



TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: David Sykes

SUBJECT: COUNCIL PRIORITIES UPDATE DATE: November 8, 2016

Date Approved

INFORMATION

This memo provides a progress report on the priorities set by Council at the December 15, 2015 Council Priority Setting Session. The last progress report was provided on May 20, 2016.

There are 26 items on the Priority List (Attachment A), which is presented in priority order as ranked by Council. Additionally, we have provided the Council Priority List organized into subgroups by lead department (Attachment B). In most cases, work crosses multiple departments and requires legal work from the City Attorney's Office.

The list includes an update on actions taken since the Council Priority Setting Session and next steps.

EARLY CONSIDERATION PROCESS – GREEN-YELLOW-RED

The Early Consideration Process has been used at the Rules and Open Government Committee meetings since the last Council Priority Setting Session.

The following referrals were <u>greenlighted</u> by the Rules and Open Government Committee and added to department workplans or went directly to Committees or Council for action:

- **Prostitution and Sex Trafficking** (January 20, 2016) Update on SJPD's ongoing efforts and ways to partner with County's Human Trafficking Task Force.
- Vietnamese Community Center (January 20, 2016) Prioritize a feasibility study for a Vietnamese Community Center within the Kelley Park Master Plan and to conduct a community outreach meeting.
- **Supergraphics** (January 20, 2016) Allowance of temporary Large Banner Signs/Supergraphics in the Downtown Sign Zone.

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- Potential Gross Receipts Tax Ballot Initiative (January 20, 2016) -Analysis of the gross receipts tax proposal including a comparison between San José's current business license, the proposed gross receipts tax and other comparable California jurisdictions; an in-depth comparison for the purpose of understanding how the new tax would affect various types and sizes of businesses differently than the current tax; clarification of who would pay and who would not; and a technical analysis of the proposed ordinance.
- Open Data Policy (February 10, 2016) Draft an Open Data Policy.
- "Welcome Back" Library Fine Amnesty (March 2, 2016) Implement a two week "Library Fine Amnesty Program" prior to Summer school break.
- Smart City Vision (March 16, 2016) Vision to guide the way the City administration and staff work towards making San José the most innovative city in the United States by 2020.
- **Public School Zoning** (April 27, 2016) *Rezoning all public school parcels from their current designation to Public/Quasi-Public Zoning District Designation.*
- Education & Digital Literacy Strategy (June 15, 2016) Develop a citywide strategy for supporting education and digital literacy, in consultation with our schools, non-profit after-school and summer service providers, foundations, the County Office of Education, and the community.
- Sales Tax Citizens Oversight Committee (August 10, 2016) Create a process for appointing citizens to the Independent Citizens Oversight Committee, with explicit consideration that the Neighborhoods Commission serve as the Committee, by absorbing Measure B's mandated functions within the existing purpose of the Commission; Establish a schedule for periodic meetings of the Oversight Committee, at least annually; and Determine a scope of duties consistent with voter authorization.
- Gun Violence Prevention Ordinance (October 19, 2016) Require gun owners to safely store firearms that are kept in the home in a locked container or disabled with a trigger lock.
- **Parks Maintenance** (November 2, 2016) -Supplemental information request, as specified through the Rules Committee action, to be provided as part of the Park Condition Assessment item currently on the Parks and Recreation Commission and Neighborhood Services Committee agendas.

The following items were <u>yellow lighted</u> and will be referred to the next Council Priority Setting Session:

 Priority Response to SPUR and Staff Identified Work Items (August 3, 2016) -Zoning Code Revisions in Downtown and Urban Villages; Citywide Urban Design Guidelines; Downtown Historic Preservation; Downtown Parking Management Plan and Code Reform; and Downtown Circulation and Access. The following items were sent to the prioritization process: -Zoning Code Revisions in Downtown and Urban Villages. -Citywide Urban Design Guidelines. -Downtown Historic Preservation. -Downtown Parking Management Plan and Code Reform. -Downtown Circulation and Access Study. HONORABLE MAYOR AND CITY COUNCIL November 8, 2016 Subject: Council Priorities Update Page 3

• **Riparian Corridors and Bird-Safe Design** (August 23, 2016) - Develop a work plan to: -Study the impacts of bird strikes in San José;

-Explore the implications of incorporating current voluntary bird-safe design measures as a City-wide requirement along riparian habitats, creek corridors and open spaces; and,

-Evaluate if additional environmental review may be needed to implement a City-wide program.

The following items were <u>vellow lighted</u> and after subsequent action will not be referred to the next Council Priority Setting Session:

Reactivation of the Small Business Development Commission

-Reactivate the SBDC; broaden the Commission's scope to include medium size businesses; change name to Business Development Commission; include two slots for associations or organizations that represent small/medium size businesses; and include targeted outreach to minorities and women. Referred to Community and Economic Development Committee. (May 17, 2016)

[The Community and Economic Development Committee accepted report on Small Business "New Model" Commission on October 24, 2016. No further direction given.]

Jobs to Employed Residents Ratio -Commission an analysis that estimates the net fiscal impact of several job and housing growth scenarios. Inform the General Plan Task Force of the estimated fiscal benefit of increasing the jobs/employed residents ration contained in the 2010 ADE fiscal analysis report.

[The Rules and Open Government Committee decided that additional analysis and studies was not needed pertaining to the Jobs to Employed Residents Ratio. There was no Committee action on this item.]

• Initiation of Establishing a Sister City Affiliation with the Suwon City, Korea Municipal Government (March 23, 2016) - Initiate the evaluation process establishing a Sister City relationship with the Suwon City, South Korea Municipal Government. [The Rules and Open Government Committee declined to direct the City Manager to initiate the evaluation process establishing a Sister City relationship with the Suwon City, South Korea Municipal Government.]

The following item was placed on the priority list and will be ranked at the next Priority Setting Session:

• Medical Marijuana (October 18, 2016) - Explore whether to allow medical marijuana distributors, manufacturers, and testing labs to operate in San José, and if so, how many and where. (Note: marijuana land use and regulatory issues could be impacted by the outcome of Proposition 64 on the November 8, 2016 California ballot.)

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These items will be returning to the Rules and Open Government Committee for further direction:

- Clean City (October 19, 2016) Examine whether or not the City of San José can fine State Agencies for not maintaining or cleaning property within City Boundaries, and determine if the City of San José can bill State Agencies for these services. To return to the Rules and Open Government Committee after legal analysis.
- Gun Violence Prevention Ordinance (October 19, 2016)

 Require gun owners to report the loss or theft of a firearm within 48 hours of the time that the owner knows or reasonably should know that a firearm is lost or stolen.
 Require ammunition vendors within one year of the effective date of this ordinance to keep records of ammunition sales data in the form of an electronic log. To return to the Rules and Open Government Committee after the results of the November 2016 election.

NEXT COUNCIL PRIORITY SETTING SESSION

The next session will be scheduled to take place on December 13, 2016. The last chance for Council memos to be heard at the Rules and Open Government Committee for consideration at the City Council Priority Setting Session will be <u>November 30</u>.

DAVID SYKE

Assistant City Manager

For questions, please contact David Sykes, Assistant City Manager, at (408) 535-8185.

Attachments

Attachment A

	Council Priorities (as set by Council on 12/15/15)					
	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?	
1	Wage Theft, Parts A, B & C A) Revise contract and RFP requirements to protect the City from contracting services with businesses that have unpaid wage theft judgments. B) Authorize Departments that issue licenses or permits to deny, suspend, or revoke licenses and permits to businesses with unpaid wage theft judgments. C) Provide any other readily available information on the issue of wage theft.	Public Works: Lead staff: Nina Grayson and Christopher Hickey Support: Finance/ Attorney	David Sykes	 Staff is implementing Council approved Wage Theft Prevention Policy and Ordinance which was approved by Council on May 24, 2016. Additionally, staff was directed to return with update on discussions with County of Santa Clara on addressing wage theft in restaurant/food industries. Once discussions are completed with County, an Information Memo will be prepared – Target Date: Fall 2016 	COMPLETED – remove from tracking.	
2	Update the City's Rental Rights and Referrals Program Explore modifications to strengthen the City's rent control ordinance (rent registry, notices of rent increase, banking); and the creation of ordinances to address retaliatory evictions, income discrimination, major capital improvement pass-through, displacement and relocation (Ellis).	Housing/Attorney Housing lead staff: Rachel VanderVeen	Kim Walesh	On May 17, 2016: The Interim Ordinance was adopted by Council. The 5% annual allowable increase was implemented June 17, 2016. On August 23, 2016, Council approved regulations to implement the fair return process as part of the Interim Ordinance. The fair return process was implemented after September 27, 2016, following Council's approval of the Interim Ordinance Regulations. Staff is hold public meetings in November and December to gather public input on the elements of the fully implemented ARO.	Staff is targeting return to Council with a modified permanent ARO for consideration before June 2017.	

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
3	Local Hiring/Local Business/Apprentice Utilization Program Create policies encouraging the hiring of local workers and contracting of local and small businesses, using the City of Sunnyvale's recently approved program as a model.	Public Works/Lead Staff: Nina Grayson Support: Attorney	David Sykes	Pursuing San Jose/Santa Clara County construction industry labor market study and engaging construction trades in discussions regarding apprentice supply issues and how City can assist. Federal Constitution and Charter issues will need to be analyzed. An update was provided to CED on October 29, 2016.	Provide update to CED Committee in Spring 2017.
4	Massage Parlor Regulation Modify the Municipal Code to regulate massage parlors and prevent human trafficking as permitted under new state law. Further direction to evaluate the overconcentration of massage parlors in neighborhoods and explore option relating to prohibition of opening of a massage parlor in the same location as one that has been closed due to trafficking/prostitution activity.	Police /Lead staff: Sgt. Todd Trayer, Officer Mike Epp	Jennifer Maguire	Approved by Council on April 5, 2016. Follow up status report heard and approved by the PSFSS Committee on September 15, 2016. An annual report will be provided to PSFSS in September 2017.	COMPLETED – remove from tracking.
5	Mobile Home Conversions Review and potentially amend the Mobile Home Conversion Ordinance to address the protection of health, safety and welfare of mobile home park residents, including any needed General Plan amendments.	PBCE/Lead staff: Jenny Nusbaum Support: Attorney/ Housing	Kim Walesh	The non-urgency moratorium ordinance went to Planning Commission on March 23, 2016 and Council on May 3, 2016. Council directed that staff propose a new Mobilehome Park Closure ordinance that would allow Park owners to go out of business without a replacement project, while addressing the protection of health, safety and welfare of mobile home park residents, including any needed General Plan amendments.	Targeted for hearings by Planning Commission in November 2016 and Council in December 2016.

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
6	Illegal Fireworks Ordinance Establish a new framework to cite, fine, and adjudicate the use, possession, sale, advertisement for sale, transportation, and/or manufacturing of fireworks. Explore use of administrative citations in addition to criminal charges.	Fire/ Lead staff: Curtis Jacobson Support: Police/Attorney	Julie Edmonds- Mares	Ordinance adopted on April 26, 2016. A coordinated media campaign and webpage for reporting are in progress. Staff will return to PSFSS annually with a post 4th of July Report.	COMPLETED – remove from tracking.
7	Riparian Corridor & Bird-Safe Buildings Update zoning code provisions with respect to riparian setbacks and development of bird- safe buildings.	PBCE/Lead staff: Jenny Nusbaum	Kim Walesh	Ordinance adopted by Council August 23, 2016. Council directed a work plan for a new scope to assess expanded bird-safe design near riparian corridors City-wide to be voted on by Council during priority-setting session.	COMPLETED – remove from tracking.
8	Commercial Impact Fee for Affordable Housing Research the potential of a non-residential development fee as an additional source of revenue for affordable housing development.	Housing/Lead staff: Kristen Clements Support: Attorney/ PBCE/Economic Development	Kim Walesh	City Council postponed taking any action on the Commercial Impact Fee on December 15, 2015.	NO FURTHER ACTION – remove from tracking.
9	Allowing Secondary Detached Units in San José Modify the Municipal Code to allow and facilitate the building of secondary detached residential units on residential parcels.	PBCE/Lead staff: Jenny Nusbaum Support: Housing/Attorney	Kim Walesh	Part of package of code amendments for residences. Completed stakeholder engagement August 22, 2016.	Planning Commission and Council by November 2016 with recommendations.
10	Housing Rehabilitation Program (Homeless Veterans Vouchers) Develop a program using the Low and Moderate Income Housing Asset Fund in the City's Affordable Housing Investment Plan to establish a housing rehabilitation program incentivizing landlords to participate in housing voucher or coupon programs for homeless veterans.	Housing/Lead staff: James Stagi	Kim Walesh	Council approved recommended program structure on June 28, 2016. Staff was directed to update the CED committee of the program progress in early 2017.	To CED Committee in early 2017.

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
11	Downtown Active Storefronts Initiative Penalty fees for storefronts that been inactive over one year; allocation of all collected penalty fees toward an incentive program that assists property owners in activating their storefronts; exploration of new tools and recommendations that will require new development in the PBID to activate ground floor space or storefronts. To include Citywide business districts or commercial areas.	Economic Development/ Lead staff: Blage Zalalich Support: Attorney	Kim Walesh	Research has begun.	To CED in Spring 2017.
12	San José Urban Agriculture Incentive Zones Ordinance San José Urban Agriculture Incentive Zones Ordinance.	PBCE /Lead staff: Jenny Nusbaum Support: Attorney	Kim Walesh	Analyzing costs of staff's recommended alternative to prepare a fee resolution proposal for Council consideration.	Ordinance scheduled for Council consideration November 8, 2016. Fee resolution to Council by December 2016.
13	Gender Pay Equity Options for assessing and promoting gender and ethnicity equity in the City's employment decisions.	Human Resources/Lead staff: Joe Angelo	Jennifer Maguire	Information memorandum released to Council on November 16, 2015	COMPLETED – remove from tracking.
14	Disadvantaged Business Enterprises Explore expanding existing DBE program beyond Airport to other City departments and contracts.	Public Works/Lead staff: Nina Grayson Support: Attorney/ Transportation/ESD	David Sykes	Consultant RFQ process completed. Consultant(s) selection expected in Fall 2016.	Return to CED Meeting in January 2017 with update on inclusive race and gender neutral contracting program.
15	Electronic Billboards Options for public and private property that will allow electronic digital off-site advertising signs or billboard installations.	PBCE/Economic Development Lead PBCE staff: Jenny Nusbaum and Carol Hamilton	Kim Walesh	Status report including approach to Supergraphics downtown and in North San Jose, and electronic billboards Citywide presented at CED on October 24, 2016.	Supergraphics by December 2016, and other signage for private property by Spring 2017.
16	Graywater Systems Consider changes to the permitting process allowing residents to install gray water systems in the most timely and inexpensive manner currently available.	PBCE /Lead staff: Warren Krause Support: Environmental Services	Kim Walesh	Developed and implemented Backflow- Preventer Requirement form with water purveyor stakeholders for alternate water systems. No other Building Department changes for Greywater systems at this time.	TBD

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
17	Surplus Land Sale Bring City codes into conformance with new state law.	Real Estate/Lead staff: Terry Medina Support: Economic Development/ Housing	Kim Walesh	The City Council approved the new Surplus Sale Policy on April 26, 2016.	COMPLETED – remove from tracking.
18	Downtown and/or Citywide Parks Operations and Maintenance Financing District To study and make recommendations to the City Council for a long term financing district for parks operations and maintenance. The study will look at citywide and downtown as options.	PRNS/Lead staff: Matt Cano Support: Attorney/ PBCE/Public Works	Julie Edmonds- Mares	Staff has engaged in community outreach over the past several months, including a Parks and Recreation Committee hearing. Currently drafting final staff recommendation for the new program, which primarily focuses on the revitalization of St James Park.	To Council in Winter 2016/17 with Feasibility Study.
19	North San José Policy Review Review of North San José development policies, fees, and development capacity allocations.	PBCE/Lead staff: TBD Support: Economic Development/ Transportation	Kim Walesh	On August 30, 2016, per direction from the Mayor and Council, work on updating the North San Jose policy has been suspended.	Staff will return in December 2016 with an assessment of whether to resume work on the policy and with a recommend strategy to spur retail and other amenities in North San Jose.

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
20	Peddler Permits Enforcement/Outdoor Mobile Vendor Policy Suspend enforcement of peddler permit requirements until Council amends the existing ordinances. Staff was directed to suspend action on Section 20.80.810 of Chapter 20.80 expanding two hours to four hours, to have further meetings/outreach with the restaurant owners and their representatives and to report back to Council or a Council Committee in approximately 6 months. Staff was further directed: (1) To evaluate the small push carts to determine if there is a separate category for ways to treat them differently in terms of fees. (2) To reach out to Our Lady of Guadalupe Church regarding vendors on church property/adjacent sidewalks. (3) To allow consideration for the small vendors on private property upon lifting the suspension of the two hour requirement on March 1, 2016.	City Manager/Lead staff: Michelle McGurk Support: PBCE/Police	Dave Sykes	Ordinance changes for private property vending were unanimously supported at Planning Commission on December 2, 2015 and approved by Council on January 12, 2016. Restaurant owners: Staff has met with the restaurant owners and their representatives, and they remain opposed to expanding hours of operation for mobile vendors on private property. This item has not returned to Council/Committee as there would be nothing new to recommend. With respect to the further direction: (1) Fees & Charges are reevaluated during the budget process; no changes were made during 2016-2017; (2) Additional stakeholder outreach has been conducted. PBCE and Housing worked with Our Lady of Guadalupe on a rezoning project that would have incorporated outdoor vending uses, however, the church has informed the City it will not be pursuing the rezoning. (3) Small vendors are allowed on private property for up to two hours, if requirements are met. Expanding beyond the two hours is not supported by the restaurant community.	COMPLETED – remove from tracking

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
21	San José is Open for Business/Legal Non- Conforming Uses Clarify Title 20 to reduce the evidentiary burdens for businesses and property owners seeking to establish a longstanding, legal nonconforming use.	PBCE / Lead staff: TBD Support: Attorney	Kim Walesh	No current activity. Staff is working on higher priority items.	TBD
22	Provide more specific guidance for the use of Development Agreements, specifically for developments receiving City incentives and as a financing tool for urban villages	PBCE/Lead staff: Jenny Nusbaum Support: Attorney/ Economic Development	Kim Walesh	No current activity. Staff is working on higher priority items.	TBD
23	Food and Clothing Distribution at City Parks Review and update the Municipal Code policy regarding the distribution of food and clothing at City Parks.	PRNS/Lead staff: Mike Will, PRNS Support: Attorney/ Economic Development/ Police/Housing	Julie Edmonds- Mares	No current activity. Staff is working on higher priority items.	TBD
24	Off-Sale of Alcohol at Grocery Stores Streamlining Modify Code provisions to streamline the permit process for sale of alcohol at grocery stores.	PBCE/Lead staff: Jenny Nusbaum Support: Attorney	Kim Walesh	No current activity. Staff is working on higher priority items.	TBD
25	Real Estate Transactions Streamlining (Phase 3) Review of the leasing program for both properties where the City is Landlord and where the City is Tenant.	Economic Development/Lead staff: Terry Medina Support: Attorney	Kim Walesh	Current step is to get all OED Real Estate leases current for "City as Landlord" and "City as Tenant" situations, aligned with Auditor recommendations. Next step will be to resolve whether to invest time developing a Citywide Policy.	TBD

	Policy/Ordinance Name Description	Lead Dept./Staff Support Departments	CMO Lead	What We Are Doing	When Will It Come to Committee or Council?
26	Zoning Ordinance Quarterly Modifications Minor revisions to Zoning Ordinance that do not require major analysis, raise community concerns or cannot be found exempt from CEQA. This is a recurring placeholder that facilitates economic development, permit streamlining, and General Plan implementation.	PBCE /Lead staff: Jenny Nusbaum Support: Attorney	Kim Walesh	Zoning Code amendments for residential development and residential uses to complete Council Priority on Secondary Units, implement our Housing Development Work Plan, and implement State law that becomes effective January 1, 2017.	Next quarterly update targeted for November 2016.

Attachment B Council Priority List (Grouped by Department)

Rank	Lead Dept./Staff Support Departments	Policy/Ordinance Name Description
20	City Manager /Lead staff: Michelle McGurk Support: PBCE/Police	Peddler Permits Enforcement/Outdoor Mobile Vendor Policy (COMPLETED)
11	Economic Development/ Lead staff: Blage Zalalich Support: Attorney	Downtown Active Storefronts Initiative
25	Economic Development /Lead staff: Terry Medina Support: Attorney	Real Estate Transactions Streamlining (Phase 3)
6	Fire / Lead staff: Curtis Jacobson Support: Police/Attorney	Illegal Fireworks Ordinance (COMPLETED)
2	Housing/Attorney Housing lead staff: Rachel VanderVeen	Update the City's Rental Rights and Referrals Program
8	Housing/Lead staff: Kristen Clements Support: Attorney/ PBCE/Economic Development	Commercial Impact Fee for Affordable Housing (NO FURTHER ACTION)
10	Housing/Lead staff: James Stagi	Housing Rehabilitation Program (Homeless Veterans Vouchers)
13	Human Resources/Lead staff: Joe Angelo	Gender Pay Equity (COMPLETED)
18	PRNS /Lead staff: Matt Cano +Support: Attorney/ PBCE/Public Works	Downtown and/or Citywide Parks Operations and Maintenance Financing District
23	PRNS /Lead staff: Mike Will, PRNS Support: Attorney/ Economic Development/ Police/Housing	Food and Clothing Distribution at City Parks
5	PBCE /Lead staff: Jenny Nusbaum Support: Attorney/ Housing	Mobile Home Conversions
7	PBCE/Lead staff: Jenny Nusbaum	Riparian Corridor & Bird-Safe Buildings (COMPLETED)
9	PBCE /Lead staff: Jenny Nusbaum Support: Housing/Attorney	Allowing Secondary Detached Units in San José
12	PBCE /Lead staff: Jenny Nusbaum Support: Attorney	San José Urban Agriculture Incentive Zones Ordinance
15	PBCE/Economic Development Lead PBCE staff: Jenny Nusbaum and Carol Hamilton	Electronic Billboards
16	PBCE /Lead staff: Warren Krause Support: Environmental Services	Graywater Systems
19	PBCE /Lead staff: TBD Support: Economic Development/ Transportation	North San José Policy Review
21	PBCE / Lead staff: TBD Support: Attorney	San José is Open for Business/Legal Non- Conforming Uses
22	PBCE /Lead staff: Jenny Nusbaum Support: Attorney/ Economic Development	Development Agreement Policy

Rank	Lead Dept./Staff Support Departments	Policy/Ordinance Name Description
24	PBCE /Lead staff: Jenny Nusbaum Support: Attorney	Off-Sale of Alcohol at Grocery Stores Streamlining
26	PBCE /Lead staff: Jenny Nusbaum Support: Attorney	Zoning Ordinance Quarterly Modifications
4	Police /Lead staff: Sgt. Todd Trayer, Officer Mike Epp	Massage Parlor Regulation (COMPLETED)
1	Public Works : Lead staff: Nina Grayson and Christopher Hickey Support: Finance/ Attorney	Wage Theft, Parts A, B & C (COMPLETED)
3	Public Works /Lead Staff: Nina Grayson Support: Attorney	Local Hiring/Local Business/Apprentice Utilization Program
14	Public Works /Lead staff: Nina Grayson Support: Attorney/Transportation/ESD	Disadvantaged Business Enterprises
17	Real Estate /Lead staff: Terry Medina Support: Economic Development/ Housing	Surplus Land Sale (COMPLETED)