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## Memorandum

**TO:** HONORABLE MAYOR &  
CITY COUNCIL

**FROM:** Debra Figone

**SUBJECT:** City Manager's Weekly Report

**DATE:** November 20, 2009

### INFORMATION

Following are the key activities to be highlighted this week:

**Update on State Borrowing Local Property Taxes - Proposition 1A Securitization Program**—Due to the State's budget actions, Proposition 1A was suspended resulting in the diversion of \$1.9 billion in local government property tax revenues in fiscal year 2009-10. In addition to suspending Proposition 1A, the 2009 State budget actions also authorized the securitization of Prop 1A property tax receivables. California Statewide Communities Development Authority's ("California Communities") has been authorized to implement the securitization program to enable local government agencies to sell their respective receivable to California Communities. Under this program, in exchange for the participating local agencies Prop 1A receivables, California Communities will simultaneously issue bonds and provide the participating agencies with the cash proceeds in two installments.

On October 20, 2009, Council authorized the City's participation in the California Communities Proposition 1A Securitization Program to offset the City's reduced property tax allocation in 2009-2010 due to the State Proposition 1A borrowing. The Proposition 1A Bonds were successfully sold by California Communities on November 10, 2009 at a yield of 4.00%, and closed on November 19th. The City's Proposition 1A receivable amount is \$20,467,289 which will be distributed to the City in two equal installments; January 15 and May 3, 2010 to coincide with the City's normal property tax distribution schedule administered by the Santa Clara County Controller's Office.

The City will be made whole with receipt of the Proposition 1A bond proceeds from California Communities on January 15 and May 3, 2010. The City has no obligation or credit exposure on the Proposition 1A bonds, there are no restrictions on the use of the bond proceeds, and all bond issuance costs are paid by the State. For more information, contact Scott P. Johnson, Director of Finance at 535-7000.

**Community Based Organizations (CBO) Contract Training**—On November 13, as a key component of the City's Non-Profit Strategic Engagement Platform, the City held a training with over 140 CBO participants. The focus of the training was to provide grantees with the required information and underlying rationale behind the City's contract preparation, monitoring requirements and process. In addition, information was provided regarding key initiatives that the City will be introducing during the course of the fiscal year, most notably the financial scan of all grantees receiving more than \$200,000 of City funding and the web-based Grants Management System. Grantees were also informed of the City's nonprofit organizational assessment tool and encouraged

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to contact their City grants manager to learn more about it. For more information, contact Jeff Ruster, Deputy Director, Economic Development, at 535-8183.

***MGPTF Community Crisis Response Protocol Gives Rise to Community Forum***—On November 10, nearly 300 residents gathered at Lee Mathson Middle School to voice concerns and give input on possible solutions to the recent acts of gang violence in the area. The group determined that the immediate next step was offer late night gyms sessions at Alum Rock Youth Center and Mayfair Community Center on Fridays and Saturdays from 7:00 p.m.-11:00 p.m. for three consecutive weekends. These gym sessions will give area youth a safe recreation environment and afford SJPD and community-based partners (CYO & MACSA) an opportunity to reach out to the students. SJPD also provided residents with an update on the investigation of crimes at the meeting. The forum was hosted by Council District 5 and was a direct response of the Mayor's Gang Prevention Task Force's *Community Crisis Response Protocol*. The protocol team immediately mobilizes in response to serious crimes involving juveniles and possible gang activity in the city. Their objectives are to provide assistance to students who may have witnessed a crime and to engage the community in determining methods to combat gang activity. For more information on the community forum or the Community Crisis Response Protocol, contact Mario Maciel, Community Services Supervisor, at 277-2718.

***Homelessness Prevention and Rapid Re-housing Program (HPRP)***—On November 2, the agencies administering the City of San José's stimulus funded Homelessness Prevention and Rapid Re-housing Program (HPRP) began offering services to qualified residents. San José households who are homeless or at-risk of homelessness may be eligible to receive financial assistance for rent, rental deposits, utility payments, and moving costs along with case management services at the following locations –

- Sacred Heart Community Services – 1381 S. First St., San José; 278-2166
- One Stop Homelessness Prevention Center at InnVision's Georgia Travis Center – 297 Commercial St., San José; 453-3124
- One Stop Homelessness Prevention Center at EHC LifeBuilders Boccardo Reception Center – 2011 Little Orchard St., San José; 539-2178

For more information, contact Leslye Krutko, Director of Housing, at 535-3851.

***Airport Passenger Activity Down 8% in October***—Passenger traffic at SJC dropped 8.0% in October 2009 compared to October 2008. The rate of decline has slowed in the past two months, which reflects the steep reductions in flights and capacity already made by airlines more than a year ago. Over the past two years SJC has lost more than 25% of its airline capacity, both in the number of flights and seats available at the Airport. The Airport's forecast for the current fiscal year estimates that traffic will be down approximately 7.5% overall compared to FY 2008-09. Airport staff continues its efforts to encourage airlines to restore flights to SJC and work with Silicon Valley business and community leaders to support air service development in anticipation of both the completion of the modernization program next year and economic recovery. For more information, contact Bill Sherry, Airport Director, at 501-7600.

***Horizon Air to add direct flights from San José to Spokane and Sacramento***—Horizon Air announced that it will launch twice-daily service from San José to Spokane starting March 26, 2010. One of the daily flights from San José will stop in Sacramento and continue on to Spokane, while a

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second flight will operate nonstop to Spokane. All flights will be operated with 76-seat Bombardier Q400s, a high-speed, twin-engine turboprop that is one of the most technologically advanced regional aircraft in the world. The Q400 is also among the most environmentally-friendly aircraft today, burning 30% to 40 % less fuel and producing an equally lower amount of emissions and less noise than comparable jets. Last week Horizon's affiliate carrier, Alaska Airlines, also announced it will begin direct service between San José, Maui and Kona, Hawaii, starting in March 2010. In addition Horizon will provide seasonal service to Mammoth Lakes beginning December 17. For more information, contact Bill Sherry, Airport Director, at 501-7600.

***Purchase of Roundtable Drive Property***—On November 12, the Housing Department closed escrow on the first property purchased under the Neighborhood Stabilization Program (NSP). The NSP, originated from the Housing and Economic Recovery Act of 2008, was established to stabilize communities suffering from foreclosures. Through the purchase and redevelopment of foreclosed and abandoned homes, this Program will assist municipalities in preventing the neighborhoods hardest hit from the foreclosure crisis from further decline. The four-unit apartment building, located on Roundtable Drive in the Edenvale Great Oaks SNI area, will begin rehabilitation in January 2010 with a completion date of June 2010. For more information, contact Dave Bopf, Division Manager, Housing Department at 535-3854.

***CDBG Proposed Changes***—On November 12, Housing Department staff presented the 2010-2011 CDBG process and funding priorities at the Housing and Community Development Advisory Commission (HCDC) meeting. Representatives from approximately 20 agencies were present and commented on the outreach efforts and new funding structure. The agencies requested (1) a postponement on the Notice of Funding Availability to allow more time to comment on the proposed changes, and (2) an extension to the application due date from December 2009 to January 2010. CDBG staff held a meeting on November 18 to clarify the proposed changes and provide an opportunity for the agencies to provide final input. Prior to the HCDC meeting, staff hosted two meetings to discuss the proposed changes which included a CBO Roundtable on October 2, 2009, and a meeting of the Silicon Valley Council of Nonprofits on October 13, 2009. For more information, contact Jacky Morales-Ferrand, Assistant Director of Housing, at 535-3855.

***California Construction Magazine Awards Terminal B Concourse Among "Best of 2009"***—California Construction Magazine, published by McGraw-Hill, announced last week that the Airport's Terminal B Concourse is among the winners of the magazine's "Best of 2009" Awards. The magazine annually recognizes construction and design excellence in California, and an independent jury of industry experts in design and construction judge more than 125 nominated projects completed between September 2008 and August 2009. The Terminal B Concourse was nominated by The Raymond Group, one of the Airport's contractors on the project, and it is the winner in the category of "Transportation Facilities." The winners will be featured in the December 2009 issue of California Construction. For more information, contact Bill Sherry, Airport Director, at 501-7600.

***Councilmember Kalra's BAAQMD Board of Directors Appointment***—The Santa Clara County Cities Association City Selection Committee has appointed Councilmember Ash Kalra to the the Bay Area Air Quality Management District (BAAQMD) Board of Directors to begin January 2010 to fulfill an ongoing term to expire January 2011. The BAAQMD is a public agency committed to achieving clean air to protect the public's health and the environment. Major goals of the District are to attain and maintain air quality standards, increase public awareness of positive air quality choices,

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as well as develop and implement policies and protocol for environmental justice. The BAAQMD regulates the stationary sources of air pollution in the nine Bay Area counties and the Board has the authority to develop and enforce regulations for the control of air pollution within the Air District. Councilmember Kalra will be joining Santa Clara County Supervisors Liz Kniss and Ken Yeager whom also serve on the 22 person Board. Congratulations to Councilmember Kalra as he takes on this new role with the BAAQMD in 2010! For more information, contact Betsy Shotwell, Director, Intergovernmental Relations, at 535-8270.

***Airport's Terri Gomes Recognized as "CFO of the Year" by San Jose Business Journal***—Terri Gomes, Airport Deputy Director for Finance and Administration, has been recognized by San Jose Business Journal as "Chief Financial Officer of the Year" in the category for large non-profit organizations. The newspaper announced her selection for the award on Thursday, November 19. Terri, who has served as the Airport's CFO since 1992, was cited for her strong financial leadership as the Airport has successfully carried out its \$1.3 billion modernization program, maintained high bond ratings, changed its fundamental business model and airline partnership to a common use system, replaced its entire concessions program, and has conservatively managed its budget management during a prolonged and severe recession. For more information, call Bill Sherry, Airport Director, at 501-7600.

**Upcoming Meetings & Events**

***Silicon Valley Turkey Trot-Run or Walk for Health, Hope and a Home***—Thursday, November 26, 7:30 a.m.-12 p.m. Guadalupe River Park Arena Green. For more information, contact Carl Guardino at 501-7864.

***Eyes on the Skies, Pt. 2 – The Universe – Yours to Explore***, Saturday, November 21, 12 p.m. – 5 p.m. Dr. Martin Luther King, Jr. Library. For more information, visit: [www.sjlibrary.org/nasa.htm](http://www.sjlibrary.org/nasa.htm) or call (408) 808-2397.

***Wonders of Our Water Works Bus Tours***—First and third Saturdays, 9:00-11:00 a.m., and 1:00-3:00 p.m. Free two-hour bus tour of the Water Pollution Control Plant to learn how wastewater is treated. Participants must be 10 years or older. The last tour of the season is scheduled for Saturday, November 21<sup>st</sup>. For more information, contact Bruce Frisbey at 975-2542, or visit [www.sanjoseca.gov/esd/plantmasterplan/tour-reservations.asp](http://www.sanjoseca.gov/esd/plantmasterplan/tour-reservations.asp)

***"Day of the Dead: a Passion for Life" Exhibit***— An exhibit of more than 50 images captured by accomplished local photographer and community newspaper publisher Mary J. Andrade. The exhibit, located on the second floor of the Dr. Martin Luther King, Jr. Library continues through Friday, November 27. For additional information on the photo exhibit, contact Veronica Murguia at 436-7850 ext. 12 or at [veronica@laoferta.com](mailto:veronica@laoferta.com).

***Christmas in the Park***—Friday, November 27 through Friday, January 1, Plaza de Cesar Chavez. For more information, contact Brian Clampitt, Event Coordinator, at 794-6203.

***One-Stop Homeless Prevention Center Tours***—Over the past three months, EHC LifeBuilders has provided one-hour tours on the innovative services provided at EHC LifeBuilders' new One-Stop Homeless Prevention Center located at 2011 Little Orchard Street. The tours consist of a short presentation outlining the program, how it assists clients to achieve stability and self-sufficiency in Santa Clara County, and additional information such as program goals and outcomes, success stories, as well as methods and principles implemented at the site. The last of these tours are scheduled for December:

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- Thursday, December 3<sup>rd</sup> – 10:00 a.m. – 11:00 a.m.
- Tuesday, December 8<sup>th</sup> – 2:00 p.m. – 3:00 p.m.
- Wednesday, December 9<sup>th</sup> – 10:30 a.m. – 11:30 a.m.

For more information or to RSVP, please contact Ray Bramson at 539-2103 or at [rbramson@ehclifebuilders.org](mailto:rbramson@ehclifebuilders.org):

***Time To Listen Documentary Premier*** – On Friday, December 4, the Housing Department will host a premier of the documentary *Time To Listen*. This moving documentary, created by one of the Housing Department's AmeriCorps VISTA members, breaks down the myths surrounding homelessness by focusing on six homeless and formerly homeless households as they reflect on how they became homeless, their lives, challenges, and aspirations. In addition to the movie, the event will celebrate and recognize many of the faithful individuals who have volunteered at service events for homeless residents over the past year.

**Location:** Roosevelt Community Center, 901 E. Santa Clara St., San José  
**Date:** Friday, December 4, 2009  
**Time:** 5:30pm - Welcome message, followed by dinner service, volunteer recognition, and film screening

\*Suggested donation of \$10/person\*

To RSVP, please contact Michael Briesch at [Michael.briesch@sanjoseca.gov](mailto:Michael.briesch@sanjoseca.gov) at 975-2647. For additional information, contact Jessica Scheiner at 975-4417.

***Heritage Holiday***—Saturday, December 5, 12 p.m. -5 p.m., Kelley Park/History Park. For more information, contact Pam Watson at 918-1055.

***San José Holiday Parade***—Sunday, December 6, 8:30 a.m.-11 a.m., Guadalupe River Park Arena Green. For more information, contact Brian Clampitt, Event Coordinator, at 794-6203.



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City Manager