



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: David Sykes

SUBJECT: QUARTERLY REPORT ON
COUNCIL PRIORITIES

DATE: May 18, 2016

Approved

Date

5/19/16

INFORMATION

This memo provides a progress report on the priorities set by Council at the December 15, 2015 Council Priority Setting Session.

There are 26 items on the Priority List (attachment), which is presented in priority order as ranked by Council. 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.

DAVID SYKES
Assistant City Manager

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

Attachment – Council Priority List

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 from businesses with 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	Initial research completed – reviewed San Francisco & Santa Clara County wage theft policies. Met with CAO and Purchasing to discuss. A) Language for RFP and contracts drafted. B) Developing complete list of City issued permits and licenses. C) Compiling information – state legislation, role of Labor Commissioner, collection agency.	Scheduled for May 24, 2016 Council approval.
2	Update the City’s Rental Rights and Referrals Program. Explore modifications to the City’s rent control ordinance and creation of ordinances for just cause evictions and income discrimination prohibition.	Housing/Attorney Housing lead staff: Wayne Chen	Kim Walesh	The interim Apartment Rent Ordinance (ARO) was adopted on May 17, 2016 Council approval. Staff is in the process of developing the workplan to implement the ARO modifications approved by Council.	Fall/Winter 2016: Staff will return to Council with a modified ARO for consideration.
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	Researching topic and Sunnyvale’s program and status. Meet with CAO on viability of establishing local hiring ordinance and/or local/small preferences.	Scheduled for May 23, 2016 CED Committee review.

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4	<p>Massage Parlor Regulation Modify the Municipal Code to regulate massage parlors and prevent human trafficking as permitted under new state law.</p> <p>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.</p>	Police/Lead staff: Sgt. Todd Trayer, Officer Mike Epp	Jennifer Maguire	Update on the evaluation of the overconcentration of massage parlors in neighborhoods heard at PSFSS on March 17, 2016 and approved by Council on April 5, 2016.	COMPLETED – remove from tracking.
5	<p>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.</p>	<p>PBCE/Lead staff: Jenny Nusbaum</p> <p>Support: Attorney/ Housing</p>	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.
6	<p>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.</p>	<p>Fire/ Lead staff: Curtis Jacobson</p> <p>Support: Police/Attorney</p>	Julie Edmonds-Mares	<p>Ordinance adopted on April 26, 2016.</p> <p>A coordinated media campaign and webpage for reporting are in progress. Staff will return to PSFSS annually with a post 4th of July Report.</p>	COMPLETED – remove from tracking.
7	<p>Riparian Corridor & Bird-Safe Buildings Update zoning code provisions with respect to riparian setbacks and development of bird-safe buildings.</p>	PBCE/Lead staff: Jenny Nusbaum	Kim Walesh	Status report to T&E on 10/5/15 and to CED on 10/26/15. Status update to T&E on 03/07/16.	Planning Commission and Council by June 2016 with recommendations.

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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 Welsh	<p>City Council postponed taking any action on the Commercial Impact Fee on December 15, 2015.</p> <p>Staff is pursuing multiple opportunities to create a local source of funding for affordable housing through the implementation of the Affordable Housing Impact Fee and Citywide Inclusionary Housing ordinances. Additionally, the City Council has approved staff recommendations to support four pieces of State legislation aimed at creating additional financing tools at the State level: AB 2502 (Mullin) to make rental inclusionary housing legally allowable; AB 2817 (Chiu) to increase the amount of Low Income Housing Tax Credits available; SB 879 (Beall) to place a \$3B affordable housing bond on the November 2016 ballot; SB 873 (Beall) to increase the value of Low Income Housing Tax Credits. Staff is closely monitoring the merger of MTC and ABAG for possible new funding opportunities, including a regional commercial impact fee and other regionally based fee programs. Additionally, staff is coordinating San Jose's two AHSC Cap and Trade grant applications for two affordable housing developments.</p>	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 Welsh	These are already allowed. Proposed Code changes to add more options.	Planning Commission and Council by June 2016 with recommendations.

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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: Ray Bramson	Kim Welsh	Staff is developing three potential models with a range of rehab options. April/May 2016: Meet with staff from Destination: Home; Housing Authority and the Apartment Association to obtain feedback on program models.	Tentatively to Council late June 2016.
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: Teri Killgore	Kim Welsh	Research has begun.	Tentatively to committee in Fall 2016.
12	San José Urban Agriculture Incentive Zones Ordinance San José Urban Agriculture Incentive Zones Ordinance.	PBCE/Lead staff: Jenny Nusbaum Support: Attorney	Kim Welsh	The proposed FY 16-17 budget includes funding for electronic billboards, super graphics signs, downtown sign district and an urban agriculture ordinance.	Schedule to be determined once funding is approved.
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	Reviewing other public agencies' programs. Review possible constitutional issues. Develop options to implement program including resources to staff program.	To CED Committee hearing on June 27, 2016.

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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	Kim Welsh	The proposed FY 16-17 budget includes funding for electronic billboards, super graphics signs, downtown sign district and an urban agriculture ordinance.	Schedule to be determined once funding is approved.
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 Welsh	Staff is reviewing Code requirements for alternate water sources using graywater systems, as well as meeting with water purveyors and other stakeholders to determine if any additional requirements apply. Staff will also be considering potential impacts to infrastructure systems.	Draft regular plan review and inspection protocol implementing Code and stakeholder requirements by end of June 2016.
17	Surplus Land Sale Bring City codes into conformance with new state law.	Real Estate/Lead staff: Terry Medina Support: Economic Development/ Housing	Kim Welsh	On April 26, 2016 the City Council approved the new Surplus Sale Policy. Real Estate staff are preparing information for the sales that have been pending and will begin presenting the recommendations to the City Council as the documents are completed by the buyers of surplus property.	COMPLETED – remove from tracking. First set of sales scheduled for June 7, 2016 City Council meeting.
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: Jason Rogers Support: Economic Development/ Transportation	Kim Welsh	Staff is finalizing the updated land use plan for NSJ and begin working on traffic modeling June 2016 to understand associated land use impacts. Staff is also working on identifying project design criteria and entitlement process requirements to allow 1,500 residential units as a Modified Phase 1 for NSJ.	Scheduled for Spring 2017 Council approval.

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20	Peddler Permits Enforcement/Outdoor Mobile Vendor Policy Suspend enforcement of peddler permit requirements until Council amends the existing ordinances. Further direction to continue to suspend enforcement on private property as additional stakeholder outreach is conducted.	City Manager/Lead staff: Michelle McGurk Support: PBCE/Police	Angelique Gaeta	Ordinance changes for private property vending were unanimously supported at Planning Commission on December 2, 2015 and approved by Council on January 12, 2016. Additional stakeholder outreach to be conducted in 2016. However given limited resources and competing priorities, this work is currently on hold.	TBD
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 Welsh	No current activity. Staff is working on higher priority items.	TBD
22	Development Agreement Policy 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 Welsh	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: Steve Hammack, PRNS Support: Attorney/ Economic Development/ Police/Housing	Julie Edmonds-Mares	Staff from Police, Housing, Parks Recreation & Neighborhood Services and District 3, along with community leaders, are meeting to discuss next steps to resolving this issue. The team is currently working on two fronts to help redirect feeding from Downtown parks (1) Education through the Housing Department's homeless outreach provider – PATH and (2) Convening a meeting in the very near future with local faith leaders to discuss the establishment of a program that will allow feedings to be redirected to nearby churches	TBD

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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 Welsh	Public engagement and focus group meetings in process. Input so far: Not supportive of having off-sale PCN not considered by Council for overriding benefit. Complete stakeholder engagement by June 2016.	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 Welsh	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
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 Welsh	Downtown streamlining Code changes went to Planning Commission on September 23, 2015 and Council on October 6, 2015.	Next quarterly update targeted for June 2016.