



MINUTES OF THE CITY COUNCIL

SAN JOSE, CALIFORNIA

TUESDAY, MARCH 15, 2016

The Council of the City of San José convened in Regular Session at 9:36 a.m. in the Council Chamber at City Hall.

Present: Council Members - Carrasco, Herrera, Jones, Kalra, Khamis, M. Nguyen, T. Nguyen, Oliverio, Peralez, Rocha; Liccardo.

Absent: Council Members - All Present.

STRATEGIC SUPPORT SERVICES

3.2 Accept Labor Negotiations Update.

There was no report.

CLOSED SESSION

Upon motion unanimously adopted, Council recessed at 9:42 a.m. to a Closed Session in Room W133 (A) to confer with Legal Counsel pursuant to Government Code Section 54956.9 subsection (c) with respect to anticipated litigation in three (3) matters. (B) to confer with Legal Counsel pursuant to Government Code Section 54956.9(d)(1) with respect to existing litigation: (1) NAACP v. City of San José, et al. Names of Parties Involved: National Association for the Advancement of Colored People, San José Chapter, the City of San José, Richard Doyle, in his official capacity as the City Attorney for the City of San José and Edgardo Garcia, in his official capacity as the Chief of Police for the City of San José; Court: Superior Court of California, County of Santa Clara; Case No: 16-CV-291937; Amount of Money or Other Relief Sought: Writ of Mandate. (2) IAFF Local 230 v. City of San José; Names of Parties Involved: International Association of Firefighters Local 230, City of San José; Court: State of California Public Employment Relations Board; Case No: SF-CE-969-M. Amount of Money or Other Relief Sought: Damages According to Proof. (3) IFPTE Local 21 v. City of San José; Names of Parties Involved: International Federation of Professional and Technical Engineers Local 21, City of San José; Court: State of California Public Employment Relations Board; Case No: SF-CE-996-M; Amount of Money or Other Relief Sought: Damages according

CLOSED SESSION (Cont'd.)

to proof. (4) American Federation of State, County and Municipal Employees, et al. v. City; Names of Parties Involved: American Federation of State, County and Municipal Employees, City of San José; Court: State of California Public Employment Relations Board; Case No: SF-CE-924-M; Amount of Money or Other Relief Sought: Damages According to Proof. (5) OE#3 v. City of San José; Names of Parties Involved: Operating Engineers Local Union No. 3, City of San José; Court: State of California Public Employment Relations Board; Case No: SF-CE-900-M. (6) ABMEI v. City, et al. Names of Parties Involved: Association of Building, Mechanical and Electrical Inspectors, City of San José; Court: State of CA Public Employment Relations Board; Case No: UPC SF 1358 M; Amount of Money or Other Relief Sought: Damages according to proof. (7) San José Retired Employees Association, et al. v. City, et al; Names of Parties Involved: San José Retired Employees Association, Howard E. Fleming, Donald S. Macrae, Frances J. Olson, Gary J. Richert and Rosalinda Navarro, City of San José Does 1 – 50, Board of Administration for the Federated City Employees Retirement System; Court: Superior Court of the State of California for County of Santa Clara, Sixth District Court of Appeal; Case No: 1-12-CV-233660, H040979, H042074; Amount of Money or Other Relief Sought: Declaratory Relief and Verified Petition for Writ of Mandate. (8) Sapien, et al. v. City of San José, et al; Names of Parties Involved: Robert Sapien, Marty Kathleen McCarthy, Thanh Ho, Randy Sekany, Ken Heredia, City of San José, Debra Figone in her official capacity as City Manager of the City of San José, Does 1-15, The Board of Administration for the 1961 San José Police and Fire Department Retirement Plan; Court: Superior Court of the State of California for County of Santa Clara, Sixth District Court of Appeal; Case No: 1-12-CV-225928, H040979, H042074; Amount of Money or Other Relief Sought: Challenge to Measure B. (9) Harris, et al. v. City of San José, et al; Names of Parties Involved: Teresa Harris, Jon Reger, Moses Serrano, Suzann Stauffer, City of San José, Debra Figone in her official capacity as City Manager of the City of San José, The Board of Administration for the 1975 Federated City Employees' Retirement Plan, Does 1-15; ; Court: Superior Court of the State of California for County of Santa Clara, Sixth District Court of Appeal; Case: 1-12-CV-226570, H040979, H042074; Amount of Money or Other Relief Sought: Challenge to Measure B. (10) Mukhar, et al. v. City of San José, et al; Names of Parties Involved: John Mukhar, Dale Dapp, James Atkins, William Buffington, Kirk Pennington, City of San José, Debra Figone in her official capacity as City Manager of the City of San José, The Board of Administration for the 1975 Federated City Employees' Retirement Plan, Does 1-15; ; Court: Superior Court of the State of California for County of Santa Clara, Sixth District Court of Appeal; Case: 1-12-CV-226574, H040979, H042074; Amount of Money or Other Relief Sought: Challenge to Measure B. (11) AFSCME, et al. v. City of San José, et al; Names of Parties Involved: American Federation of State, County and Municipal Employees, Local 101 on behalf of its members, City of San José, The Board of Administration for the Federated City Employees' Retirement Plan; Court: Superior Court of the State of California for County of Santa Clara, Sixth District Court of Appeal; Case: 1-12-CV-225928, H040979, H042074; Amount of Money or Other Relief Sought: Challenge to Measure B. (12) People of the State of California, et al. v. City of San José, et al. Names of Parties Involved: The People of the State of California ex rel, San José Police Officers'

CLOSED SESSION (Cont'd.)

Association, City of San José, City Council of San José; Court: Superior Court of the State of California for the County of Santa Clara; Case No: 1-13-CV-245503; Amount of Money or Other Relief Sought: Verified Complaint in Quo Warranto. (13) San José Retired Employees Association, et al V. City of San José, et al. Names of Parties Involved: San José Retired Employees Association, Kirk Pennington, David Armstrong, Donna Jewett, Dorothy McGinley, City of San José, The Board of Administration for the Federated City Employees Retirement Plan; Court: Superior Court of California, County of Santa Clara; Case No: 1-14-CV-2680085; Amount of Money or Other Relief Sought: Change to City Medical Plan. (C) to confer with Labor Negotiator pursuant to Government Code Section 54957.6: City Negotiator: City Designee Jennifer Schembri; Director of Employee Relations; Employee Organizations: (1) Association of Building, Mechanical and Electrical Inspectors (ABMEI); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and ABMEI. (2) Association of Engineers & Architects (AEA); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and AEA. (3) Association of Maintenance Supervisory Personnel (AMSP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and AMSP. (4) City Association of Management Personnel Agreement (CAMP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and CAMP. (5) Confidential Employees' Organization, AFSCME Local 101 (CEO); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and CEO. (6) International Association of Firefighters, Local 230 (IAFF); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and International Association of Firefighters. (7) International Brotherhood of Electrical Workers (IBEW); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and IBEW. (8) Municipal Employees' Federation, AFSCME Local 101, AFL-CIO (MEF); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and MEF; (9) International Union of Operating Engineers, Local No. 3 (OE#3); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement Between City of San José and International Union of Operating Engineers. (10) San José Police Officers' Association (SJPOA); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and San José Police Officers' Association. (11) Association of Legal Professionals of San José (ALP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc. Web: <http://www.sanjoseca.gov/?nid=186>; Telephone for Employee Relations: 408-535-8150.

CLOSED SESSION (Cont'd.)

By unanimous consent, Council recessed from the Closed Session at 11:07 a.m. and reconvened to Regular Session at 1:30 p.m. in the Council Chamber.

Present: Council Members - Carrasco, Herrera, Jones, Kalra, Khamis, M. Nguyen, T. Nguyen, Oliverio (1:53 p.m.), Peralez, Rocha; Liccardo.

Absent: Council Members - All Present.

INVOCATION

Quyhn and Alice, Asian American Folk/R&B music duo native to San José offered an original song “No Surrender” for the Invocation. (District 3)

PLEDGE OF ALLEGIANCE

Mayor Sam Liccardo led the Pledge of Allegiance.

CEREMONIAL ITEMS

1.1 Presentation of a proclamation declaring the month of March 2016 as “Arts Education Month” in the City of San José. (Rocha)

Mayor Sam Liccardo, Council Member Donald Rocha and Council Member Magdalena Carrasco recognized the month of March 2016 as “Arts Education Month” in San José.

1.2 Presentation of a proclamation to the Santa Clara Valley Science and Engineering Fair Association recognizing March 14 to March 18, 2016 as Science Fair Week. (Herrera)

Mayor Sam Liccardo and Vice Mayor Rose Herrera recognized and commended the Santa Clara Valley Science and Engineering Fair Association and acknowledged March 14, 2016 through March 18, 2016 as “Science Fair Week” in the City of San José.

1.3 Presentation of a proclamation declaring the Week of March 13 through March 19, 2016 as “Sunshine Week” in San José in Support of Open Government and Transparency. (Khamis)

Mayor Sam Liccardo and Council Member Johnny Khamis recognized the week of March 13, 2016 through March 19, 2016 as “Sunshine Week” in the City of San José.

ORDERS OF THE DAY

Upon motion by Vice Mayor Rose Herrera, seconded by Council Member Johnny Council Member Johnny Khamis and carried unanimously, the Orders of the Day and the Amended Agenda were approved, and Item 7.1 was deferred to April 5, 2016. (11-0.)

Mayor Sam Liccardo recognized Brownie Troop 6469 from Almaden Valley.

CONSENT CALENDAR

Upon motion by Vice Mayor Rose Herrera, seconded by Council Member Donald Rocha and carried unanimously, the Consent Calendar was approved and the below listed actions were taken as indicated. (11-0)

2.1 Recommendation: Approval of minutes.

- (a) **Regular Minutes of December 1, 2015.**
- (b) **Regular Minutes of December 8, 2015.**
- (c) **Regular Minutes of December 15, 2015.**

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

Documents Filed: The Regular Minutes dated December 1, 2015, December 8, 2015 and December 15, 2015.

Action: The Council Minutes were approved. (11-0.)

2.2 Final Adoption of Ordinances.

There were none.

2.3 Approval of Council Committee Minutes.

- (a) **Rules and Open Government Committee Minutes of February 17, 2016.
(Mayor)**

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

Documents Filed: The Rules and Open Government Committee Report dated February 17, 2016.

Action: The Rules and Open Government Committee Minutes were approved. (11-0.)

2.4 Mayor and Council Excused Absence Requests.

There were none.

2.5 City Council Travel Reports.

There were none.

2.6 Report from the Council Liaison to the Retirement Boards.

There were none.

2.7 Adopt the following 2015-2016 Appropriation Ordinance and Funding Sources Resolution amendments in the Workforce Development Fund:

- (1) Increase the estimate for Earned Revenue by \$150,000.**
- (2) Increase the appropriation to the Office of Economic Development for the Proposition 39 Pre-Apprenticeship Grant Project by \$150,000.**

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

Documents Filed: Memorandum from Deputy City Manager/Director of Economic Development Kim Walesh and Senior Deputy City Manager/Budget Director Jennifer A. Maguire, dated March 1, 2016, recommending adoption of appropriation ordinance and funding sources resolution amendments.

Director of Strategic Partnerships Jeff Ruster responded to questions from Mayor Sam Liccardo and Vice Mayor Rose Herrera.

Action: Upon motion by Vice Mayor Rose Herrera, seconded by Council Member Tam Nguyen and carried unanimously, Ordinance No. 29705, entitled: "An Ordinance of the City of San José Amending Ordinance No. 29589 to Appropriate Monies in the Workforce Development Fund for the Proposition 39 Pre-apprenticeship Grant Project; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption" and Resolution No. 77685, entitled: "A Resolution of the Council of the City of San José Amending Resolution No. 77423 Setting Forth the Estimated Sources of Funds for the Fiscal Year 2015-2016 to Adjust Revenues in the Workforce Development Fund", were adopted. (11-0.)

- 2.8 (a) Approve a \$92,970 increase to the construction contingency amount of \$27,030 for a revised total contingency in the amount of \$120,000 and increase the original contract not-to-exceed amount from \$297,330 to a total revised contract amount not-to-exceed \$390,300.**

- (b) Adopt a resolution authorizing the Director of Public Works to negotiate and execute Contract Change Order No. 4 with JMB Construction, Inc. for the 7076-Influent Magnetic Meter and Valve Replacement for Nitrification Clarifiers A-5 and A-6 Project extending the project completion date from February 7, 2014 to May 27, 2016 for a total of 561 working days beyond the original contract completion date of February 7, 2014.**

CEQA: Exempt, Section 15301 (b) Existing Facilities, File No. PP12-094. (Environmental Services/Public Works)

Documents Filed: (1) Memorandum from Director of Environmental Services Kerrie Romanow and Director of Public Works Barry Ng, dated February 29, 2016, recommending approval of the contingency and adoption of a resolution. (2) Letter from the Treatment Plant Advisory Committee, Sam Liccardo, Vice Chair, dated February 29, 2016, expressing concurrence with the Staff recommendations.

2.8 (Cont'd.)

Action: The \$92,970 increase to the construction contingency amount of \$27,030 for a revised total contingency in the amount of \$120,000 and increase the original contract not-to-exceed amount from \$297,330 to a total revised contract amount not-to-exceed \$390,300 was approved and Resolution No. 77686, entitled: "A Resolution of the Council of the City of San José Authorizing the Director of Public Works to Negotiate and Execute Contract Change Order No. 4 with JMB Construction, Inc. for the 7076-Influent Magnetic Meter and Valve Replacement for Nitrification Clarifiers A-5 and A-6 Project Extending the Project Completion Date from February 7, 2014 to May 27, 2016 for a Total of 561 Working Days Beyond the Original Contract Completion Date of February 7, 2014", was adopted. (11-0.)

- 2.9 (a) **Approve travel by Council Member Jones to Washington, D.C. on March 21 to March 23, 2016 to attend the Silicon Valley Leadership Group's Annual Spring CEO/Senior Officer Silicon Valley Advocacy Trip. Source of Funds: Mayor & Council Travel Fund.**
- (b) **Request for an excused absence for Council Member Jones from the Regular and Evening City Council Meeting on March 22, 2016, and the Rules and Open Government Committee meeting on March 23, 2016 due to Authorized City Business: 2016 Silicon Valley Leadership Group's Annual Spring CEO/Senior Officer Silicon Valley Washington, D.C. Advocacy Trip.**
- CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Jones)**

Documents Filed: Memorandum from Council Member Chappie Jones, dated February 24, 2016, requesting approval for travel and excused absences.

Action: The travel for Council Member Chappie Jones was approved and the absences were excused. (11-0.)

- 2.10 (a) **Approve travel by Council Member M. Nguyen to Washington, D.C. on March 21 to March 23, 2016 to attend the Silicon Valley Leadership Group's Annual Spring Advocacy Trip. Source of Funds: Mayor & Council Travel Fund.**
- (b) **Request for an excused absence for Council Member M. Nguyen from the Regular and Evening City Council Meeting on March 22, 2016, due to Authorized City Business: 2016 Silicon Valley Leadership Group's Annual Spring Washington, D.C. Advocacy Trip.**
- CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (M. Nguyen)**

Documents Filed: Memorandum from Council Member Manh Nguyen, dated March 1, 2016, requesting approval of travel and an excused absence.

Council Member Manh Nguyen informed the Council that he would not be attending the Silicon Valley Leadership Group's Annual Spring Advocacy Trip to Washington, D.C.

2.10 (Cont'd.)

Action: Upon motion by Vice Mayor Rose Herrera, seconded by Council Member Donald Rocha and carried unanimously, Item 2.10 was dropped. (11-0.)

- 2.11 (a) Affirm the Santa Clara Valley Open Space Authority Board's use of \$375,000 for purchase of 8.79 acres of property for open space preservation.**
(b) Acknowledge that \$375,000, available to the City of San José from the Urban Open Space Program would be used for the acquisition.

CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program EIR and Addenda thereto (Resolution No. 76041), File No. PP16-014. Council District 10. (Parks, Recreation and Neighborhood Services)

Documents Filed: Memorandum from Director of Parks, Recreation and Neighborhood Services Angel Rios, Jr., dated March 3, 2016, requesting affirming the use of \$375,000 and acknowledgement of the monies.

Action: The Santa Clara Valley Open Space Authority Board's use of \$375,000 for purchase of 8.79 acres of property for open space preservation was affirmed and \$375,000, available to the City of San José from the Urban Open Space Program would be used for the acquisition, was acknowledged. (11-0.)

2.12 As recommended by the Rules and Open Government Committee on March 2, 2016:

- (a) Approve the 11th Annual West Valley Senior Walk scheduled on April 1, 2016 as a City Council Sponsored Special Event and approve the expenditure of funds.**
(b) Approve and accept donations from various individuals, businesses or community groups to support the event.

**CEQA: Not a Project, File No. PP15-077, Temporary Special Events. (Jones)
[Rules Committee referral from 3/2/16 – Item G(1)(a)]**

Documents Filed: Memorandum from City Clerk Toni J. Taber, CMC, dated March 3, 2016, transmitting the recommendations of the Rules and Open Government Committee.

Action: The 11th Annual West Valley Senior Walk scheduled on April 1, 2016 as a City Council sponsored Special Event and the expenditure of funds were approved and acceptance of donations from various individuals, businesses or community groups to support the event was authorized. (11-0.)

- 2.13 Approve travel by Council Member Jones' to San Diego, Sacramento, and Long Beach, CA while serving his one year term on the League of California Cities Housing, Community and Economic Development Committee. Source of Funds: Mayor & Council Travel Fund. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Jones)**

2.13 (Cont'd.)

Documents Filed: Memorandum from Council Member Chappie Jones, dated March 22, 2016, requesting approval to travel.

Action: The travel for Council Member Chappie Jones was approved. (11-0.)

- 2.14 (a) Approve travel by Mayor Liccardo to Washington, D.C. on March 21 to March 23, 2016 to attend the Silicon Valley Leadership Group's Annual Spring Advocacy Trip. Source of Funds: Mayor & Council Travel Fund.**
- (b) Request for an excused absence for Mayor Liccardo from the Regular and Evening City Council Meeting on March 22, 2016, and the Rules and Open Government Committee meeting on March 23, 2016 due to Authorized City Business: 2016 Silicon Valley Leadership Group's Annual Spring Washington, D.C. Advocacy Trip.**

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

Documents Filed: Memorandum from Mayor Sam Liccardo, dated March 3, 2016, requesting approval to travel and excused absences.

Action: The travel for Mayor Sam Liccardo was approved and the absences were excused. (11-0.)

- 2.15 Approve travel payments and authorize for Mayor's staff, Shireen Santosham, Chief Innovation Officer, to New York, NY, from April 18 to April 20, 2016 for the What Works Cities Summit on Transforming Data Into Action. Source of Funds: Bloomberg Philanthropies. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Mayor)**

Documents Filed: Memorandum from Mayor Sam Liccardo, dated March 8, 2016, requesting approval of travel for Mayor's staff, Shireen Santosham, Chief Innovation Officer.

Action: The travel for Mayor's staff, Shireen Santosham, Chief Innovation Officer was approved. (11-0.)

END OF CONSENT CALENDAR

STRATEGIC SUPPORT SERVICES

- 3.3 As recommended by the Rules and Open Government Committee on February 10, 2016, adopt a resolution establishing City Council Policy 0-43, "Open Data Policy." CEQA: Not a Project, File No. PP10-068, General Procedure & Policy Making that involves no changes to the physical environment. (Information Technology)
[Rules Committee referral from 2/10/16 – Item G(4)]**

Action: Deferred to April 05, 2016 per Rules And Open Government Committee.

COMMUNITY & ECONOMIC DEVELOPMENT

- 4.1 As recommended by the Community and Economic Development Committee on February 22, 2016, accept the status report related to updating the North San José Area Development Policy and Environmental Impact Report. CEQA: Not a Project, File No. PP10-069(a), Staff Reports that involve no approvals of any City Actions. (Office of Economic Development/Planning, Building and Code Enforcement/Transportation)
[Community and Economic Development referral from 2/22/16 – Item (d)(4)]**

Action: Deferred to April 12, 2016 per Administration.

- 4.2 As recommended by the Community and Economic Development Committee on February 22, 2016, accept the staff's report on the Economic Strategy Work Plan for the March 2016 – March 2018 period. CEQA: Not a Project, File No. PP10-069(a), Staff Reports that involve no approvals of any City Actions. (Economic Development/ Planning, Building and Code Enforcement/Transportation)**

Documents Filed: (1) Memorandum from Mayor Sam Liccardo, Vice Mayor Rose Herrera, Council Member Johnny Khamis, Council Member Chappie Jones and Council Member Raul Peralez, dated March 11, 2016, recommending acceptance of the Staff Report on the Economic Strategy Work Plan for the March 2016 – March 2018 period with additional direction to Staff as described in "Action". (2) Memorandum from City Clerk Toni J. Taber, CMC, dated March 3, 2016, transmitting the recommendations of the Community and Economic Development Committee.

Deputy City Manager/Director of Economic Development Kim Welsh presented introductory remarks. Senior Business Development Manager Chris Burton provided the report.

Motion: Vice Mayor Rose Herrera moved approval of the memorandum she cosigned with Mayor Sam Liccardo, Council Member Johnny Khamis, Council Member Chappie Jones and Council Member Raul Peralez, dated March 11, 2016, accepted the Staff report on the Economic Strategy Work Plan for the March 2016 – March 2018 period with additional direction to Staff as described in "Action" on Page 11. Council Member Chappie Jones seconded the motion.

4.2 (Cont'd.)

Council discussion ensued.

Action: On a call for the question, the motion carried unanimously, the memorandum from Mayor Sam Liccardo, Vice Mayor Rose Herrera and Council Members Khamis, Jones and Peralez, dated March 11, 2016, was approved, accepting the Staff Report on the Economic Strategy Work Plan for the 24-month period between March 2016 and March 2018, with additional direction to: (1) Prioritize the following eight goals that Staff should spend 80% of their time pursuing: Goal #1: Encourage companies and sectors that can drive the San José/Silicon Valley economy and generate revenue for City services and infrastructure. Goal #2: Develop retail to full potential, maximizing revenue impact and neighborhood vitality. Goal #3: Preserve and strengthen manufacturing related activity and jobs. Goal #4: Nurture the success of local small businesses. Goal #6: Improve the speed, consistency and predictability of the development review process and reduce costs of operating a business in San José. Goal #9: Keep developing a competitive, world class airport and attract new air service. Goal #10: Continue to position Downtown as Silicon Valley's City Center. Goal #12: Develop a distinctive set of sports, arts and entertainment, offerings aligned with San José's diverse, growing population. (2) Staff to return to Council annually with a progress report. (11-0.)

4.3 **Accept the Calendar Year 2015 Annual Progress Report on the Implementation of the San José 2014-23 Housing Element, which includes as an attachment to the memorandum to Council, the Fiscal Year 2014-15 Housing Successor to Redevelopment Agency Annual Report, per reporting requirements of Senate Bill 341 Redevelopment. CEQA: Not a Project, File No. PP10-069(a), Annual Reports that involve no approvals of any City Actions. (Planning, Building and Code Enforcement/ Housing)**

Documents Filed: Memorandum from Director of Planning, Building and Code Enforcement Harry Freitas and Director of Housing Jacky Morales-Ferrand, dated March 3, 2016, recommending acceptance of the Calendar Year 2015 Annual Progress Report on the Implementation of the San José 2014-23 Housing Element.

Action: Upon motion by Vice Mayor Rose Herrera, seconded by Council Member Tam Nguyen and carried unanimously, the Calendar Year 2015 Annual Progress Report on the Implementation of the San José 2014-23 Housing Element, which includes as an attachment to the memorandum to Council, the Fiscal Year 2014-15 Housing Successor to Redevelopment Agency Annual Report, per reporting requirements of Senate Bill 341 Redevelopment was accepted. (11-0.)

4.4 (a) **Adopt a resolution:**

(1) **Approving a conditional grant commitment ("Grant") to Allied Housing, a nonprofit public benefit corporation affiliated with Abode Services, Inc. ("Abode"), of up to \$1,800,000 from the Community Development Block Grant Fund to rehabilitate the Plaza Hotel, a 49 unit Single Room Occupancy hotel located at 96 South Almaden Boulevard for the purpose of housing the homeless.**

- 4.4 (a) (2) **Authorizing the Director of Housing to enter into a lease agreement (“Lease Agreement”) with Abode for a term of not more than five years from the date of when the first unit is occupied.**
- (3) **Authorizing the Director of Housing, or her designee, to set the specific business terms and to negotiate and execute any and all documents necessary to implement the Grant and the Lease Agreement.**
- (b) **Adopt the following 2015-2016 Appropriation Ordinance amendments in the Community Development Block Grant Fund:**
- (1) **Increase the appropriation to the Housing Department for Housing Rehabilitation Loans and Grants in the amount of \$1,800,000.**
- (2) **Decrease the Land Acquisition Reserve appropriation in the amount of \$900,000.**
- (3) **Decrease the Unrestricted Ending Fund balance in the amount of \$900,000.**

CEQA: Exempt, Section 15301 (a) Existing Facilities, File No. PP15-078. Council District 3. (Housing/City Manager)

Documents Filed: (1) Memorandum from Director of Housing Jacky Morales-Ferrand and Senior Deputy City Manager/Budget Director Jennifer A. Maguire, dated March 3, 2016, recommending adoption of a resolution and appropriation ordinance amendments. (2) Supplemental memorandum from Director of Housing Jacky Morales-Ferrand, dated March 8, 2016, indicating that a County lien is recorded against the Plaza Hotel and the acquisition cannot be completed until the lien is released.

Director of Housing Jacky Morales-Ferrand presented introductory remarks.

Motion: Council Member Raul Peralez moved approval of the Staff recommendations. Vice Mayor Rose Herrera seconded the motion.

Council Member Tam Nguyen requested to amend the motion to direct Staff to return to Council with a status report. The amendment was accepted by Council Member Raul Peralez and Vice Mayor Rose Herrera.

Mayor Sam Liccardo opened the floor for public testimony.

Public Comments: Vivian Wan and Jon White, Abode Services, expressed support to the Staff recommendations.

Action: On a call for the question, the motion carried unanimously, Resolution No. 77687, entitled: “A Resolution of the Council of the City of San José Approving a Conditional Grant Commitment and Lease Agreement for the Plaza Hotel” and Ordinance No. 29706, entitled: “An Ordinance of the City of San José Amending Ordinance No. 29589 to Appropriate Monies in the Community Development Block Grant Fund for Housing Rehabilitation Loans and Grants; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”, were adopted. Staff was directed to return to Council with a status report. (11-0.)

NEIGHBORHOOD SERVICES

- 5.1 (a) Award of the project at the Airport West Site to Robert A. Bothman Construction as set forth in the Council memorandum of December 18, 2015;
OR
(b) Deny the award and request that staff continue discussions with Capitol Airport Partners and the Guadalupe River Park Conservancy to potentially place a larger soccer complex within the Guadalupe Gardens.
CEQA: Coleman Soccer Fields Mitigated Negative Declaration, File No. PP10-155. (Public Works/Parks, Recreation and Neighborhood Services/City Manager)

Documents Filed: Supplemental memorandum from Deputy City Manager/Director of Economic Development Kim Walesh, Director of Parks, Recreation and Neighborhood Services Angel Rios, Jr., Director of Public Works Barry Ng and Director of Aviation Services Kimberly J. Becker, dated March 11, 2016, requesting a deferral of this item to April 19, 2016 in order to continue consideration of a potential alternative site for the placement of the bond funded soccer complex.

Motion: Vice Mayor Rose Herrera moved approval of the Staff supplemental memorandum dated March 11, 2016, requesting deferral of the item to April 19, 2016. Council Member Tam Nguyen seconded the motion.

Director of Aviation Services Kimberly J. Becker, Director of Parks, Recreation and Neighborhood Services Angel Rios, Jr. and Assistant Director of Economic Development Nanci J. Klein responded to Council questions and concerns.

Council Member Johnny Khamis requested to amend the motion to direct Staff to include the worst cases scenarios in the discussions. The amendment was accepted by Vice Mayor Rose Herrera and Council Member Tam Nguyen.

Mayor Sam Liccardo opened the floor for public testimony.

Public Comments: Pat Pizzo expressed comments pertaining to the Coleman Soccer Field Complex Project.

Action: On a call for the question, the motion carried unanimously, the Staff supplemental memorandum dated March 11, 2016 was approved and Item 5.1 was deferred to April 19, 2016 in order to continue consideration of a potential alternative site for placement of the bond funded soccer complex. Staff was directed to consider worst case scenarios in the discussions. (10-0-1. Absent: Carrasco.)

TRANSPORTATION & AVIATION SERVICES

- 6.1 (a) Approve an ordinance amending Chapter 6.64 of the San José Municipal Code to revise certain City taxicab regulations, including vehicle inspection requirements, web or computer based app dispatching services, driver background check procedures and other operational requirements for taxicabs.
- (b) Approve an ordinance amending Part 7 of Chapter 25.08 of the San José Municipal Code to restore provisions for a maximum of three hundred (300) Airport Access Permits to be issued to Ground Transportation Providers of taxicab services authorizing pick up of On-Demand Passengers at the Airport.

CEQA: Not a Project, File No. PP10-068(c), Municipal Code or Policy Change that involves no changes to the physical environment. (Airport/Police)

Documents Filed: Memorandum from Chief of Police Edgardo Garcia and Director of Aviation Services Kimberly J. Becker, dated March 3, 2016, recommending approval of ordinances.

Motion: Vice Mayor Rose Herrera moved approval of the Staff recommendations. Council Member Raul Peralez seconded the motion.

Mayor Sam Liccardo opened the floor for public testimony.

Public Comments: Dave Logan, Yellow Checker Cab and Shakur Buni expressed support to the Staff recommendations.

Deputy Director of Airport Operations Bob Lockhart responded the Council questions.

Vice Mayor Rose Herrera requested that Staff provide an information memorandum to the full Council concerning an update of what occurred at the California Public Utilities Commission.

Action: On a call for the question, the motion carried unanimously, Ordinance No. 29707, entitled: "An Ordinance of the City of San José Amending Parts 2, 4, 5 and 6 of Chapter 6.64 of Title 6 of the San José Municipal Code to Revise Certain City Taxicab Regulations, Including Vehicle Inspection Requirements, Web or Computer Based App Dispatching Services, Drive Background Check Procedures and Other Operational Requirements for Taxicabs" and Ordinance No. 29708, entitled: "An Ordinance of the City of San José Amending Part 7 of Chapter 25.08 of Title 25 of the San José Municipal Code to Restore Provisions for a Maximum of Three Hundred (300 Airport Access Permits To Be Issued to Ground Transportation Providers of Taxicab Services Authorizing Pick Up of On Demand Passengers at Norman Y. Mineta San José International Airport", were passed for publication. Staff was directed to circulate an information memorandum to the full Council concerning an update of what occurred at the California Public Utilities Commission (CPUC). (11-0.)

- 6.2 (a) Report on bids and take appropriate action based on the evaluation of bids for the 8146 – Airport Federal Inspection Services and Ground Transportation Island Improvements project, and approve a fifteen percent contingency.
- (b) Adopt a resolution authorizing the Director of Public Works to issue any single and/or multiple change orders up to the amount of the contingency.
- CEQA: Determination of Consistency with the City of San José International Airport Master Plan Final EIR and Addenda thereto (Resolution Nos. 67380 and 71451), File Nos. PP15-053, PP15-122, and PP16-005. (Public Works/Airport)**
(City Council referral from 2/23/16 – Item 2.16)
(Deferred from 3/8/16 – Item 6.1)

Documents Filed: Memorandum from Director of Public Works Barry Ng and Director of Aviation Services Kimberly J. Becker, dated March 4, 2016, recommending approval of the report on bids, take action based on evaluation of the bids with related contingency and adoption of a resolution.

Action: Item 6.2 was dropped.

ENVIRONMENTAL & UTILITY SERVICES

- 7.1 As recommended by the Transportation and Environment Committee on March 7, 2016, accept the status report on the City's Illegal Dumping Mitigation Effort. **CEQA: Not a Project, File No. PP10-069(a), Staff Reports that involve no approvals of any City Actions.**
[Transportation and Environment Committee referral from 3/7/16 – Item (d)(6)]

Action: Deferred to April 05, 2016 per Orders of the Day.

REDEVELOPMENT – SUCCESSOR AGENCY

- 9.1 (a) Approval by the City Council of an Agreement with Grant Thornton LLP to perform annual financial and compliance audit services for fiscal years ending June 30, 2016, 2017, 2018, 2019, and 2020 with two one-year extension options for fiscal years ended June 30, 2021 and 2022, with annual compensation not to exceed \$544,160 in years one and two and with annual increased adjusted by 2.5 percent in years three through seven, for a total amount not to exceed \$4,020,111 for a potential seven year term subject to annual appropriation of funds by the City Council.
- (b) Approval by the Board of the Successor Agency to the Redevelopment Agency of an Agreement with Grant Thornton LLP to perform annual financial and compliance audit services for fiscal years ending June 30, 2016, 2017, 2018, 2019, and 2020 with two one-year extension options for fiscal years ended June 30, 2021 and 2022, with annual compensation not to exceed

- 9.1 (b) \$46,930 in years one and two and with annual increased adjusted by 2.5 percent in years three through seven, for a total amount not to exceed \$346,706 for a potential seven year term subject to annual appropriation of funds by the Board of the Successor Agency.

CEQA: Not a Project, File No. PP10-066(a), Agreement and Contracts for professional services with no changes in the physical environment. (City Auditor)

Documents Filed: Memorandum from City Auditor Sharon W. Erickson, dated March 9, 2016, recommending approval of the agreements.

Action: Upon motion by Council Member Chappie Jones, seconded by Council Member Tam Nguyen and carried unanimously, an Agreement with Grant Thornton LLP to perform annual financial and compliance audit services for fiscal years ending June 30, 2016, 2017, 2018, 2019, and 2020 with two one-year extension options for fiscal years ended June 30, 2021 and 2022, with annual compensation not to exceed \$544,160 in years one and two and with annual increased adjusted by 2.5 percent in years three through seven, for a total amount not to exceed \$4,020,111 for a potential seven year term subject to annual appropriation of funds by the City Council and an Agreement with Grant Thornton LLP to perform annual financial and compliance audit services for fiscal years ending June 30, 2016, 2017, 2018, 2019, and 2020 with two one-year extension options for fiscal years ended June 30, 2021 and 2022, with annual compensation not to exceed \$46,930 in years one and two and with annual increased adjusted by 2.5 percent in years three through seven, for a total amount not to exceed \$346,706 for a potential seven year term subject to annual appropriation of funds by the Board of the Successor Agency were approved. (11-0.)

OPEN FORUM

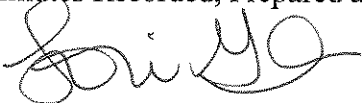
Leon Dryden complained and criticized the poor collection of yard waste debris on the City streets in his neighborhood in District 8.

Vice Mayor Rose Herrera asked Mr. Dryden to remain after the Council Meeting to speak with her concerning his complaint.

ADJOURNMENT

The Council of the City of San José was adjourned at 3:49 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,



Toni J. Taber, CMC
City Clerk
smd/03-15-16 MIN