 p.m. and returned to Open Session at 5:12 p.m.**

- **Adjournment**

**Mayor Sam Liccardo adjourned the Council Meeting at 5:14 p.m. and directed all the remaining items to be deferred to June 21, 2016.**

**The Council of the City of San José will reconvene on Tuesday, June 21, 2016 in Closed Session at 8:30 a.m.**

## 10. GENERAL PLAN PUBLIC HEARINGS

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### 10.1 Tentative approval of General Plan Consent Calendar Items.

- (a) **General Plan Text Amendment: Director-Initiated General Plan Text Amendment to Increase the Floor Area Ratio (FAR) from up to 2.0 FAR to up to 3.5 FAR, and increase the reference range for the number of stories from one to four stories to one to five stories for the Neighborhood/Community Commercial land use designation.**

**Recommendation:** Adopt a resolution increasing the Floor Area Ratio (FAR) from up to 2.0 FAR to up to 3.5 FAR, and increase the reference range for the number of stories from one to four stories to one to five stories for the Neighborhood/Community Commercial land use designation. Director of Planning, Building and Code Enforcement recommends approval and Planning Commission recommends approval (5-0-2, Yob and Pham absent). CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program EIR. (Planning, Building and Code Enforcement)

**GPT16-003** – Citywide

**Continued to the June 21, 2016 Special Evening Meeting.**

#### END OF CONSENT CALENDAR

### 10.2 General Plan Amendment: Early Consideration of a Privately-Initiated General Plan Amendment Request Expand the Urban Service Area Boundary and Change the Land Use/Transportation Diagram Designation from Lower Hillside to Residential Neighborhood for a Real Property Located at the Northwest Corner of Silicon Valley Road and Gravina Loop.

**Recommendation:** Deny the General Plan Amendment request to expand the Urban Service Area Boundary and change to the Land Use/Transportation Diagram designation of the subject site from Lower Hillside to Residential Neighborhood for an approximately 3.2 gross acre site (Barbaccia Trust, owner). Director of Planning, Building and Code Enforcement recommends denial. Planning Commission recommends denial (4-1-2, O'Halloran opposed; Yob and Pham absent). CEQA: Exempt, Section 15270 Projects which are disapproved. (Planning, Building and Code Enforcement)

**GP15-017** – District 2

**Continued to the June 21, 2016 Special Evening Meeting.**

## 10. GENERAL PLAN PUBLIC HEARINGS

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### 10.3 General Plan Amendment: Early Consideration of a Privately-Initiated Land Use/Transportation Diagram Amendment from Light Industrial Designation to Mixed Use Neighborhood Designation for a Real Property Located on the Southerly Side of Campbell Avenue, Approximately 770 Feet Westerly of Newhall Street (1175 Campbell Avenue).

**Recommendation:** Allow continued processing of the General Plan Amendment request to change the Land Use/Transportation Diagram designation from Light Industrial to Mixed Use Neighborhood for an approximately 1.95 gross acre site (1175 Campbell Avenue, LLC, owner). Director of Planning, Building and Code Enforcement recommends denial. Planning Commission recommends that the City Council allow continued processing of the proposed General Plan Amendment for consideration during the 2016 General Plan Annual Review hearing cycle for privately initiated General Plan amendments (5-0-2, Yob and Pham absent). CEQA: Exempt, Section 15270 Projects which are disapproved. (Planning, Building and Code Enforcement)

**GP16-006** – District 6

**Continued to the June 21, 2016 Special Evening Meeting.**

### 10.4 General Plan Amendment: Director-Initiated Land Use/Transportation Diagram Amendment from Neighborhood/Community Commercial Designation to Mixed Use Neighborhood Designation for a Real Property Located on Evans Lane, Approximately 250 feet North of Canoas Garden Avenue.

**Recommendation:**

- (a) Adopt a resolution adopting the Evans Lane Transitional Housing Project Mitigated Negative Declaration, for which an initial study was prepared, all in accordance with the California Environmental Quality Act, as amended, and adopting a related Mitigation Monitoring and Reporting Program.
- (b) Approve the General Plan Amendment to change the Land Use/Transportation Diagram designation from Neighborhood/Community Commercial to Mixed Use Neighborhood for an approximately 5.93 gross acre site (City of San José, owner).

Director of Planning, Building and Code Enforcement recommends approval. Planning Commission recommends approval (4-1-2, Bit-Badal opposed; Yob and Pham absent). CEQA: Evans Lane Transitional Housing Project Negative Declaration. (Housing/ Planning, Building and Code Enforcement)

**GP16-001** – District 6

**Continued to the June 21, 2016 Special Evening Meeting.**

### 10.5 Continue General Plan Hearing to June 28, 2016 for Final Adoption. Continued to the June 28, 2016 for Final Adoption.

# 11. PUBLIC HEARINGS ON CONSENT CALENDAR

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## 11.1 Public Hearings on Consent Calendar.

- (a) **Conventional Rezoning for the Real Property Located on the North Side of Piercy Road, Approximately 450 Feet Easterly of Hellyer Avenue (455 Piercy Road).**

**Recommendation:** Consideration of an ordinance rezoning the real property located on the north side of Piercy Road, approximately 450 feet easterly of Hellyer Avenue (455 Piercy Road) from the A(PD) Planned Development Zoning District to the IP Industrial Park Zoning District on an approximately 8.0 gross acre site (Owens Mortgage Investment Fund, owner). Director of Planning, Building and Code Enforcements recommends approval. CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041) and Supplemental EIR (Resolution No. 77617). (Planning, Building and Code Enforcement)

**C16-015** – Council District 2

**Continued to the June 21, 2016 Special Evening Meeting.**

- (b) **Conventional Rezoning for the Real Property Located on the Southwest Corner of N. Sixth Street and E. St. John Street (61, 73, 81, 87, and 99 North 6<sup>th</sup> Street).**

**Recommendation:**

(1) Adopt a resolution approving the North Sixth Street Residential Addendum to the Downtown Strategy 2000 Final Program Environmental Impact Report (Resolution No. 72767), Envision San José 2040 General Plan Final Program Environmental Impact Report (Resolution No. 76041) and Supplemental Environmental Impact Report (Resolution No. 77617), for which an Initial Study was prepared, all in accordance with the California Environmental Quality Act, as amended, and adopting a related Mitigation Monitoring and Reporting Program.

(2) Consideration of an ordinance rezoning the real property located on the southwest corner of N. Sixth Street and E. St. John Street (61, 73, 81, 87, and 99 N. Sixth Street) from the R-M Multiple Residence Zoning District to the DC Downtown Primary Commercial Zoning District on an approximately 0.74 gross acre site (Keith Watts, First Methodist Church, Allan and Angela Ngoc, Vu Vi Xuan trustee, owners).

Planning Commission recommends approval (7-0-0). CEQA: Addendum to the San José Downtown Strategy 2000 Final Program EIR (Resolution No. 72767), and the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041) and Supplemental EIR (Resolution No. 77617). (Planning, Building and Code Enforcement)

**C15-062** – District 3

**Continued to the June 21, 2016 Special Evening Meeting.**

# 11. PUBLIC HEARINGS

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## 11.2 Planned Development Zoning and Planned Development Permit for the Real Property Located East Side of Sunol Street, Approximately 120 Feet North of West San Carlos Street (270 and 266 Sunol Street).

### **Recommendation:**

- (a) Adopt a resolution approving the 777/815 West San Carlos Street Mixed-Used Project Addendum to the Diridon Station Area Plan Final Environmental Impact Report (Resolution No. 77096) and the Envision San José 2040 General Plan Final Program Environmental Impact Report (Resolution No. 76041) and Supplemental Environmental Impact Report (Resolution No. 77617), for which an Initial Study was prepared, all in accordance with the California Environmental Quality Act, as amended, and adopting a related Mitigation Monitoring and Reporting Program.
- (b) Consideration of an ordinance rezoning the real property located on the east side of Sunol Street, approximately 120 feet north of W. San Carlos Street (270 and 266 Sunol Street) from the R-M(PD) Planned Development Zoning District to the R-M(PD) Planned Development Zoning District to allow an approximately seven-story mixed-use development with a density bonus of 35 percent in accordance with State law for up to 149 multi-family residential units (including 22 very low income affordable units) and a minimum of 2,900 square feet of commercial space (J.C. Martin, owner).
- (c) Adopt a resolution approving a Planned Development Permit to allow the demolition of five existing buildings, including a single-family residence, detached garage, a welding shop, and two storage yard buildings, with a total of 17,301 square feet, the removal of nine ordinance-size trees, and the construction of 149 residential units (including 22 very low income affordable units) within a seven-story building with a two-floor, above-grade parking garage.

Director of Planning, Building and Code Enforcements recommends approval. CEQA: 777/815 West San Carlos Street Mixed-Used Project Addendum to the Diridon Station Area Plan Final EIR (Resolution No. 77096) and the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041) and Supplemental EIR (Resolution No. 77617). (Planning, Building and Code Enforcement)

**PDC16-018 & PD16-013** – Council District 6

**Continued to the June 21, 2016 Special Evening Meeting.**

## 11. PUBLIC HEARINGS

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### 11.3 Conventional Rezoning, Vesting Tentative Map and Site Development Permit for the Real Property Located on the Westerly side of Delmas Avenue, Approximately 290 feet Northerly of Auzerais Avenue (341 363, 365 Delmas Ave).

#### **Recommendation:**

- (a) Consideration of an Addendum to the Downtown Strategy 2000 Final Program Environmental Impact Report (Resolution No. 72767), the Diridon Station Area Plan Final Program Environmental Impact Report (Resolution No. 77096), and the Envision San José 2040 General Plan Final Program Environmental Impact Report (Resolution No. 76041) and Supplemental Environmental Impact Report (Resolution No. 77617), for which an Initial Study was prepared, all in accordance with the California Environmental Quality Act, as amended.
- (b) Consideration of an ordinance rezoning the real property located on the westerly side of Delmas Avenue, approximately 290 feet northerly of Auzerais Avenue, on an approximately 0.5 gross acre site from the LI Light Industrial Zoning District to the DC Downtown Primary Commercial Zoning District (Delmas Group, LLC, owner).
- (c) Adopt a resolution approving a Vesting Tentative Map to consolidate four parcels into one parcel, and allow up to 120 residential condominium units.
- (d) Adopt a resolution approving a Site Development Permit to allow the demolition of three single-family residences and associated accessory buildings, the removal of five ordinance-size trees, the construction of a five-story multi-family residential building with up to 120 units, an alternative parking arrangement, and transportation demand management (TDM) measures to reduce parking requirements.

Planning Commission recommends approval (7-0-0). CEQA: Addendum to the San José Downtown Strategy 2000 Final EIR (Resolution No. 72767), the Diridon Station Area Plan Final EIR (Resolution No. 77096), and the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041) and Supplemental EIR (Resolution No. 77617). (Planning, Building and Code Enforcement)

**C15-047, H15-046 & T15-058** – Council District 3

**Continued to the June 21, 2016 Special Evening Meeting.**

### 11.4 Planned Development Rezoning and Planned Development Permit for the Real Property Located at the Northeast Corner of S. Montgomery Street and Lorraine Avenue (565 Lorraine Avenue).

#### **Recommendation:**

- (a) Adopt a resolution approving the Montgomery 7 Addendum to the Diridon Station Area Plan Final Program Environmental Impact Report (Resolution No. 77096), the Envision San José 2040 General Plan Final Program Environmental Impact Report (Resolution No. 76041) and the Envision San José 2040 General Plan Supplemental Environmental Impact Report (Resolution No. 77617), for which an Initial Study was prepared, all in accordance to California Environmental Quality Act, as amended, and adopting a related Mitigation Monitoring and Reporting Program.

## 11. PUBLIC HEARINGS

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### 11.4 Planned Development Rezoning and Planned Development Permit for the Real Property Located at the Northeast Corner of S. Montgomery Street and Lorraine Avenue (565 Lorraine Avenue). (Cont'd.)

**Recommendation:**

- (b) Consideration of an ordinance rezoning the real property located at the northeast corner of S. Montgomery Street and Lorraine Avenue (565 Lorraine Avenue) on a 0.1 gross acre site from the LI Light Industrial Zoning District to the R-M(PD) Planned Development Zoning District to allow a ten-story mixed-use building that includes approximately 1,856 square feet of ground-floor commercial space and up to 54 residential units (Montgomery 7, LLC, owner).
- (c) Adopt a resolution approving a Planned Development Permit to allow a ten-story mixed-use building that includes approximately 1,856 square feet of ground-floor commercial space and up to 54 residential units.

Planning Commission recommends approval (6-1-0, Bit-Badal opposed). CEQA: Montgomery 7 Addendum to the Diridon Station Area Plan Final Program EIR (Resolution No. 77096), the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041) and the Envision San José 2040 General Plan Supplemental EIR (Resolution No. 77617). (Planning, Building and Code Enforcement)

**PDC15-038 & PD15-042** – Council District 3

**Continued to the June 21, 2016 Special Evening Meeting.**

### 11.5 Planned Development Conforming Rezoning for the Real Property Located on the Westerly Side of Lick Avenue and North of West Alma Avenue (1197 Lick Avenue).

**Recommendation:**

- (a) Adopt a resolution approving the Tamien Station Transit Oriented Development Mitigated Negative Declaration, for which an Initial Study was prepared, all in accordance with the California Environmental Quality Act, as amended, and adopting a related Mitigation Monitoring and Reporting Program.
- (b) Consideration of an ordinance rezoning the real property located on the westerly side of Lick Avenue, approximately 740 feet north of W. Alma Avenue (1197 Lick Avenue) from the LI Light Industrial Zoning District to the R-M(PD) Planned Development Zoning District on an approximately 6.96 gross care site (Santa Clara Valley Transportation Authority, owner).

Planning Commission recommends approval (5-0-2, Yob and Pham absent). CEQA: Tamien Station Transit Oriented Development Mitigated Negative Declaration. (Planning, Building and Code Enforcement)

**PDC14-072** – Council District 3

**Continued to the June 21, 2016 Special Evening Meeting.**

## 11. PUBLIC HEARINGS

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### 11.6 Conforming Rezoning, Conditional Use Permit, and Determination of Public Convenience or Necessity for the Real Property Located on the Southwesterly Corner of Saratoga Avenue and Quito Road (1804 Saratoga Avenue).

#### **Recommendation:**

- (a) Adopt a resolution approving the CVS/Pharmacy Store #9498 Store on Saratoga Avenue and Quito Road Mitigated Negative Declaration, for which an Initial Study was prepared, all in accordance with the California Environmental Quality Act, as amended, and adopting the related Mitigation Monitoring and Reporting Program.
- (b) Consideration of an ordinance rezoning the real property located at on the southwesterly corner of Saratoga Avenue and Quito Road (1804 Saratoga Avenue) from the CP Commercial Pedestrian Zoning District to the CN Commercial Neighborhood Zoning District on an approximately 1.47 gross acre site (Geoffrey A. Farrar, trustee and et al, owner).
- (c) Adopt a resolution approving a Conditional Use Permit to allow the demolition of three existing commercial buildings totaling 15,960 square feet, the construction of a 14,700 square foot commercial building with a drive-through (CVS Pharmacy), and the off-sale of a full range of alcohol and approving a Determination of Public Convenience or Necessity for the off-sale of a full range of alcohol at a retail establishment.

Planning Commission recommends approval (5-0-2, Yob and Pham absent). CEQA: CVS/Pharmacy Store #9498 Store on Saratoga Avenue and Quito Road Mitigated Negative Declaration. (Planning, Building and Code Enforcement)

**C15-008, CP15-014, & ABC15-010** – Council District 1

**Continued to the June 21, 2016 Special Evening Meeting.**

### 11.7 Planned Development Zoning, Vesting Tentative Map and Planned Development Permit for the Real Property Located at 1560 Oakland Road and 0 Aruajo Street.

#### **Recommendation:**

- (a) Adopt a resolution approving the Aruajo Street Subdivision Mitigated Negative Declaration, for which an Initial Study was prepared, all in accordance with the California Environmental Quality Act, as amended, and adopting a related Mitigation Monitoring and Reporting Program.
- (b) Consideration of an ordinance rezoning the real property located on the west side of Aruajo Street, approximately 300 feet southerly of the intersection of Townsend Park Circle and Aruajo Street (1560 Oakland Road and 0 Aruajo Street), from the A Agricultural Zoning District to a R-M(PD) Planned Development Zoning District on a 0.61 gross acre site to allow 9 single-family detached residences (Villa Developers, LLC, Owner).

## 11. PUBLIC HEARINGS

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### 11.7 **Planned Development Zoning, Vesting Tentative Map and Planned Development Permit for the Real Property Located at 1560 Oakland Road and 0 Arujo Street. (Cont'd.)**

**Recommendation:**

- (c) Adopt a resolution approving a Vesting Tentative Map to subdivide one parcel into 10 parcels (nine parcels for residential uses and one parcel for common area uses).
- (d) Adopt a resolution approving a Planned Development Permit to allow the construction of nine single family detached residences.

Planning Commission recommends approval (7-0-0). CEQA: Arujo Street Subdivision Mitigated Negative Declaration. (Planning, Building and Code Enforcement)

**PDC14-058, PD14-047, & PT14-047** – Council District 4

(Deferred from 5/17/16 – Item 11.3)

**Continued to the June 21, 2016 Special Evening Meeting.**

### 11.8 **Administrative Hearing for Appeals of the Planning Commission's Approval of a Conditional Use Permit for a Real Property Located on easterly side of Senter Road, approximately 560 feet southerly of Tully Road (2500 Senter Road).**

**Recommendation:**

- (a) Consideration of the Determination of Consistency to the 2500 Senter Road Residential Mitigated Negative Declaration (adopted on October 5, 2010), and Addendum thereto (adopted on February 9, 2016).
- (b) Conduct an Administrative Hearing on and consider an Appeal of the Planning Director's approval of a Conditional Use Permit to legalize the demolition of a church and associated accessory buildings and approve the construction of a 162-unit Residential Service Facility, and the removal of 26 ordinance sized trees (20 unpermitted and 6 proposed) on a 2.6 gross acre site (County of Santa Clara, owner).
- (c) Adopt a resolution denying an appeal and upholding the Planning Commission's approval of a Conditional Use Permit to legalize the demolition of a church and associated accessory buildings and approve the construction of a 162-unit Residential Service Facility, and the removal of 26 ordinance sized trees (20 unpermitted and 6 proposed) on a 2.6 gross acre site (County of Santa Clara, owner).

Planning Commission recommends approval (6-0-1, Abelite absent). CEQA: 2500 Senter Road Residential Mitigated Negative Declaration (Resolution No. 28815), and Addendum thereto (Resolution No. 29686). (Planning, Building and Code Enforcement)

**CP15-078** – Council District 7

**Continued to the June 21, 2016 Special Evening Meeting.**

## 11. PUBLIC HEARINGS

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### 11.9 Administrative Hearing for an Appeal of the Planning Director's Environmental Determination for a Planned Development Permit for a Real Property Located at the Northwest Corner of S. Winchester Boulevard and Williams Road (881 S. Winchester Boulevard).

#### **Recommendation:**

- (a) Conduct an Administrative Hearing on and consider an Appeal of the Planning Director's use of the Determination of Consistency with The Reserve Residential Project Final Environmental Impact Report (adopted by City Council Resolution No. 77676 on February 23, 2016) as the environmental clearance for the Planning Director's approval of a Planned Development Permit (File No. PD15-067) for the demolition of an existing apartment complex with 216 units and the construction of up to 640 multi-family residential units and 8,000 square feet of ground floor commercial space on an approximately 7.68 gross acre site at the northwest corner of S. Winchester Boulevard and Williams Road at 881 S. Winchester Boulevard.
- (b) Adopt a resolution denying the environmental appeal and upholding the Planning Director's use of the Determination of Consistency, and finding that:
  - (1) the City Council has read and considered the Determination of Consistency with The Reserve Residential Project Final Environmental Impact Report, in connection with Planned Development Permit PD15-067;
  - (2) the Determination of Consistency, together with the EIR, has been prepared and completed in compliance with the California Environmental Quality Act of 1970, together with state and local implementation guidelines;
  - (3) the Determination of Consistency, together with the EIR, reflects the independent judgment and analysis of the City of San José;
  - (4) preparation of a subsequent or supplemental EIR is not required because no new environmental impacts have been identified and no new mitigation measures are required; and
  - (5) the Director of Planning shall transmit copies of the EIR and Determination of Consistency to any other decision-making body of the City of San José for the project.

CEQA: The Reserve Residential Project Final EIR (Resolution No. 77676. (Planning, Building and Code Enforcement)

**PD15-067** – Council District 1

**Continued to the June 21, 2016 Special Evening Meeting.**

## 11. PUBLIC HEARINGS

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### 11.10 Administrative Hearing for an Appeal of the Planning Director's Environmental Determination and a Permit Approval of a Planned Development Permit for a Real Property Located at the Southwest Corner of Technology Drive and Skyport Drive (1721 Technology Drive).

#### **Recommendation:**

- (a) Conduct an Administrative Hearing on and consider Appeals of the Planning Director's use of the Determination of Consistency with the Spieker/Skyport Project Final Environmental Impact Report (adopted by City Council Resolution No. 69421 on February 29, 2000), the North San José Development Policies Update Final Program Environmental Impact Report (adopted by City Council Resolution No. 72768, on June 21, 2005), the Envision San José 2040 General Plan Final Environmental Impact Report (adopted by City Council Resolution 76041 on November 1, 2011), and the Envision San José 2040 General Plan Final Supplemental Environmental Impact Report (adopted by City Council Resolution 77617 on December 15, 2015), and Planning Director's approval of Planned Development Permit No. PD15-046 (Skyport Kaiser) for the construction of an approximately 153,000 square foot, four story medical office building on a 9.1 gross acre site at the southwest Corner of Technology Drive and Skyport Drive, at 1717 – 1725 Technology Drive.
- (b) Adopt a resolution denying the environmental appeal and upholding the Planning Director's use of the Determination of Consistency, and finding that:
  - (1) the City Council has read and considered the Determination of Consistency with the Spieker/Skyport Project Final Environmental Impact Report, the North San José Development Policies Update Final Program Environmental Impact Report, and the Envision San José 2040 General Plan Final Environmental Impact Report, as supplemented, in connection with Planned Development Permit PD15-046;
  - (2) the Determination of Consistency, together with the EIRs, have been prepared and completed in compliance with the California Environmental Quality Act of 1970, together with state and local implementation guidelines;
  - (3) the Determination of Consistency, together with the EIRs, reflect the independent judgment and analysis of the City of San José;
  - (4) preparation of a subsequent or supplemental EIR is not required because no new environmental impacts have been identified and no new mitigation measures are required; and
  - (5) the Director of Planning shall transmit copies of the EIR and Determination of Consistency to any other decision-making body of the City of San José for the project.
- (c) Adopt a resolution approving the Planned Development Permit for the Skyport Kaiser project for the construction of an approximately 153,000 square foot, four story medical office building on a 9.1 gross acre site at the southwest Corner of Technology Drive and Skyport Drive, at 1717 – 1725 Technology Drive.

*(Item continued on the next page)*

## **11. PUBLIC HEARINGS**

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### **11.10 Administrative Hearing for an Appeal of the Planning Director's Environmental Determination and a Permit Approval of a Planned Development Permit for a Real Property Located at the Southwest Corner of Technology Drive and Skyport Drive (1721 Technology Drive). (Cont'd.)**

**Recommendation:**

CEQA: Spieker/Skyport Project Final EIR (Resolution No. 69421), the North San José Development Policies Update Final Program EIR (Resolution No. 72768), and the Envision San José 2040 General Plan Final EIR (Resolution No. 76041) and Supplemental EIR (Resolution No. 77617). (Planning, Building and Code Enforcement)

**PD15-046** – Council District 3

**Continued to the June 21, 2016 Special Evening Meeting.**

**JOINT CITY OF SAN JOSE CITY COUNCIL/  
FINANCING AUTHORITY AGENDA**

**4:21 p.m.**

**TUESDAY, JUNE 14, 2016**

**CHAMBER**

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*Moved From City Council Item Number 4.1*

- 1. Call to Order and Roll Call  
All Present.**
- 2. Actions Related to the Sale of the Hayes Mansion Property.**

**Recommendation:**

- (a) Adopt a Resolution of the City Council:
  - (1) Declaring the Hayes Mansion hotel and conference center property, consisting of 6.32 acres of land and 275,231 square feet of commercial building space, surplus to the needs of the City concurrent with the transfer of title from the City of San Jose Financing Authority.
  - (2) Authorizing the City Manager or his designee to negotiate the sale of the hotel property, including furniture, fixtures, equipment, vehicles and art for \$47,000,000 to Asha Companies based upon the terms and conditions outlined in this memorandum, and to execute a purchase and sale agreement, the deed and all other documents needed to complete the transaction, contingent upon the transfer of the property from the Authority to the City.
  - (3) Authorizing the City Manager to Assign the Management Agreement between Dolce International Holdings, Inc. and the City to Asha Companies.
  - (4) Accepting the transfer of the Grant Deed for the Hayes Mansion property as of the closing date of the sale of the property to Asha Companies in exchange for funds sufficient (in combination with proceeds on hand in associated Debt Service Reserve Funds) to retire all bonds issued by the City of San Jose Financing Authority that are secured by the Hayes Mansion property.
  - (5) Directing staff to apply the balance of the sale proceeds and other related proceeds and savings to the retirement of debt and payment of obligations as set forth in the June 3, 2016 memorandum on this subject.

**2. Actions Related to the Sale of the Hayes Mansion Property. (Cont'd.)**

**Recommendation:**

- (b) Adopt a resolution of the City of San José Financing Authority Board directing the Executive Director or the Treasurer of the Authority or their authorized designees to take the necessary actions to effectuate the transfer of the Hayes Mansion property to the City in conjunction with the sale of the property to Asha Companies and to apply the sale proceeds as directed by the City Council and subject to appropriation by City Council retire the outstanding Authority Series 2008C and Series 2008D Bonds and any other eligible bonds of the Authority as directed by City Council.

CEQA: Exempt, Section 15301 Existing Facilities, File No. PP16-016. Council District 2. (Economic Development/Finance)

**The memorandum from Mayor Sam Liccardo, Council Member Ash Kalra and Council Member Raul Peralez, dated June 10, 2016, was approved, accepting the Staff recommendations as outlined in the memorandum dated June 3, 2016, with the City Manager directed to encourage Staff to continue conversations with Asha Companies to put forward best efforts for allowing labor peace agreements for employees.**

**Resolution No. 77792 adopted.**

**San José Financing Authority No. 129 adopted.**

**3. Open Forum**

**There was no testimony from the floor.**

**4. Adjourn the Joint City Council/San José Financing Authority.**

**Mayor Sam Liccardo adjourned the meeting at 5:08 p.m. and recessed to Closed Session at 5:09 p.m.**