



City Council Meeting

SYNOPSIS

Tuesday, December 5, 2017

SAM LICCARDO, MAYOR

CHAPPIE JONES, DISTRICT 1

SERGIO JIMENEZ, DISTRICT 2

RAUL PERALEZ, DISTRICT 3

LAN DIEP, DISTRICT 4

MAGDALENA CARRASCO, VICE MAYOR, DISTRICT 5

DEV DAVIS, DISTRICT 6

TAM NGUYEN, DISTRICT 7

SYLVIA ARENAS, DISTRICT 8

DONALD ROCHA, DISTRICT 9

JOHNNY KHAMIS, DISTRICT 10

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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: Arenas. (Excused)

1:36 p.m.- Regular Session, Council Chambers, City Hall

Absent: Arenas. (Excused)

- **Invocation (Mayor)**
Pastor Jennifer Goto of St. Paul's United Methodist Church provided the Invocation.
- **Pledge of Allegiance**
Mayor Sam Liccardo led the Pledge of Allegiance accompanied by third-grade students from Lynhaven Elementary School.
- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved.
- **Closed Session Report**
None provided.

1. CEREMONIAL ITEMS

- 1.1 17-434** Presentation of a proclamation recognizing November 11th as Veterans Day in the City of San José. (Khamis)
Mayor Sam Liccardo and Councilmember Johnny Khamis presented a proclamation recognizing November 11th as Veterans Day in the City of San José.
- 1.2 17-447** Presentation of a commendation to YMCA of Silicon Valley commemorating its 150th anniversary. (Khamis)
Mayor Sam Liccardo and Councilmember Johnny Khamis presented a proclamation honoring the YMCA of Silicon Valley and commemorating its 150th anniversary.

2. CONSENT CALENDAR

- 2.1 Approval of City Council Minutes.**
None provided.
- 2.2 Final Adoption of Ordinances.**
None provided.
- 2.3 Approval of Council Committee Minutes.**
None provided.
- 2.4 Mayor and Council Excused Absence Requests.**
None provided.
- 2.5 City Council Travel Reports.**
Mayor Sam Liccardo reported on his trip to Paris, France, where he spoke at a conference co-hosted by Bloomberg Philanthropies Atlantic regarding Smart City efforts.
- 2.6 Report from the Council Liaison to the Retirement Boards.**
None provided.
- 2.7 17-382 Termination of the Proclamation of the Existence of a Local Emergency.**

Recommendation: Adopt a resolution terminating the proclamation of the existence of a local emergency as a result of flooding. CEQA: Exempt, Section 15269, Emergency Projects, Specific actions necessary to prevent or mitigate an emergency. (City Manager)
(Deferred from 11/28/17 - Item 2.7)
Resolution No. 78432 adopted.

2.8 17-430 Appointment to the Board of Administration for the Police and Fire Department Retirement Plan.

Recommendation: Appoint Frank Vado as the Police Department Employee Representative to the Board of Administration for the Police and Fire Department Retirement Plan to a term ending November 30, 2021. CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (City Clerk)
Appointed.

2.9 17-398 Amendment to the Cooperative Agreement with Santa Clara Valley Transportation Authority for BART Extension Public Art.

Recommendation: Adopt a resolution authorizing the City Manager to negotiate and execute a Second Amendment to Cooperative Agreement No. 8 between the City and Santa Clara Valley Transportation Authority (VTA), for the design, construction, and reimbursement relating to the public art component of the BART extension to Berryessa, to extend the existing term until June 30, 2018, and further authorizing the City Manager to enter into further extensions of time, provided that there is no increase in compensation and the Master Agreement remains in effect. CEQA: Determination of Consistency to the Environmental Impact Report for the BART Extension to Berryessa Project that was adopted by City of San José, Resolution No. 76126. Council District 4. (Economic Development)
Resolution No. 78433 adopted.

2.10 17-400 Actions Related to the Purchase Order with Bayscape Landscape Management and Brightview Landscape Services for Landscape Services.

Recommendation: Adopt a resolution authorizing the City Manager to:
(a) Execute Purchase Orders with Bayscape Landscape Management (San José, CA) and Brightview Landscape Services (San José, CA) for landscape renovation and repairs services for special district landscape areas, for an initial twelve-month period, starting on or about December 1, 2017 and ending on or about November 30, 2018, for a total aggregate amount not-to-exceed \$1,530,000;
(b) Approve a 10% contingency of \$153,000 to use if the City's requirement for the service exceeds estimates; and
(c) Execute up to four additional one-year options to extend the term of the Purchase Order, with the last option year ending on or about November 30, 2022, subject to the annual appropriation of funds. CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Finance)
Resolution No. 78434 adopted.

2.11 17-401 Actions Related to the Purchase Order with Universal Maintenance for Steam Cleaning Services.

Recommendation: Adopt a resolution authorizing the City Manager to:

- (a) Execute a Purchase Order with Universal Maintenance (San José, CA) for steam cleaning services for walkways, benches & hard surfaces for an initial twelve-month term starting on or about December 1, 2017 and ending on or about November 30, 2018, in the amount not-to-exceed \$105,655;
- (b) Approve additional funds in the event additional services are required during the initial term, subject to the same unit pricing, terms and conditions, and subject to the appropriation of funds; and
- (c) Exercise up to four additional one-year options to extend the term with the final option year ending on or about November 30, 2022, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.
(Finance)
Resolution No. 78435 adopted.

2.12 17-402 Independent Police Auditor's Travel to Denver, CO.

Recommendation: Retroactively approve travel by the Independent Police Auditor, Aaron Zisser, to Denver, CO from November 29, 2017 to December 1, 2017 to attend the regional meeting of the National Association for Civilian Oversight of Law Enforcement. Source of Funds: The Independent Police Auditor's Office will cover all costs of travel and lodging. CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment.
(Independent Police Auditor)
Approved.

2.13 17-448 World AIDS Day Flag Raising Ceremony.

Recommendation: As recommended by the Rules and Open Government Committee on November 29, 2017:

- (a) Retroactively approve the World AIDS Day Flag Raising Ceremony held on December 1, 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: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Peralez)
[Rules Committee referral 11/29/17 - Item G.1.a.]
Approved.

2.14 17-453 Roses and Reels: Movie Night.

Recommendation: As recommended by the Rules and Open Government Committee on November 29, 2017:

- (a) Retroactively approve Roses and Reels: Movie Night held on Saturday, September 23, 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: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Davis)
[Rules Committee referral 11/29/17 - Item G.1.b.]

Approved.

2.15 17-454 District 7 Community Events.

Recommendation: As recommended by the Rules and Open Government Committee on November 29, 2017:

- (a) Retroactively approve the Valley Palms Neighborhood Association Thanksgiving Celebration on Tuesday, November 21, 2017 at the Valley Palms Family Resource Center as a City Council sponsored Special Event and approve the expenditure of funds.
- (b) Approve the following District 7 events as City Council sponsored Special Events and approve the expenditure of funds:
 - (1) Santee Community Holiday Celebration on Saturday, December 9, 2017 at Bridges Academy;
 - (2) Iola Williams Senior Holiday Celebration on Saturday, December 2, 2017 at the Seven Trees Community Center;
 - (3) Seven Trees Neighborhood Association Ugly Sweater Potluck on December 6, 2017 at the Seven Trees Community Center;
 - (4) Tully Santa Program on Saturday, December 9, 2017 at the Tully Branch Library;
 - (5) Seven Trees Santa Program on Saturday, December 16, 2017 at the Seven Trees Community Center; and
 - (6) West Evergreen Neighborhood Holiday Celebration on Wednesday, December 20, 2017 at OB Whaley Elementary School.

- (c) Approve and accept donations from various individuals, businesses, or community groups to support the event.

CEQA: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Nguyen)
[Rules Committee referral 11/29/17 - Item G.1.c.]

Approved.

2.16 17-451 Walk Around the Lake Ribbon Cutting Ceremony.

Recommendation: As recommended by the Rules and Open Government Committee on November 29, 2017:
(a) Retroactively approve the Walk Around the Lake Ribbon Cutting Ceremony held on Saturday, December 2, 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: Not a Project, File No. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Khamis)
Approved.

2.17 17-452 African American History Month Flag Raising Ceremony and Reception.

Recommendation: As recommended by the Rules and Open Government Committee on November 29, 2017:
(a) Approve the African American History Month Flag Raising Ceremony and Reception scheduled on February 2, 2018 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. PP17-011, Temporary Special Events resulting in no changes to the physical environment. (Jones)
Approved.

3. STRATEGIC SUPPORT

3.1 Report of the City Manager, David Sykes (Verbal Report)
None provided.

3.2 Labor Negotiations Update. *Accept Labor Negotiations Update.*
None provided.

3.3 17-394 San Jose's Tier 3 Defined Contribution Plan Audit Report.

Recommendation: As recommended by the Public Safety, Finance and Strategic Support Committee on November 16, 2017, accept the Audit of San Jose's Tier 3 Defined Contribution Plan. CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City actions. (City Auditor)
[Public Safety, Finance and Strategic Support Committee referral 11/16/17 - Item (d)5.]
Accepted.

3.4 17-395 Employee Travel Expenses Audit Report.

Recommendation: As recommended by the Public Safety, Finance and Strategic Support Committee on November 16, 2017, accept the Audit of Employee Travel Expenses. CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City actions. (City Auditor)
[Public Safety, Finance and Strategic Support Committee referral 11/16/17 - Item (d)6.]
Accepted.

3.5 17-393 First Quarter Financial Reports for Fiscal Year 2017-2018.

Recommendation: As recommended by the Public Safety, Finance and Strategic Support Committee on November 16, 2017, accept the following First Quarter (period ending September 30, 2017) Financial Reports for Fiscal Year 2016-2017 for the following programs:
(a) Debt Management Report.
(b) Investment Management Report.
(c) Revenue Collection Report.
CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Finance)
[Public Safety, Finance and Strategic Support Committee referral 11/16/17 - Item (c)1.]
Accepted.

3.6 17-281 Retirement Services Audit. DEFERRED

Recommendation: As recommended by the Public Safety, Finance, and Strategic Support Committee on October 19, 2017, accept the audit of Retirement Services. CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City actions. (City Auditor)
[Public Safety, Finance, and Strategic Support Committee referral 10/19/17 - Item (d)5]
(Deferred from 11/7/17 - Item 3.3 and 11/28/17 - Item 3.3)
Deferred to 1/9/18 per Administration.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 17-399 Actions Related to the Ground Leasing of Real Property Located at 278 N. Second Street with Affirmed/Path Ventures for the Villas on the Park Affordable Apartments.

Recommendation: Conduct a Public Hearing and adopt a resolution:

- (a) Accepting the summary of costs and findings of the Summary Report pursuant to Section 33433 of the California Health and Safety Code for the disposition of a property located at 278 N. 2nd Street to be acquired by the City under an exercise of option to Affirmed/PATH Ventures under the terms and conditions of the proposed Ground Lease;
- (b) Authorizing the Director of Housing to negotiate and execute documents and document amendments related to a lease rider for a planned permanent supportive housing community for formerly-homeless individuals in favor of the California Tax Credit Allocation Committee and subject to satisfaction of certain conditions; authorizing the Director of Housing to execute a lender's consent to the Tax Credit Allocation Committee lease rider; and
- (c) Approving a change in the affordability mix of 278 N. 2nd Street, a 100% supportive housing community for formerly-homeless individuals to be comprised of 83 studio apartments: 42 units will be income-restricted at 30% of Area Median Income; 41 units will be price-restricted to 50% of Area Median Income; and one unit will be an unrestricted manager's unit. After 55 years, these restrictions will float up to 60% AMI for new residents.

CEQA: Addendum to the San José Downtown Strategy 2000 Final Program Environmental Impact Report, and the Envision San José 2040 General Plan Final Program Environmental Impact Report and Supplemental Environmental Impact Report, File Nos. C16-020, CP16-014, and AT16-030. Council District 3. (Housing)

Public hearing held.
Resolution No. 78436 adopted.

4.2 17-396 Public Hearing on the Vacation of Setback Easement Located at 5159 and 5181 Brewster 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 25-foot light and air easement ("setback easement") located at 5159 and 5181 Brewster Avenue;

(Item Continued on the Next Page)

4.2 17-396 Public Hearing on the Vacation of Setback Easement Located at 5159 and 5181 Brewster Avenue (Cont'd.)

(b) Vacating the 25-foot setback easement located at 5159 and 5181 Brewster Avenue; and

(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 Nos. PP17-054 & PP17-055, CEQA Guidelines Section 15305, Minor Alterations in Land Use Limitation. Council District 9. (Public Works)

Public hearing held.

Resolution No. 78437 adopted.

4.3 17-085 Report on the Implementation of the Urban Village Component of the Envision San José 2040 General Plan.

Recommendation:

Accept the progress report on the implementation of the Urban Village component of the Envision San José 2040 General Plan, and provide comments on the proposed approach for implementation. CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Economic Development/Planning, Building and Code Enforcement) (Deferred from 5/23/17 - Item 4.1, 6/6/17 - Item 4.1, et al, and 11/28/17 - Item 4.1)

Accepted, including the joint memorandum from Mayor Sam Liccardo, Vice Mayor Magdalena Carrasco and Councilmembers Jones, Peralez and Davis, dated December 1, 2017, with changes to 1(b) as indicated:

1. Return to Council in April of 2018 with a proposed Urban Village financing plan.

a. Prior to April, hold additional community meetings to review and obtain feedback from neighborhood residents, Urban Village advisory groups, and developers before returning to Council with final recommendations on the Urban Village financing plan.

b. In the absence of Council approval of a fully-developed financing plan in April, accept applications for an interim period, beginning on that date, for mixed-use and residential development within Urban Villages. *In the absence of an approved financing plan, then with a recommendation for an interim Urban Village Enhancement Contribution or provide amenities based on a percentage basis, to be recommended by staff and approved by Council in April 2018.*

c. New applications and existing pipeline projects can move forward pursuant to 1.b. for an interim period, and staff shall continue to develop an Urban Village financing plan pursuant to Council direction for future applicants and Urban Village development.

2. Ensure the entitlement process for the Urban Village Mixed-Use Zoning District is a single conforming rezoning - initiated by the applicant, processed within 90-120 days, and brought directly to Council for approval - to enable development of mixed use projects on parcels within urban villages citywide.

(Item continued on the next page)

4.3 17-085 Report on the Implementation of the Urban Village Component of the Envision San José 2040 General Plan (Cont'd.)

3. Exempt Signature Projects from adhering to the requirements of an Urban Village financing plan.

4. Drop the recommendation for the establishment of a Community Facilities District (CFD) for each Urban Village, or closely related group of Urban Villages, for the purposes of developing a citywide urban village financing rate structure. Retain consideration of CFD's to fund needed infrastructure on large, consolidated multi-parcel development proposals. Property owners will be solely responsible for the maintenance of amenities built on site.

5. Dedicate Planning staff resources to planning urban villages that will be located in Horizon 1, with the exception of signature projects. 6. Complete the total cost of development fee study, including hypothetical development examples, and provide that data to the Council concurrently with the Urban Village financing plan.

5. NEIGHBORHOOD SERVICES

6. TRANSPORTATION & AVIATION SERVICES

7. ENVIRONMENTAL & UTILITY SERVICES

8. PUBLIC SAFETY

8.1 17-422 Actions Related to the 2017-2019 Spending Plan for the Supplemental Law Enforcement Services Grant.

Recommendation: (a) Approve the proposed 2017-2019 Spending Plan for the Supplemental Law Enforcement Services (SLES) Grant in the amount of \$1,600,506 and authorize the Chief of Police to amend the Spending Plan in conformity to the budget priorities set out in this Memorandum in the event State SLES Grant payments are less or more than expected.

Approved.

(b) Approve the revised 2016-2018 Spending Plan for the Supplemental Law Enforcement Services (SLES) Grant in the amount of \$2,242,597.

Approved.

(c) Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the Supplemental Law Enforcement Services Fund:

(1) Increase the estimate for Revenue from State of California by \$791,419;

(2) Establish an estimate for Revenue from the Use of Money/Property in the amount of \$5,131;

(3) Increase the appropriation to the Police Department for the SLES Grant 2016-2018 in the amount of \$637,717; and

(4) Establish an appropriation to the Police Department for the SLES Grant 2017-2019 in the amount of \$158,833.

CEQA: Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment, and File No. PP17-006, Grant Application with no commitment or obligation to enter into an agreement at the time of application. (Police/City Manager)

Resolution No. 78438 adopted.

Ordinance No. 30040 adopted.

8.2 17-397 Actions Related to the Purchase Order with Airbus Helicopters Inc.

Recommendation: (a) Adopt a resolution authorizing the City Manager to:
(1) Execute a Purchase Order with Airbus Helicopters Inc. (Grand Prairie, TX), to purchase one model H125 Helicopter in an amount not to exceed \$5,211,074 including the base configuration helicopter, configuration options as required by the Police Department, and pilot training, exclusive of any applicable taxes and fees; and

(Item Continued on the Next Page)

8.2 17-397

Actions Related to the Purchase Order with Airbus Helicopters Inc. (Cont'd.)

(a) (2) Approve a contingency of \$500,000 for any unforeseen changes or modifications to the final configuration to the helicopter, subject to the appropriation of funds.

Resolution No. 78439 adopted.

(b) Adopt the following Fiscal Year 2017-2018 Appropriation Ordinance amendments in the Federal Drug Forfeiture Fund:

(1) Establish a new appropriation for Police Helicopter Replacement in the amount of \$3,473,500; and

(2) Decrease the Ending Fund Balance by \$3,473,500.

CEQA: Not a Project, File No. File No. PP17-003,

Agreements/Contracts (New or Amended) resulting in no physical changes to the environment and File No. PP17-004, Government

Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment. (Police/Finance/City Manager)

Ordinance No. 30041 adopted.

9. REDEVELOPMENT – SUCCESSOR AGENCY

10. LAND USE

• Open Forum

Aboubacar Ndiaye spoke to Implementation of the Urban Village Component of the Envision San José 2040 General Plan and indicated the need for a city-wide impact fee.

• Adjournment

The Council of the City of San José adjourned at 3:13 p.m.