



CITY COUNCIL AGENDA

NOVEMBER 29, 2016

SYNOPSIS

CHAPPIE JONES
ASH KALRA
RAUL PERALEZ
MANH NGUYEN
MAGDALENA CARRASCO

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

SAM LICCARDO MAYOR

PIERLUIGI OLIVERIO
TAM NGUYEN
ROSE HERRERA VICE MAYOR
DONALD ROCHA
JOHNNY KHAMIS

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

The City of San José is committed to open and honest government and strives to consistently meet the community's expectations by providing excellent service, in a positive and timely manner, and in the full view of the public.

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- ***Strategic Support Services*** — The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- ***Community & Economic Development*** — Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- ***Neighborhood Services*** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- ***Transportation & Aviation Services*** — A safe and efficient transportation system that contributes to the livability and economic health of the City; and provide for the air transportation needs of the community and the region at levels that is acceptable to the community.
- ***Environment and Utility Services*** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- ***Public Safety Services*** — Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

You may speak to the City Council about any discussion item that is on the agenda, and you may also speak during Open Forum on items that are not on the agenda and are within the subject matter jurisdiction of the City Council or Successor Agency to the Redevelopment Agency Board. If you wish to speak to the City Council, please refer to the following guidelines:

- **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item(s) that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
- When the Council reaches your item on the agenda, the Mayor will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City Clerk's table.
- Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
- To assist you in tracking your speaking time, there is a display on the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and Tuesday at 7 p.m. as needed, unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <http://www.sanjoseca.gov/index.aspx?NID=3549>. Council Meetings are televised live and rebroadcast on Channel 26.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at San José City Hall, 200 E. Santa Clara Street, Tower 14th Floor, San José, CA 95113 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for the final document.

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events or printed materials, please call (408) 535-1260 or (408) 294-9337 as soon as possible, but at least three business days before the meeting.

On occasion the City Council may consider agenda items out of order.

- **Call to Order and Roll Call**
9:35 a.m. - Closed Session, Call to Order in Council Chambers
Absent Council Members: All Present.

1:30 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Members: All Present.
- **Invocation (District 10)**
Chip Ingram, author, speaker and Senior Pastor of Venture Christian Church offered the Invocation.
- **Pledge of Allegiance**
Mayor Sam Liccardo, accompanied by Third Grade Students from Easterbrook Discovery School, led the Pledge of Allegiance.
- **Orders of the Day**
Heard after the Ceremonial Items.
The Orders of the Day and the Amended Agenda were approved, with Item 3.3 dropped. *Note: Following the conclusion of Item 6.3, Item 3.3 was reconsidered and approved unanimously by the Council.*

- **Closed Session Report**
Heard after the Ceremonial Items.
No Report.

1. CEREMONIAL ITEMS

- 1.1 Presentation of a commendation to members of Involved Evergreen for their dedication to supporting the vitality of the community and local businesses in District 8. (Herrera)
Mayor Sam Liccardo and Vice Mayor Rose Herrera recognized and commended members of Involved Evergreen for their dedication.
- 1.2 Presentation of a commendation to Van Le for her many years of service as a community leader, business owner, youth advocate and school board member. (Kalra)
Mayor Sam Liccardo and Council Member Ash Kalra recognized Van Le for her many years of community service.
- 1.3 Presentation of a proclamation recognizing December 1, 2016 as World AIDS Day in the City of San José. (Peralez)
Mayor Sam Liccardo and Council Member Raul Peralez recognized December 1, 2016 as “World AIDS Day” in San José.
- 1.4 Special presentation to the “Partners in Reading Literacy Program”. (Mayor)
Mayor Sam Liccardo offered a special presentation to the “Partners in Reading Literacy Program” on behalf of Council Member Ash Kalra who was recently elected to the State Assembly. Library Director Jill Bourne accepted the books for the “Partners in Reading Literacy Program.”

2. CONSENT CALENDAR

2.1 Approval of City Council Minutes.

Recommendation: Approval of City Council Minutes.

(a) Regular Minutes of October 25, 2016.

(b) Study Session Minutes of October 28, 2016.

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

Approved.

2. CONSENT CALENDAR

2.2 Final Adoption of Ordinances.

Recommendation: Final adoption of ordinances.

- (a) ORD. NO. 29819 – An ordinance of the City of San José approving a First Amendment to development agreement with Jackson-Taylor Partners, LLC, relative to the development of the Japantown Corporation Yard Redevelopment Project on certain real property located at 696 North Sixth Street and authorizing the City Clerk to execute the First Amendment to development agreement and cause the same to be recorded with the Santa Clara County Recorder's Office. CEQA: Determination of Consistency with the Japantown Corporation Yard Redevelopment Project Environmental Impact Report and addendum thereto, File No. DA16-001. (Planning, Building and Code Enforcement)
Ordinance No. 29819 adopted.
- (b) ORD. NO. 29821 – An ordinance of the City of San José amending Title 20 of the San José Municipal Code to amend various sections of Chapter 20.30 all to add Mixed Residential-Commercial use as a conditional use, to allow secondary dwellings in the R-2 Two Family Residence District, to modify development standards for residential uses including reducing minimum required setbacks, to delete maximum number of stories in the R-M Multiple Residence Zoning District while maintaining maximum allowable height, to change exceedance of decibel levels indicated in Table 20-85 from a Conditional Use to a Special Use, to amend Sections 20.30.150 and 20.200.325 in compliance with newly adopted State law regarding secondary units; to amend Section 20.90.220 of Chapter 20.90 to allow reductions in parking spaces for residential uses in compliance with newly adopted State law; to re-number various sections within Chapter 20.200 so that the sections are listed in alphabetical order; and to make other technical, non-substantive, or formatting changes within those sections of Title 20. CEQA: Determination of Consistency with Envision San José 2040 General Plan EIR, Resolution No. 76041, and Supplemental EIR to Envision San José General Plan EIR, Resolution No. 77617, and Addenda thereto; Downtown Strategy 2000 EIR, Resolution No. 72767, and Addenda thereto; North San José Development Policies EIR, Resolution No. 72768, and Addenda thereto; and Diridon Station Area Plan EIR, Resolution No. 77096 and Addenda thereto (collectively, the “Final Program EIRs”). File No. PP16-115. (Planning, Building and Code Enforcement)
Ordinance No. 29821 adopted.
- (c) ORD. NO. 29822 – An ordinance of the City of San José amending Sections 4.46.039.11 of Chapter 4.46 and 4.47.089.6 of Chapter 4.47 of Title 4 of the San José Municipal Code to suspend the collection of the Building and Structure Construction Tax and the Commercial Residential Mobilehome Park Building Tax on one downtown commercial high rise project. CEQA: Not a Project, File No. PP10-067(a), Increase or Adjustment to Rates, Tolls, Fares, and Charges. (Economic Development)
Ordinance No. 29822 adopted.

2. CONSENT CALENDAR

2.2 Final Adoption of Ordinances. (Cont'd.)

Recommendation:

(d) ORD. NO. 29827 – An ordinance of the City of San José rezoning certain real properties of approximately 1.45 acres situated at the east side of North 5th Street between Jackson Street and East Empire Street from the R-M Multiple Residence Zoning District to the PQP Public/Quasi-Public Zoning District and on the west side of North 6th Street between Jackson Street and East Empire Street from the LI Light Industrial Zoning District to the PQP Public/Quasi-Public Zoning District. CEQA: Addendum to the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041) and Supplemental EIR to the Envision San José 2040 General Plan Final Program EIR (Resolution No. 77617). (Planning, Building and Code Enforcement)

Ordinance No. 29827 adopted.

(e) ORD. NO. 29828 – An ordinance of the City of San José rezoning certain real property of approximately 1.33 acres, situated on the southeast corner of Almaden Road and Burnside Drive (18590 Almaden Road) from the R-1-2 Single-Family Residence Zoning District to the R-1-5 Single-Family Residence Zoning District. CEQA: Bertelsen Property General Plan Amendment and Rezoning Project Negative Declaration (File Nos. GP16-002 and C16-007). (Planning, Building and Code Enforcement)

Ordinance No. 29828 adopted.

2.3 Approval of Council Committee Minutes.

Recommendation: Approval of Council Committee Minutes.

(a) Rules and Open Government Committee Minutes of November 2, 2016. (Mayor)

(b) Transportation and Environment Committee Minutes of November 7, 2016. (Kalra)

(c) Rules and Open Government Committee Minutes of November 9, 2016. (Mayor)

(d) Neighborhood Services and Education Committee Minutes of November 10, 2016. (Rocha)

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

Approved.

2.4 Mayor and Council Excused Absence Requests.

There were none.

2.5 City Council Travel Reports.

No Report.

2.6 Report from the Council Liaison to the Retirement Boards.

No Report.

2. CONSENT CALENDAR

2.7 Actions Related to the 2016 JAG Spending Plan.

Recommendation:

- (a) Approve the proposed Spending Plan for the 2016 Edward Byrne Memorial Justice Assistance Grant.
- (b) Adopt a resolution accepting the 2016 Justice Assistance Grant in the amount of \$284,921 and authorizing the City Manager to execute any documents required to effectuate the grant.
- (c) Adopt the following 2016-2017 Appropriation Ordinance and Funding Sources Resolution Amendments in the Edward Byrne Memorial Justice Assistance Grant Trust Fund:
 - (1) Increase the estimate for Revenue from the Federal Government by \$223,351.
 - (2) Establish an appropriation to the Police Department for the 2016 Justice Assistance Grant in the amount of \$223,351.

CEQA: Not a Project, File No. PP10-067(c), Non-Project Specific Funding Mechanism, Grant Distribution that would not result in a physical change to the environment.

(Police/City Manager)

(Deferred from 11/8/16 – Item 2.7)

Deferred to December 13, 2016 per Administration.

2.8 Amendment to the Agreement with the Faith Group for Airport Information Technology Services.

Recommendation: Approve the First Amendment to the Agreement with the Faith Group for Airport Information Technology consultant services to delete the fiscal year maximum compensation limits, with no change in maximum compensation of \$1,189,000 for the term of the agreement. CEQA: Not a Project, File No. PP10-066(a), Agreements and Contracts. (Airport)

Deferred to December 6, 2016 per Administration.

2.9 Retiree Member Appointment to the Board of Administration for Police and Fire Department Retirement Plan.

Recommendation: Appoint Nicholas Muyo to the Police Department Retiree Member seat of the Board of Administration for Police and Fire Department Retirement Plan for the term December 1, 2016 to November 30, 2020. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (City Clerk)

Approved.

2. CONSENT CALENDAR

2.10 Naming of the New Loop Trail along Coyote Road at Shady Oaks Park.

Recommendation:

- (a) Pursuant to Policy 0-1, Council Policy Manual, waive the provision of Council Policy 7-5, Naming of City-Owned Land and Facilities, requiring the individual to have been deceased for at least five years.
- (b) If Council approves (a), as recommended by the Department of Parks, Recreation and Neighborhood Services and the Parks and Recreation Commission, name the new loop trail located along Coyote Road at Shady Oaks Park in San José, the Odette Morrow Trail.

CEQA: Not a Project, File No. PP10-068(c), Code or policy change that involves no changes in the physical environment. (City Clerk)

Approved.

2.11 Actions Related to the Purchase Order for Earthmoving and Construction Equipment Rentals.

Recommendation: Adopt a resolution authorizing the City Manager to:

- (a) Execute a Purchase Order with JS Cole Company (Novato, CA) for earthmoving and construction equipment rental services for the term December 1, 2016 through November 30, 2017, in an amount not-to-exceed \$290,000.
- (b) Exercise up to four, one-year options to extend the term of the Purchase Order through November 30, 2021, for an aggregate maximum compensation of \$1,200,000, subject to the annual appropriation of funds.

CEQA: Not a Project, File No. PP10-066(a), Agreements and Contracts, Purchase Order. (Finance)

Resolution No. 77983 adopted.

2.12 Amendment to the City's Pay Plan for Various Classifications.

Recommendation: Adopt a resolution to:

- (a) Amend the City of San José Pay Plan effective November 29, 2016, to create the Crime and Intelligence Data Administrator (1198) classification with a salary range of \$77,313.60- \$94,203.20 annually.
- (b) Amend the City of San José Pay Plan effective November 29, 2016, to delete the Principal Water Systems Technician (3635) classification.

CEQA: Not a Project, File No. PP10-068(b), Municipal Code, Title 3. (Human Resources)

Resolution No. 77984 adopted.

2. CONSENT CALENDAR

2.13 Independent Police Auditor's Travel to Washington, D.C.

Recommendation: Approve travel for Walter Katz, Independent Police Auditor, to Washington, D.C. from December 6 – 8, 2016 to participate in the CATO Institute's State of American Criminal Justice conference as part of a Panel entitled "The Intersection of Technology, Oversight and Legitimacy in 21st Century Policing". Source of Funds: The CATO Institute. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities, Travel. (Independent Police Auditor)

Approved.

2.14 Vacation of Sidewalk Easement Located at Rosecrest Terrace.

Recommendation: Adopt a resolution of intention to vacate a sidewalk easement at 1561 and 1564 Rosecrest Terrace near Dana Avenue, and set a Public Hearing on January 10, 2017 at 1:30 p.m. CEQA: Exempt, File No. PP16-126. Council District 6. (Public Works)

Resolution No. 77985 adopted.

2.15 Actions Related to the Fire Station 16 Construction Project.

Recommendation:

- (a) Approve a retroactive increase of \$70,509 to the original construction contingency amount of \$46,782 for a revised total contingency in the amount of \$117,291 for the Fire Station 16 Renovation Project; and
- (b) Approve retroactively Change Orders 3, 4, 5 and 6 with Southland Construction Inc. in the total amount of \$78,451, which will result in a total contract amount of \$429,174 for the Fire Station 16 Renovation Project.

CEQA: Exempt, File No. PP13-096. Council District 7. (Public Works)

Approved.

2.16 Parking Agreement with ML San Jose Holding, LLC for the Market Street Garage.

Recommendation: Adopt a resolution to:

- (a) Authorize the City Manager, or designee, to negotiate and execute a new parking Agreement with ML San Jose Holding, LLC (Hotel De Anza) for the exclusive use of 41 parking spaces at the City owned Market Street Garage for twenty-five years.
- (b) Authorize the City Manager, or designee, to approve amendments to the parking Agreement, related to the increase or decrease of allocated parking spaces up to seventy-five spaces.

CEQA: Not a Project, File No. PP10-066(f), Agreement for lease of existing space. Council District 3. (Transportation)

Resolution No. 77986 adopted.

2. CONSENT CALENDAR

2.17 Fourth Annual July 4th Family Fun Festival and Fireworks Show.

Recommendation: As recommended by the Rules and Open Government Committee meeting on November 16, 2016:

- (a) Approve the Fourth Annual July 4th Family Fun Festival and Fireworks Show scheduled on Tuesday, July 4, 2017 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: Exempt, File No. PP15-094, CEQA Guidelines Section 15304(e), Minor Alterations to Land. (Khamis)

[Rules Committee referral 11/16/16 – Item G.1.a.]

Approved.

2.18 Vice Mayor's End of Term Reception.

Recommendation: As recommended by the Rules and Open Government Committee meeting on November 16, 2016:

- (a) Approve Vice Mayor Herrera's End of Term Reception scheduled on Friday, December 2, 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. (Herrera)

[Rules Committee referral 11/16/16 – Item G.1.b.]

Approved.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the City Manager, Norberto Dueñas (Verbal Report).

City Manager Norberto Dueñas announced that the NCAA Women's Soccer College Cup Semi-Finals will be held at Avaya Stadium, Friday, December 2, 2016, at 2:00 p.m.

3.2 Labor Negotiations Update.

Recommendation: Accept Labor Negotiations Update.

Heard at 9:35 a.m.

No Report.

3. STRATEGIC SUPPORT SERVICES

3.3 Appoint Sergio Jimenez as Interim Council Member to Anticipated Vacancy in District 2.

Recommendation: Appoint Sergio Jimenez as the interim representative for the anticipated vacancy in Council District 2 to serve from the date of vacancy of the Council District 2 seat until the remaining term of office expires on December 31, 2016. CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (Mayor/City Clerk) **Approved.**

3.4 Public Member Appointments to the Boards of Administration for Police and Fire Department Retirement Plan and Federated City Employees' Retirement System.

Recommendation:

- (a) Board of Administration for the Federated City Employees' Retirement System:
 - (1) Interview applicants for appointment to the Public Member seat.
 - (2) Appoint one (1) applicant to the Public Member seat for the term December 1, 2016 to November 30, 2020.
- (b) Board of Administration for Police and Fire Department Retirement Plan:
 - (1) Interview applicants for appointment to the Public Member seat.
 - (2) Appoint one (1) applicant to the Public Member seat for the term December 1, 2016 to November 30, 2020.

CEQA: Not a Project, File No. PP10-069(c), City Administrative Activities. (City Clerk) **Four Applicants were interviewed.**

Parbhu Palani was appointed to the Public Member seat of the Board of Administration for the Federated City Employees' Retirement System for the term December 1, 2016 to November 30, 2020. The recruitment was waived for the new vacant seat and the second appointment to the Federated City Employees' Retirement System for Anurag Chandra was agendized on the Consent Calendar of December 6, 2016. (9-2. Noes: Khamis, Oliverio.)

Vincent Sunzeri was appointed to the Public Member seat of the Board of Administration for Police and Fire Department Retirement Plan for the term December 1, 2016 to November 30, 2020. (11-0.)

3.5 Modification to the Minimum Wage Ordinance.

Recommendation: Approve an ordinance amending Sections 4.100.030 and 4.100.040 and adding Section 4.100.045 to Chapter 4.100 of Title 4 of the San José Municipal Code relating to Minimum Wage. CEQA: Not a Project, File No. PP10-068, General Procedure & Policy Making. (Economic Development)

Ordinance No. 29829 passed for publication. Staff was directed to incorporate into the ordinance: "serving disadvantaged youth" (Page 7, Item B).

3. STRATEGIC SUPPORT SERVICES

3.6 Amendment to the Agreement with Air-Transport IT Services, Inc. the Integrated System at the Airport.

Recommendation: Adopt a resolution authorizing the City Manager to:

- (a) Execute the Fifth Amendment to the Agreement with Air-Transport IT Services, Inc. (Orlando, FL) for on-site software and hardware support and related services for the Integrated System at the Norman Y. Mineta San José International Airport (Airport) to extend the term for an additional twelve months ending on December 31, 2017, and increase compensation by \$1,957,669 for the twelve month term.
- (b) Execute up to two one-year options to extend the term of the Agreement through December 31, 2019, at an annual cost estimated at \$2,005,900 and \$2,055,576, respectively; subject to the annual appropriation of funds.
- (c) Negotiate and execute amendments and/or change orders to the Agreement to make modifications to the scope of services and compensation schedule as required, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP10-066(a), Agreements and Contracts. (Finance)

Resolution No. 77987 adopted.

3.7 Approval of the Continuation of a Hybrid Service Delivery Model for Administration of the Workers' Compensation Program.

Recommendation: Accept the continuation of a hybrid service delivery model for the administration of the City's Workers' Compensation Program that uses a combination of in-house staff and a Third Party Administrator through June 2018. CEQA: Not a Project, PP10-069, City Administrative Activities. (Human Resources)
Accepted.

3.8 Actions Related to Workers' Compensation Comprehensive Services.

Recommendation: Adopt a resolution authorizing the City Manager to:

- (a) Consider the appeal by JT2 Integrated Resources ("JT2") regarding the report on Request for Proposals for Workers Compensation Comprehensive Services and adopt a resolution setting forth the decision of the City Council.

The appeal by JT2 was denied.

(Action Continued on the Next Page)

3. STRATEGIC SUPPORT SERVICES

3.8 Actions Related to Workers' Compensation Comprehensive Services. (Action Cont'd.)

- (b) Negotiate and execute an Agreement with Intercare (Rocklin, CA) to administer Workers Compensation claims processing including bill review, utilization review, medical case management and the use of a Medical Provider Network, with an initial term beginning November 29, 2016 through June 30, 2018, with an option to extend annually through June 30, 2021, for a not to exceed total compensation amount of \$16,264,409 based on an estimated caseload of 1501-1700 claims, and subject to annual appropriation of funds.

CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. (Human Resources)

Resolution No. 77988 adopted, as amended, limiting the initial term to November 29, 2016 through June 30, 2018, with no options. Staff was directed to return to Council to approve an option to extend the agreement.

Staff was further directed to return to Council with a standard set of measurement for outcomes on criteria for a cost per closed case and the legal settlement comparisons of the TPA legal process versus the City legal process.

3.9 Actions Related to the Agreement with DAVID Corporation for the Renaissance Worker's Compensation System.

Recommendation: Adopt a resolution authorizing the City Manager to:

- (a) Negotiate and execute an Agreement with DAVID Corporation (Wakefield, MA) to upgrade the Renaissance Workers' Compensation System to the latest version (Navrisk Vision), including software, hosting, third party software, maintenance, and related professional services for an initial term commencing on or about December 1, 2016, and ending on or about June 30, 2022, for a not-to-exceed amount of \$728,900, subject to the appropriation of funds.
- (b) Execute change orders to cover any unanticipated changes in requirements or for future enhancements for a not-to-exceed amount of \$145,780, subject to the appropriation of funds.
- (c) Execute up to five additional one-year options to extend the term of the Agreement after the initial term through June 30, 2027, to provide ongoing maintenance and hosting services, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP10-066(a), Agreements and Contracts. (Finance/Human Resources)

Resolution No. 77989 adopted.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Approval of the Issuance of a Tax-Exempt Multifamily Housing Revenue Note and Loan of Note Proceeds and Related Documents for the Don De Dios Apartments, and Approval of Amended City Loan Terms for the Don De Dios Apartments.

Recommendation: Adopt a resolution:

- (a) Authorizing the issuance of a tax-exempt multifamily housing revenue note designated as “City of San José Multifamily Housing Revenue Note (Don de Dios Apartments), Series 2016A (the “Series 2016A Note”) in a principal amount not to exceed \$20,000,000.
- (b) Approving a loan of Series 2016A Note proceeds to Don de Dios L.P., a California limited partnership created by EAH, Inc., a California nonprofit public benefit corporation, to finance the acquisition and rehabilitation of the Don de Dios Apartments located at 987 Fair Avenue, in San José (the “Property”).
- (c) Approving in substantially final form the Funding Loan Agreement, Borrower Loan Agreement and Regulatory Agreement and Declaration of Restrictive Covenants (the “Series 2016A Documents”).
- (d) Authorizing and directing the City Manager, Director of Finance and Director of Housing, or their designees, to execute and, deliver the Series 2016A Documents and related Series 2016A Documents as necessary.
- (e) Authorizing the Director of Housing to negotiate and execute amendments to existing City loan documents relating to the Don de Dios Apartments consistent with the terms described below.

CEQA: Exempt, File No. PP16-120, Section 15301(d), Existing Facilities. Council District 7. (Housing/Finance)

(Deferred from 11/15/16 – Item 4.2)

Deferred to December 6, 2016 per Administration.

4.2 Mills Act Historical Property Contract for the “El Paseo Court” Located at 44 South First Street.

Recommendation: Conduct a Public Hearing on and adopt a resolution approving the Historical Property Contract (California Mills Act) for an existing commercial City Landmark building (El Paseo Court) located in the DC Downtown Primary Commercial Zoning District, on a 0.20-gross acre site at 40-44 South First Street (Ramsey Nijmeh, Owner). CEQA: Exempt under CEQA Guidelines Section 15331 for Historical Resource Restoration/Rehabilitation. Historic Landmarks Commission recommends approval (4-0-3) (Marcotte, Jones, and Schultz absent). (Planning, Building and Code Enforcement)

MA16-001 – Council District 3

The Public Hearing was held.

Resolution No. 77990 adopted.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.3 Public Hearing on the Vacation of a Portion of Meridian Avenue South of Fruitdale Avenue.

Recommendation: Conduct a Public Hearing and adopt a resolution:

- (a) Approving the report of the Director of Public Works setting forth the facts justifying the vacation of a portion of Meridian Avenue, south of Fruitdale Avenue with the reservation of a public service easement (“PSE”) over the entire area being vacated.
- (b) Conditionally vacating the approximately 2,406 square feet portion of Meridian Avenue which is unnecessary for present or prospective public use with the reservation of the PSE.
- (c) Directing the City Clerk to record a certified copy of the resolution of vacation with the Office of the Recorder, County of Santa Clara.

CEQA: Exempt, File No. CP15-072. Council District 6. (Public Works)

The Public Hearing was held.

Resolution No. 77991 adopted.

4.4 Vacation of a Portion of the Seismic Setback Easement Located at 5667 Silver Creek Valley Road.

Recommendation: Adopt a resolution:

- (a) Approving the report of the Director of Public Works setting forth the facts justifying the summary vacation of a portion of the Seismic Setback Easement (SSE) on 5667 Silver Creek Valley Road owned by Canyon Creek Plaza, a California limited partnership.
- (b) Summarily vacating a portion of the Seismic Setback Easement dedicated on Tract Map No. 8841 filed on January 30, 1997 in Book 685 of Official Records, at Page 38-44.
- (c) Directing the City Clerk to record a certified copy of the resolution of vacation with the Office of the Recorder, County of Santa Clara.

CEQA: Mitigated Negative Declaration, File No. PDC15-022. Council District 8. (Public Works)

Resolution No. 77992 adopted.

5. NEIGHBORHOOD SERVICES

6. TRANSPORTATION & AVIATION SERVICES

6.1 Actions Related to the 8255 - Mineta San José International Airport - Terminal B Exit Lane Technology - Rebid II.

Recommendation:

- (a) Report on bids and award of a construction contract to the low bidder Rodan Builders, Inc. in the amount of \$1,295,498 for the Mineta San José International Airport – Terminal B Exit Lane Technology Re-Bid II project, and approval of a 15 percent contingency in the amount of \$194,325.

Approved.

- (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.

Resolution No. 77993 adopted.

- (c) Adopt the following 2016-2017 Appropriations Ordinance amendments in the Airport Revenue Bond Improvement Fund:

- (1) Increase the Security Exit Doors appropriation in the amount of \$1,600,000.
- (2) Decrease the Terminal A Ground Transportation Island Modification appropriation by \$600,000.
- (3) Decrease the Unrestricted Ending Fund Balance by \$1,000,000.

Ordinance No. 29830 adopted.

- (d) Adopt the following 2016-2017 Appropriations Ordinance and Funding Sources Resolution amendments in the Airport Capital Improvement Fund:

- (1) Eliminate the Security Exit Doors appropriation in the amount of \$1,612,000.
- (2) Decrease the estimate for Revenue from Federal Government by \$1,612,000.

CEQA: Determination of Consistency with the San José International Airport Master Plan Update Final EIR as Supplemented (Resolution Nos. 67380 and 71451), File No. PP16-047. (Public Works/Airport/City Manager)

(Deferred from 11/15/16 – Item 6.2)

Ordinance No. 29831 adopted.

Resolution No. 77994 adopted.

6. TRANSPORTATION & AVIATION SERVICES

6.2 Report on Bids for the 7652 – St. John Street Multi-Modal Improvements Project.

Recommendation:

- (a) Report on bids and award of contract for the 7652 – St. John Street Multi-Modal Improvements Project to the lowest responsive bidder Redgwick Construction Co, in the amount of \$1,599,070.
- (b) Approve a ten percent contingency in the amount of \$159,907.

Approved.

- (c) Adopt the following 2016-2017 Appropriation Ordinance amendments in the Building and Structure Construction Tax Fund:

- (1) Increase the St. John Street Multimodal Improvements Phase I appropriation by \$70,000.
- (2) Decrease the Unrestricted Ending Fund Balance by \$70,000.

CEQA: Exempt, File No. PP11-095. Council District 3. (Public Works/Transportation/City Manager)

Ordinance No. 29832 adopted.

6.3 Report on Bids for the 7653 – St. John Street Bikeway and Pedestrian Improvements Project.

Recommendation: Report on bids and award of contract for the 7653 – St. John Street Bikeway and Pedestrian Improvements Project to the low bidder, Granite Rock Company, for the base bid and the Add Alternate item, in the total amount of \$1,565,564, and approve a contingency in the amount of \$156,556. CEQA: Exempt, File No. PP14-013. Council District 3. (Public Works/Transportation)

Approved.

7. ENVIRONMENTAL & UTILITY SERVICES

8. PUBLIC SAFETY SERVICES

9. REDEVELOPMENT – SUCCESSOR AGENCY

- **Open Forum**
Blair Beekman thanked Vice Mayor Rose Herrera for her leadership.
- **Adjournment**
The Council of the City of San José was adjourned at 6:04 p.m.