



CITY COUNCIL AGENDA

APRIL 20, 2010

SYNOPSIS

PETE CONSTANT
ASH KALRA
SAM LICCARDO
KANSEN CHU
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED MAYOR

PIERLUIGI OLIVERIO
MADISON P. NGUYEN
ROSE HERRERA
JUDY CHIRCO, VICE MAYOR
NANCY PYLE

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.

Items listed in Section 9 require approval of both the City Council and the San José Redevelopment Agency Board.

You may speak to the City Council about any 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 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, Mayor Reed 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 every first and third Tuesday at 7 p.m., 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 www.sanjoseca.gov/clerk/agenda.asp. 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, Council Wing, 2nd 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 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**
9:30 a.m. - Closed Session, Call to Order in Council Chambers
Absent Council Members: None.

1:34 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Members: None.
- **Invocation (District 4)**
Sierramont Middle School Musicians performed an overture of “Lucio Silla de Mozart”.
- **Pledge of Allegiance**
Mayor Reed led the Pledge of Allegiance.
- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved, with the Joint/San José Financing Authority Meeting deferred to 04/27/10.
- **Closed Session Report**
No Report.

1. CEREMONIAL ITEMS

- 1.1 Presentation of a commendation to Silicon Valley SCORE for their business assistance to local nonprofits through strategic guidance services. (Mayor/Campos)
Mayor Reed and Council Member Campos recognized and commended Silicon Valley SCORE for their business assistance to local nonprofits through strategic guidance services.
- 1.2 Presentation of a proclamation declaring the week of April 18 – 24, 2010 as “Crime Victims’ Rights Week” in the City of San José. (Constant)
Mayor Reed and Council Member Constant recognized the week of April 18, 2010 through April 24, 2010 as “Crime Victims’ Rights Week” in the City of San José.
- 1.3 Presentation of a proclamation recognizing April 22, 2010 as “Earth Day” in the City of San José. (Kalra/Chu)
(Rules Committee referral 4/14/10)
Mayor Reed and Council Members Kalra and Chu recognized April 22, 2010 as “Earth Day” in the City of San José.
- 1.4 Presentation of a commendation to Monsignor Eugene Boyle in recognition of his life long commitment to social justice. (Mayor)
(Rules Committee referral 4/14/10)
Mayor Reed recognized and commended Monsignor Eugene Boyle in recognition of his life long commitment to social justice.

2. CONSENT CALENDAR

- 2.1 **Approval of Minutes.**
There were none presented.
- 2.2 **Final adoption of ordinances.**
There were none presented.
- 2.3 **Approval of Council Committee Reports.**

Recommendation: Approval of Council Committee Reports.

- (a) Rules and Open Government Committee Report of March 30, 2010. (Mayor)
- (b) Transportation and Environment Committee Report of April 5, 2010. (Liccardo)
See Item 2.16 for Council action taken.
- (c) Neighborhood Services and Education Committee Report of April 8, 2010. (Campos)
- (d) Rules and Open Government Committee Report of March 24, 2010. (Mayor)
Approved.

- 2.4 **Mayor and Council Excused Absence Requests.**
There were none presented.

2. CONSENT CALENDAR

2.5 City Council Travel Reports.

There were none presented.

2.6 Contract for the Electric Cart Storage Project.

Recommendation: Report on bids and award of construction contract for the Electric Cart Storage project to the lowest responsive bidder, R.A.N. Electric, Inc., in the amount of \$138,000, and approval of a contingency in the amount of \$13,800. CEQA: Exempt, File No. PP08-297. (Environmental Services)

Approved.

2.7 Contract for the San José-Santa Clara Water Pollution Control Plant Return Activated Sludge and Settled Sewage Valve Replacement Project.

Recommendation: Report on bids and award of construction contract for the RAS & SS Valve Replacement Project Secondary – Tunnel Battery B (B-1 thru B-6) to the low bidder, Anderson Pacific Engineering Construction, Inc., in the amount of \$587,000, and approval of a contingency in the amount of \$58,700. CEQA: Exempt, File No. PP10-056. (Environmental Services)

Approved.

2.8 Assembly Bill 1998 (Brownley) – Plastic and Paper Carryout Bags.

Recommendation: As recommended by the Rules and Open Government Committee, adopt a position of support, with amendments, for AB 1998 (Brownley). (Environmental Services/Intergovernmental Relations)
(Rules Committee referral 04/07/10)

Position of Support Adopted.

Noes: Constant.

2.9 Report on Request for Proposal for Mitigation Monitoring, Maintenance and Reporting for Various Parks and Trail Projects

Recommendation: Receive report and adopt a resolution authorizing the Director of Finance to:

(a) Execute a master consultant and maintenance agreement with Environmental Science Associates (San Francisco, CA) for the mitigation monitoring, maintenance and reporting services in an amount not to exceed \$350,000 for an initial term of 24 months.

(b) Execute a one-year option to extend, subject to the appropriation of funds.

CEQA: See Administration's memo to Council for specific CEQA clearance determinations on each recommended action. (Finance)

Resolution No. 75341 adopted.

2. CONSENT CALENDAR

2.10 Grant for Upper Penitencia Creek Stream Enhancements Project.

Recommendation: Adopt a resolution authorizing the City Manager, or designee, to:

- (a) Submit a grant application in the amount not to exceed \$200,000 to the Santa Clara Valley Water District (“Water District”) under the 2010 Environmental Enhancement Planning Grant program for the Design Development for Upper Penitencia Creek Stream Enhancements project (“Project”).
- (b) Accept any grant funds awarded to the City and negotiate and execute all necessary documents related to any grant funding from the Water District to the City for the Project.

CEQA: Statutorily Exempt, per Section 15262 (Planning and Feasibility Studies) of the CEQA Guidelines. (Parks, Recreation and Neighborhood Services)

Resolution No. 75343 adopted.

2.11 Actions related to the Airport Jet Fuel Pipeline Project.

Recommendation: Adopt a resolution adopting the Mitigated Negative Declaration and a mitigation monitoring and reporting program, which were completed in compliance with the California Environmental Quality Act and reflect the City’s independent judgment and analysis, for the proposed San José International Airport Jet Fuel Pipeline project (File No. CP09-012). CEQA: The environmental impacts of the pipeline project were addressed by a Mitigated Negative Declaration approved for File No. CP09-012 on July 17, 2009, and staff recommends its adoption by City Council. (Planning, Building and Code Enforcement)

Resolution No. 75344 adopted.

2.12 Diridon Joint Policy Advisory Board.

Recommendation: Appoint Council Member Oliverio and Mayor Reed to the Diridon Joint Policy Advisory Board as representatives of the City of San José. (Mayor) (Rules Committee referral 4/14/10)

Approved.

2.13 Proposition 16: Imposes New Two-Thirds Voter Approval Requirement for Local Public Electricity Providers.

Recommendation: As recommended by the Rules and Open Government Committee on April 14, 2010, approve an opposition position for Proposition 16: Imposes New Two-Thirds Voter Approval Requirement for Local Public Electricity Providers. [Initiative Constitutional Amendment] (City Manager’s Office) [Rules Committee referral 4/14/10 – Item D(1)]

Oppose Position Adopted.

2. CONSENT CALENDAR

2.14 Historic Landmarks Commission Photo Contest.

Recommendation: As recommended by the Rules and Open Government Committee on April 14, 2010:

- (a) Approve the Council District 9 sponsorship of a reception honoring the Historic Landmarks Commission Photo Contest as a City Council sponsored Special Event.
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

(City Clerk)

[Rules Committee referral 4/14/10 – Item H(4)]

Approved.

2.15 District 8 Senior Health Fair Event.

Recommendation: As recommended by the Rules and Open Government Committee on April 14, 2010:

- (a) Approve the District 8 Senior Health Fair Event as a City Council sponsored Special Event.
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

(City Clerk)

[Rules Committee referral 4/14/10 – Item H(5)]

Approved.

2.16 Plant Master Plan Update for April 2010.

Recommendation: As referred by the Transportation and Environment Committee on April 5, 2010, accept the progress report highlighting activities since December 2009 on the Master Plan for the San José/Santa Clara Water Pollution Control Plant.

(Environmental Services)

[Transportation and Environment Committee Referral 04/05/10 – Item (d)(2)]

Item 2.16 was renumbered from Item 7.3.

Accepted.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the City Manager, Debra Figone (Verbal Report)

City Manager Debra Figone reported that over the next two weeks, more than 1,100 employees will be notified that they are being impacted in some way, either because their position is being eliminated or because they are being bumped based on seniority rules. She added that there has been no progress on Labor negotiations since last week and no agreements to date or any that will reduce employee costs.

3. STRATEGIC SUPPORT SERVICES

3.2 Actions Related to the Silicon Valley Regional Interoperability Project and Proposed Joint Powers Agreement Structure.

Recommendation: As recommended by the Public Safety, Finance and Strategic Support Committee on March 18, 2010:

- (a) Adopt a resolution:
 - (1) Making a determination that the public interests and necessity demand:
 - (a) The Silicon Valley Regional Interoperability Authority (SVRIA) acquire, construct, maintain, and operate the Silicon Valley Regional Interoperability Project (SVRIP) and the projects entered into pursuant to the SVRIA Joint Powers Agreement.
 - (b) The SVRIA be empowered to exercise the power to issue revenue bonds.
 - (2) Authorizing the City Manager to execute SVRIA Joint Powers Agreement.
 - (3) Authorizing the City Manager to execute the Amendment to the Second Amended Joint Funding Agreement (JFA Amendment) to allow the Silicon Valley Regional Interoperability Project to transfer its assets to a joint powers authority.

Resolution No. 75345 adopted.

- (b) Recommend that the Mayor appoint two elected City officials and alternates to represent the City on the SVRIA Board of Directors.
(City Manager's Office)
Approved.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Envision San José 2040 Selection of Preferred Land Use Scenario.

Recommendation: Provide direction to proceed with environmental review and development of the General Plan Update text document and Land Use/Transportation Diagram using the Preferred Land Use Scenario, including the amounts and geographic distribution of new job and housing growth capacity, as jointly recommended by the Administration and the Envision Task Force. CEQA: Not a Project. The proposed action will allow staff and the consultants to proceed with the analysis of potential environmental impacts as required by CEQA. (Planning, Building and Code Enforcement)

Heard last.

The joint memorandum from Mayor Reed, Vice Mayor Chirco and Council Members Liccardo and Oliverio, dated April 16, 2010 was approved:

- (1) **Accepting the Preferred Land Use Scenario as jointly recommended by the Envision Task Force and Administration, as well as the amount and geographic distribution of new job and housing growth capacity.**

(Action continued on the next page)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Envision San José 2040 Selection of Preferred Land Use Scenario (Action Cont'd.)

- (2) Administration directed to proceed with environmental review and preparation of the General Plan Update text document and Land Use/Transportation Diagram for final consideration by City Council in June 2011.
- (3) Staff directed to incorporate the guidance provided below in their on-going work:
 - (a) **Scope:** That the Task Force work within the Guiding Principles as approved by the City Council in June 2007, focus on policies that advance the Preferred Land Use Scenario and avoid including levels of detail that are not directly related to land use regulation or planning.
 - (b) **Legal Requirements:** That the City Attorney provide further guidance with regard to enabling the Task Force to pursue the jobs/housing balance that is in San José's long term best interests, while complying fully with State-mandated obligations to provide sufficient housing for future growth.
 - (c) **Job Growth and Intensification of Floor Area Ratios:** That Staff and the Task Force continue to engage directly with local developers and corporate real estate facilities executives to be certain that the new General plan include pragmatic implementation measures to meet the community's aspirations for San José to increase its share of job growth by 2040.
 - (d) **Comprehensive Village Plan:** That Staff engage the community in preparing Growth Area Village Plans as expeditiously as possible, as funding becomes available, and most importantly, assess and model specific infrastructure needs, and amenities and services necessary to support the jobs and housing growth assigned to each growth area.
 - (e) **Envision San José 2040 Fiscal Report:** That the conclusions of the fiscal report which relies upon assumptions of high growth of retail to justify revenue projections accompanying housing growth be further analyzed, with a report to the Task Force reflecting the analysis.

Noes: Kalra, Nguyen.

5. NEIGHBORHOOD SERVICES

5.1 Schedule of Parkland Fees.

Recommendation: Conduct a public hearing and consider the adoption of a resolution setting forth the new Schedule of Parkland Fees to reflect the 2009 Residential Land Value Study to be *effective on June 21, 2010*. CEQA: Not a Project. (Parks, Recreation and Neighborhood Services)

The Public Hearing was held.

Resolution No. 75346 adopted, as amended, with the clarification that the new Schedule of Parkland Fees to reflect the 2009 Residential Land Value Study will be *effective on June 21, 2010*.

6. TRANSPORTATION & AVIATION SERVICES

6.1 Contract for the 2010 Prop 1B Slurry Seal Project.

Recommendation:

- (a) Report on bids and award of contract for the 2010 Prop 1B Slurry Seal Project to the low bidder, Graham Contractors, Inc. in the amount of \$3,213,367 and approval of a five percent (5%) contingency in the amount of \$160,668.

Approved.

- (b) Adopt the following Appropriation Ordinance amendments in the Construction Excise Tax Fund:

- (1) Increase the appropriation to the Department of Transportation for the Prop 1B – Pavement Maintenance project in the amount of \$6,039,000.
(2) Decrease the Reserve – Prop 1B Pavement Maintenance by \$6,039,000.

CEQA: Exempt, File No. PP09-101. (Transportation/City Manager's Office)

Ordinance No. 28735 adopted.

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 Actions Related to South Bay Water Recycling – Phase 1C Improvements.

Recommendation:

- (a) Take the following actions related to an agreement with San José State University related to construction of Recycled Water Facilities:

- (1) Adopt a resolution making findings from the San José State EIR for on campus recycled water project improvements (PP10-006) in conformance with CEQA Guidelines, Sections 15091 and 15093.

Resolution No. 75347 adopted.

(Item continued on the next page)

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 Actions Related to South Bay Water Recycling – Phase 1C Improvements (Cont'd.)

- (a) (2) Adopt a resolution authorizing the City Manager to negotiate and execute an agreement with San José State University for services related to construction of recycled water facilities at a total cost to the City not to exceed Four Hundred Twenty-Two Thousand Dollars (\$422,000).

Resolution No. 75348 adopted.

CEQA: Resolution No. 64667 (PP91-090) and Addenda thereto, including Addendum PP03-350, for Civic Center Recycled Water Line Project. In this action, Council will adopt a resolution making findings from the San José State University Master Plan 2001 Update Final EIR, adopted by the Board of Trustees of the California State University on January 29, 2002, in conformance with the CEQA Guidelines, Sections 15091 and 15093. In addition to CEQA, this project has been reviewed by the US Bureau of Reclamation for compliance with the National Environmental Policy Act (NEPA). As the lead agency, Reclamation has issued a Finding of No Significant Impact (FONSI) for each of the proposed projects.

(Environmental Services)

- (b) Take the following action relating to an amendment to the agreement with the City of Santa Clara:

- (1) Adopt a resolution authorizing the City Manager to negotiate and execute the Seventh Amendment to the construction service agreement with City of Santa Clara for the South Bay Water Recycling Program, revising the approved project list, increasing the maximum amount payable by the City of San José by \$3,050,000, to a total maximum amount not to exceed \$33,650,000.

Resolution No. 75349 adopted.

CEQA: CEQA for City of San José Actions: Resolution No. 64667 (PP91-090) and Addenda thereto. CEQA done by City of Santa Clara for City of Santa Clara Actions: Santa Clara Industrial 3A: PLN2009-07929 and CEQ 2009-01093.

(Environmental Services)

- (c) Take the following actions related to an agreement with the U.S. Bureau of Reclamation for Design and Construction of South Bay Water Recycling:

- (1) Adopt a resolution authorizing the City Manager to negotiate and execute an agreement with U.S. Bureau of Reclamation to accept \$6.460 million in grant funds, of which \$6.310 million will be for design and construction of South Bay Water Recycling Phase 1C facilities, and \$150,000 will be retained by the Bureau of Reclamation for administrative and other costs.

Resolution No. 75350 adopted.

(Item continued on the next page)

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 Actions Related to South Bay Water Recycling – Phase 1C Improvements (Cont'd.)

- (c) Take the following actions related to an agreement with the U.S. Bureau of Reclamation for Design and Construction of South Bay Water Recycling:
 - (2) Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the San José-Santa Clara Treatment Plant Capital Fund:
 - (a) Establish an estimate for Recovery Act – Federal Revenue in the amount of \$1,875,000;
 - (b) Establish an appropriation to the Environmental Services Department for Recovery Act – South Bay Water Recycling Phase IC in the amount of \$6,310,000.
 - (c) Decrease the appropriation to the Environmental Services Department for Revised South Bay Action Plan - SBWR Extension by \$4,435,000.

Ordinance No. 28736 adopted.

Resolution No. 75351 adopted.

CEQA: CEQA for City of San José Actions: Resolution No. 64667 (PP91-090) and Addenda thereto: San José Airport Extension: Resolution 64667, PP10-020. SBWR Laterals and Garden Improvements: Resolution 64667 and Addendum to Mitigated Negative Declaration, PP10-019. San José School Extensions: Resolution 64667, PP10-018.

SJSU Improvements: Resolution to be adopted. CEQA done by City of Santa Clara for City of Santa Clara Actions: Santa Clara Central Park: PLN 2009-07751: CEQ 2009-01085. Santa Clara Industrial 1: PLN 2009-07749, CEQ 2009-01083 Santa Clara Industrial 2: PLN 2009-07616, CEQ 2009-01080 Santa Clara Industrial 3A: PLN2009-07929 and CEQ 2009-01093

NEPA: In addition to CEQA, all projects have been reviewed by the US Bureau of Reclamation for compliance with the National Environmental Policy Act (NEPA). As the lead agency, Reclamation has issued a Finding of No Significant Impact (FONSI) for each of the proposed projects.

(Environmental Services/City Manager's Office)

7.2 Groundwater Production Charges.

Recommendation: Direct staff not to protest Santa Clara Valley Water District's decision to maintain groundwater production charges for FY 10-11 at the current levels of \$275 per acre-foot in Zone W-5 and \$520 per acre-foot in Zone W-2. CEQA: Not a Project. (Environmental Services)

Approved.

7. ENVIRONMENTAL & UTILITY SERVICES

7.3 Plant Master Plan Update for April 2010.

Recommendation: As referred by the Transportation and Environment Committee on April 5, 2010, accept the progress report highlighting activities since December 2009 on the Master Plan for the San José/Santa Clara Water Pollution Control Plant.

(Environmental Services)

[Transportation and Environment Committee Referral 04/05/10 – Item (d)(2)]

Item 7.3 was renumbered to Item 2.16.

See Item 2.16 for action.

8. PUBLIC SAFETY SERVICES

9. JOINT COUNCIL/REDEVELOPMENT AGENCY

- **Open Forum**
 - (1) **Mark Trout commented on the death of Georgia Senator Nancy Schaefer.**
 - (2) **Andrea Sebovia expressed her views on various City issues.**

- **Adjournment**

The Council of the City of San José was adjourned at 6:05 p.m.

**JOINT CITY OF SAN JOSÉ CITY COUNCIL/
FINANCING AUTHORITY/REDEVELOPMENT AGENCY**

1:30 P.M.

TUESDAY, APRIL 20, 2010

CHAMBERS

- 1. Call to Order**
- 2. Actions Related to the City of San José Financing Authority's Commercial Paper Program and Actions Related to the Administration and Meeting Schedule of the San José Financing Authority.**

Recommendation:

- (a) Adopt a resolution of the City Council to:
 - (1) Approve an amendment to the Amended and Restated Trust Agreement and authorize other related actions relating to the City of San José Financing Authority's Lease Revenue Commercial Paper Notes Program in order to allow issuance of Commercial Paper Notes to fund a loan to the Low and Moderate Income Housing Fund in an amount not to exceed the amount specified in a loan agreement by and among the City, the Authority, and the Redevelopment Agency, and to allow issuance of Commercial Paper Notes to fund advances to the City in the event there is a need to address unanticipated or seasonal cash flow deficiencies.
- (b) Adopt a resolution of the City of San José Financing Authority Board to:
 - (1) Adopt a resolution to approve and authorize the execution of an amendment to the Amended and Restated Trust Agreement and authorize other related actions relating to the City of San José Financing Authority's Lease Revenue Commercial Paper Notes Program in order to allow issuance of Commercial Paper Notes to fund a loan to the Low and Moderate Income Housing Fund in an amount not to exceed the amount specified in a loan agreement by and among the City, the Authority, and the Redevelopment Agency and to allow issuance of Commercial Paper Notes to fund advances to the City in the event there is a need to address unanticipated or seasonal cash flow deficiencies.

Deferred to 04/27/10 per Orders of the Day.

(Item continued on the next page)

2 JOINT/SAN JOSÉ FINANCING AUTHORITY

2. Actions Related to the City of San José Financing Authority's Commercial Paper Program and Actions Related to the Administration and Meeting Schedule of the San José Financing Authority (Cont'd.)

- (b) (2) Adopt a resolution to amend and restate Resolution No. SJFA-1 in order to modify the City of San José Financing Authority's regular meeting schedule, to confirm the appointment of Authority officials, to adopt Amended and Restated Bylaws, and to update the reference to the Conflict of Interest Code, to clarify that members of the Governing Board of the City of San José Financing Authority are subject to the provisions of the Conflict of Interest Code of the City, adopted by the City Council on March 24, 2009 by Resolution No. 74837, as may be amended.

CEQA: Not a Project. (Finance)

Deferred to 04/27/10 per Orders of the Day.

3. City Appropriation Actions Related to the Supplemental Educational Revenue Augmentation Fund Financing.

- (a) Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the Low and Moderate Income Housing Fund:
- (1) Increase the estimate for Earned Revenue By \$52,734,250;
 - (2) Establish a Loan to the San José Redevelopment Agency in the amount of \$52,000,000;
 - (3) Establish a Reserve for the Loan Origination and Annual Monitoring Fee in the amount of \$406,250;
 - (4) Increase the Debt Service appropriation by \$172,000; and
 - (5) Establish an appropriation to the Housing Department for Commercial Paper Debt Service in the amount of \$156,000.
- (b) Adopt the following Appropriation Ordinance amendments in the Ice Centre Revenue Fund:
- (1) Establish a Loan to the San José Redevelopment Agency in the amount of \$2,000,000; and
 - (2) Decrease the Ending Fund Balance by \$2,000,000.
- (c) Adopt the following Appropriation Ordinance amendments in the Sewage Treatment Plant Connection Fee Fund:
- (1) Establish a Loan to the San José Redevelopment Agency in the amount of \$5,000,000; and
 - (2) Decrease the Reserve for Treatment Plant Expansion by \$5,000,000.
- (d) Adoption of the following Appropriation Ordinance amendments in the Subdivision Park Trust Fund:
- (1) Establish a Loan to the San José Redevelopment Agency in the amount of \$3,000,000; and
 - (2) Decrease the Reserve for Future Parkland Dedication Ordinance (PDO)/Park Impact Fee Ordinance (PIFO) Projects by \$3,000,000.

CEQA: Not a Project. (Finance/Housing/City Manager's Office)

Deferred to 04/27/10 per Orders of the Day.

4. Adjourn the San José Financing Authority.

8. JOINT/REDEVELOPMENT AGENCY

The Joint Redevelopment Agency Board convened at 2:12 p.m. to consider Items 8.1 and 8.2 in a Joint Session.

8.1 Approval of a Cooperation Agreement authorizing conveyance of property at 406 N. Autumn Street.

Recommendation: City Council and Redevelopment Agency Board approval of a Cooperation Agreement authorizing the conveyance of the property located at 406 N. Autumn Street from the City to the Agency. CEQA: Autumn Extension/Coleman Widening EIR, Resolution No. 74870. [JULIAN/STOCKTON]
(Deferred from 04/13/10 - Item 8.1.)

Approved.

8.2 Approval of a Purchase and Sale and Development Agreement with Sobrato Interests III for the sale of sites located at 285 South Market Street and 8 East San Fernando Street.

Recommendations: It is recommended that:

- (a) The City Council adopt a resolution approving the sale of certain sites located at 285 South Market Street and 8 East San Fernando Street to Sobrato Interests III, accepting the 33433 Summary Report, and finding that the sale of the properties will assist in the elimination of blight, is consistent with the Implementation Plan for the San Antonio Plaza Project Area, and that the consideration for the property is not less than the fair market value at its highest and best use in accordance with the Redevelopment Plan.

Resolution No. 75342 adopted.

- (b) The Redevelopment Agency Board approve a Purchase and Sale and Development Agreement with Sobrato Interests III for the sale of Agency-owned properties located at 285 South Market Street and 8 East San Fernando Street for a purchase price in the amount of \$20,000,000, minus related costs.

Redevelopment Agency Board Resolution No. 5958 adopted, as amended, subject to execution of an addendum to the agreement to amend the close of escrow date and seller's representations, and authorizing the Executive Director to execute the addendum to the agreement in a form acceptable to the General Counsel.

CEQA: Downtown Strategy 2000 EIR, Resolution No. 72767; PP05-272. [SAN ANTONIO PLAZA]

(Deferred from 04/13/10 - Item 8.2.)

The Council of the City of San José and Redevelopment Agency Board was adjourned at 6:01 p.m.