



CITY COUNCIL AGENDA

APRIL 9, 2013

SYNOPSIS

PETE CONSTANT
ASH KALRA
SAM LICCARDO
KANSEN CHU
XAVIER E. CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED MAYOR

PIERLUIGI OLIVERIO
MADISON NGUYEN, VICE MAYOR
ROSE HERRERA
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 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, Mayor Reed 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 www.sanjoseca.gov/clerk/agenda.asp. Council Meetings are televised live and rebroadcast on Channel 26.

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**
9:03 a.m. - Closed Session, Call to Order in Council Chambers
Absent Council Members: None.
1:32 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Members: None.
- **Invocation (District 4)**
Venerable Vien Thong from Tu Lam Temple provided the Invocation.
- **Pledge of Allegiance**
Mayor Reed led the Pledge of Allegiance, accompanied by third-grade students from De Vargas Elementary School.
- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved, with Items 3.4 and 3.5 deferred to 4/23/13.

- **Closed Session Report**

City Attorney Doyle disclosed the following Closed Session action of April 9, 2013:

A. Authority to Pursue Appellant Review in the matter of Ted Smith v. City, et al.

Council Vote:

Ayes: Campos, Chu, Constant, Herrera, Kalra, Khamis, Liccardo, Nguyen, Oliverio, Rocha; Reed.

Noes: None.

Disqualified: None.

Absent: None.

1. CEREMONIAL ITEMS

- 1.1** Presentation of a proclamation declaring the Week of April 21 – 27, 2013 as “National Crime Victims’ Rights Week” in the City of San José. (Mayor)

Mayor Reed presented a commendation to representatives from the Victim’s Assistance Program, recognizing the Week of April 21 – 27, 2013 as “National Crime Victims’ Rights Week” in the City of San José.

- 1.2** Presentation of a proclamation declaring the Month of April 2013 as “Young Child Awareness Month” in the City of San José. (Oliverio)

Mayor Reed and Council Member Oliverio recognized the Month of April 2013 as “Young Child Awareness Month” in the City of San José.

- 1.3** Presentation of a commendation to the International Technological University for their accreditation by the Western Association of Schools and Colleges and for the important role that the University plays in the City of San José. (Liccardo)

Mayor Reed and Council Members Liccardo and Chu presented a commendation to the International Technological University for their accreditation by the Western Association of Schools and Colleges.

2. CONSENT CALENDAR

- 2.1** Approval of Minutes.
None provided.

2. CONSENT CALENDAR

2.2 Final Adoption of Ordinances.

Recommendation: Final adoption of ordinances.

- (a) ORD. NO. 29229 – Amending Section 6.64.130 of Chapter 6.64 of Title 6 of the San José Municipal Code and adding Section 6.64.465 of Part 6 of Chapter 6.64 of Title 6 to create exceptions for out of town taxi businesses and taxi drivers whose principal place of business is outside of the City, and who only drop off passengers at the airport, from obtaining an additional license under Title 6 if property permitted under Title 25.

Ordinance No. 29229 adopted.

- (b) ORD. NO. 29230 – Amending Sections 6.64.440, 6.64.620, and 6.64.630 of Chapter 6.64 of Title 6 of the San José Municipal Code regarding Police Taxicab Permits to remove outdated language and to clarify hearing requirements to ensure consistency with other permit provisions of the Code and amending Section 25.08.755 of Chapter 25 of the San José Municipal Code regarding Airport Permits to clarify requirements.

Ordinance No. 29230 adopted.

2.3 Approval of Council Committee Reports.

Recommendation: Approval of Council Committee Reports.

- (a) Rules and Open Government Committee Report of October 3, 2012. (Mayor)
[Deferred from 3/26/13 – Item 2.3(a) and 3.6(a)]
- (b) Rules and Open Government Committee Report of October 10, 2012. (Mayor)
[Deferred from 3/26/13 – Item 2.3(b) and 3.6(b)]
- (c) Rules and Open Government Committee Report of October 17, 2012. (Mayor)
[Deferred from 3/26/13 – Item 2.3(c) and 3.6(c)]
- (d) Rules and Open Government Committee Report of October 24, 2012. (Mayor)
[Deferred from 3/26/13 – Item 2.3(d) and 3.6(d)]
- (e) Rules and Open Government Committee Report of October 31, 2012. (Mayor)
[Deferred from 3/26/13 – Item 2.3(e) and 3.6(e)]
- (f) Airport Competitiveness Committee Report of February 22, 2013. (Mayor)
- (g) Ad Hoc Committee on Economic Competitiveness Report of March 4, 2013.
(Mayor)
- (h) Neighborhood Services and Education Committee Report of March 14, 2013.
(Nguyen)
- (i) Public Safety, Finance and Strategic Support Committee Report of March 21, 2013. (Constant)
- (j) Community and Economic Development Committee Report of March 25, 2013.
(Herrera)

Approved.

2. CONSENT CALENDAR

2.4 Mayor and Council Excused Absence Requests.
None provided.

2.5 City Council Travel Reports.

Council Member Constant, Herrera, Campos and Chu reported on the League of California Cities' Policy Committee meeting held in Pasadena last week. Council Member Campos gave a brief report on the Water Education for Latino Leaders (WELL) conference he attended.

2.6 Report from the Council Liaison to the Retirement Boards.
None provided.

2.7 AB 1229 (Atkins) -- Land Use: Zoning Regulations.

Recommendation: Approve a support position for AB 1229 (Atkins) – Land use: zoning regulations. CEQA: Not a Project, File No. PP10-069, Administrative activities. (Housing)
Approved.

2.8 Actions Related to Technical Appropriation Ordinance and Funding Sources Resolution Amendments.

Recommendation:

- (a) Adopt Appropriation Ordinance Amendments in the Construction Excise Tax Fund to repeal Ordinance No. 29222.
Ordinance No. 29231 adopted.
- (b) Adopt the following Appropriation Ordinance and Funding Sources Resolution Amendments in the Construction Excise Tax Fund:
 - (1) Increase the Earned Revenue estimate in the amount of \$427,875; and
 - (2) Increase the Ending Fund Balance in the amount of \$427,875.**Ordinance No. 29232 adopted.**
Resolution No. 76588 adopted.
- (c) Adopt Appropriation Ordinance and Funding Sources Resolution Amendments in the General Fund, the State Drug Forfeiture Fund, and the Federal Drug Forfeiture Fund to repeal Ordinance No. 29224, No. 29225, and No. 29226 and Funding Sources Resolution No. 76572.
Ordinance No. 29233 adopted.
Resolution No. 76589 adopted.

(Item Continued on the next page)

2. CONSENT CALENDAR

2.8 Actions Related to Technical Appropriation Ordinance and Funding Sources Resolution Amendments (Cont'd.)

Recommendation:

- (d) Adopt the following Appropriation Ordinance amendments in the General Fund effective retroactively to March 8, 2013:
- (1) Decrease the Police Department's Personal Services Appropriation in the amount of \$66,238; and
 - (2) Establish a Transfer Appropriation to the Federal Drug Forfeiture Fund in the amount of \$66,238.

Ordinance No. 29234 adopted.

- (e) Adopt the following Appropriation Ordinance amendments in the State Drug Forfeiture Fund effective retroactively to March 8, 2013:
- (1) Increase the Transfer to the Federal Drug Forfeiture Fund by \$12,529; and
 - (2) Decrease the Unrestricted Ending Fund Balance by \$12,529.

Ordinance No. 29235 adopted.

- (f) Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the Federal Drug Forfeiture Fund effective retroactively to March 8, 2013:
- (1) Increase the estimate for Transfers by \$78,767; and
 - (2) Increase the Unrestricted Ending Fund Balance by \$78,767.

CEQA: Not a Project, File No. PP10-067(b), Appropriation Ordinance. (City Manager's Office)

Ordinance No. 29236 adopted.

Resolution No. 76590 adopted.

2.9 Agreement with Satellite Healthcare, Inc., for 1015 S. Bascom Avenue.

Recommendation: Adopt a resolution:

- (a) Authorizing an alternative competitive process for the sale of the property at 1015 S. Bascom Avenue, APNs: 282-11-014 and 282-11-015;
- (b) Approving an agreement between the City and Satellite Healthcare, Inc., for sale of the property in the amount of \$2,479,000; and
- (c) Authorizing the City Manager or her designee to execute the sale agreement, the deed and all other documents necessary to complete the transaction.

CEQA: Exempt, File No. PP10-040. (Economic Development)

Resolution No. 76591 adopted.

2. CONSENT CALENDAR

2.10 Sale of Property at 551 Keyes Street.

Recommendation: Adopt a resolution:

- (a) Authorizing an alternative competitive process for the sale of the property at 551 Keyes Street, APN: 472-12-086;
- (b) Approving an agreement between the City and Global Business Solutions, LLC, for sale of the property in the amount of \$421,000; and
- (c) Authorizing the City Manager or her designee to execute the sale agreement, the deed and all other documents necessary to complete the transaction.

CEQA: Exempt, File No. PP10-016. Council District 3. (Economic Development)

Resolution No. 76592 adopted.

2.11 Agreement with Santa Clara Valley Water District.

Recommendation: Approve the Purchase and Sale Agreement for the City's purchase of 32 square feet of land from the Santa Clara Valley Water District for the amount of \$110. CEQA: Exempt, File No. PP13-017. (Economic Development)

Approved.

2.12 Actions Related to the California State Board of Equalization for Municipal Revenue Advisors, Inc.

Recommendation: Adopt a resolution designating Municipal Revenue Advisors, Inc. as a representative of the City, authorized to examine all sales and use tax records of the California State Board of Equalization. CEQA: Not a Project, File No. PP10-066(e), Contracts for services that involve no physical changes to the environment. (Economic Development)

Resolution No. 76593 adopted.

2.13 Water Supply Agreement with the City and County of San Francisco.

Recommendation: Approve an amendment to the Water Supply Agreement with the City and County of San Francisco prohibiting San Francisco from changing the conditions of the Hetch Hetchy Reservoir unless the parties agree to a future amendment to the Water Supply Agreement. CEQA: Not a Project, File No. PP10-066(a), Agreements/Contracts. (Environmental Services)

Approved.

2.14 Amendment to the Parkland Agreement with WTI, Inc.

Recommendation: Approve the first amendment to Parkland Agreement between the City and WTI, Inc., a California Corporation for Tentative Map No. PT07-101 (Final Tract Map, Tract No. 10086) to revise the private recreation improvements to be constructed under the agreement. CEQA: Resolution No. 72768, and addenda thereto, File No. PP08-193. Council District 4. (Parks, Recreation and Neighborhood Services)

Approved.

2. CONSENT CALENDAR

2.15 Agreement with the Santa Clara County Mental Health Department for the Senior Education and Outreach Grant.

Recommendation:

- (a) Adopt a resolution accepting the Senior Education and Outreach Grant from the Santa Clara County Mental Health Department in the amount of \$280,000; and authorize the Director of Parks, Recreation and Neighborhood Services to execute the Grant Agreement and all related documents.

Resolution No. 76594 adopted.

- (b) Adopt the following Appropriation Ordinance and Funding Sources Resolution Amendments in the General Fund:

- (1) Establish a City-Wide Expense appropriation to the Parks, Recreation and Neighborhood Services Department for the Senior Education and Outreach Grant in the amount of \$129,000; and

- (2) Increase the Revenue Estimate from Local Agencies by \$129,000.

CEQA: Not a Project, File No. PP10-066, Agreements/Contracts. (Parks, Recreation and Neighborhood Services/City Manager's Office)

Ordinance No. 29237 adopted.

Resolution No. 76595 adopted.

2.16 Actions Related to the California Emergency Management Agency Fiscal Year 2012 Anti-Human Trafficking Task Force Program Grant.

Recommendation:

- (a) Adopt a resolution accepting the CalEMA Fiscal Year 2012 Anti-Human Trafficking Task Force Program Grant in the amount of \$200,000;

Resolution No. 76596

- (b) Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund:

- (1) Establish a city-wide appropriation to the Police Department for the Anti-Human Trafficking Task Force Program Grant 2012 in the amount of \$110,000; and

- (2) Increase the Earned Revenue Estimate from the State of California by \$110,000.

CEQA: Not a Project, File No. PP10-067(b), Appropriation Ordinance. (Police/City Manager's Office)

Ordinance No. 29238 adopted.

Resolution No. 76597 adopted.

2. CONSENT CALENDAR

2.17 Agreement with CH2M Hill, Inc., for Various City Trail Projects.

Recommendation: Approve the first amendment to the master agreement with CH2M HILL, Inc. for engineering services for various City trail projects increasing the total compensation by \$500,000, for a total agreement amount of \$2,500,000, and extending the term of the agreement to January 31, 2016, in order to provide services for the Three Creeks Trail Pedestrian Bridge project. CEQA: Not a Project, File No. PP10-066(d), Consultant services. Council District 6. (Public Works)

Approved.

2.18 Agreement with SolarCity Corporation for Solar Energy Installations at City Facilities.

Recommendation: Adopt a resolution repealing Resolution Nos. 76011 and 76012 and authorizing the City Manager or designee to execute power purchase agreements and all related documents with SolarCity Corporation through June 30, 2014, to finance, engineer, install, commission and maintain solar energy installations at City facilities, subject to the limitations (cash flow positive, private activity analysis, financing and landlord consent, parkland and CEQA clearance) as approved by Council action on September 27, 2011. CEQA: Exempt, Files No. PP11-064, PP11-065, PP11-066, PP11-067, PP11-068, PP11-069, PP11-070, PP11-071, PP11-072, PP11-073, PP11-074, PP11-075, and PP11-079. (Public Works)

Resolution No. 76599 adopted.

2.19 Actions Related to The Alameda – A Plan for the Beautiful Way Project.

Recommendation:

(a) Approval to award the Rebid [6661] The Alameda – A Plan for the Beautiful Way Project (between Stockton Avenue and Fremont Street), Federal Project No. STPL-5005(103) to the low bidder, Wattis Construction Co., Inc., in the amount of \$4,016,757, and approval of a ten percent contingency in the amount of \$401,676.

Approved.

(b) Adopt the following Appropriation Ordinance Amendments in the Building and Structure Construction Tax Fund:

(1) Increase the appropriation to the Department of Transportation for: The Alameda – A Plan for the Beautiful Way in the amount of \$936,000; and

(2) Decrease the Ending Fund Balance in the amount of \$936,000.

CEQA: Exempt, File No. PP10-132. Council District 6. (Public Works/Transportation/City Manager's Office)

Ordinance No. 29239 adopted.

2. CONSENT CALENDAR

2.20 Appropriation Ordinance and Funding Sources Resolution Amendments in the General Fund for Council District 4.

Recommendation: Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund:

- (a) Increase the estimate for Other Revenue by \$9,212; and
 - (b) Increase the appropriation to Council District 4 (Appropriation 1040) by \$9,212.
- CEQA: Not a Project, File No. PP10-067(b), Appropriation Ordinance. (City Clerk/City Manager's Office)
(Rules Committee referral 3/27/13)

Ordinance No. 29240 adopted.
Resolution No. 76599 adopted.

2.21 Great American Litter Pick-up.

Recommendation: As recommended by the Rules and Open Government Committee on March 27, 2013:

- (a) Approve the Great American Litter Pick-up as a City Council sponsored Special Event; and
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

CEQA: Not a Project. (City Clerk)
[Rules Committee referral 3/27/13 – Item G(2)]
Approved.

2.22 AB359 (Holden) – Vehicle Rental Agreements: Customer Facility Charge.

Recommendation: As recommended by the Rules and Open Government Committee on March 27, 2013, approve a support position for AB 359 (Holden) – Vehicle Rental Agreements: Customer Facility Charge. (Airport)

[Rules Committee referral 3/27/13 – Item G(4)]
Approved.

2.23 Senior Health Fair and Walk Sponsored by District 8.

Recommendation: As recommended by the Rules and Open Government Committee on March 27, 2013:

- (a) Approve the Senior Health Fair and Walk Sponsored by District 8 as a City Council sponsored Special Event; and
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

CEQA: Not a Project. (Herrera)
[Rules Committee referral 3/27/13 – Item G(6)]
Approved.

2. CONSENT CALENDAR

2.24 Jewish American Flag Raising Sponsored by District 8.

Recommendation: As recommended by the Rules and Open Government Committee on March 27, 2013:

- (a) Approve the Jewish American Flag Raising Sponsored by District 8 as a City Council sponsored Special Event; and
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

CEQA: Not a Project. (Herrera)

[Rules Committee referral 3/27/13 – Item G(7)]

Approved.

2.25 First Annual District 10 Community Safety Fair.

Recommendation: As recommended by the Rules and Open Government Committee on April 3, 2013:

- (a) Approve the First Annual District 10 Community Safety Fair as a City Council sponsored Special Event; and
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.

CEQA: Not a Project. (Khamis)

[Rules Committee referral 4/3/13 – Item G(3)]

Approved.

2.26 SB 341 (DeSaulnier) – Redevelopment.

Recommendation: As recommended by the Rules and Open Government Committee on April 3, 2013, adopt a support position for SB 341 (DeSaulnier) – Redevelopment. (Housing)

[Rules Committee referral 4/3/13 – Item G(4)]

Approved.

2.27 AB 5 (Ammiano) – Homelessness.

Recommendation: As recommended by the Rules and Open Government Committee on April 3, 2013, adopt an oppose position for AB 5 (Ammiano) – Homelessness. (Housing)

[Rules Committee referral 4/3/13 – Item G(5)]

Oppose position approved.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the City Manager, Debra Figone (Verbal Report)

No report.

3.2 Labor Negotiations Update.

Recommendation: Accept Labor Negotiations Update.
Accepted.

3.3 Audit of the City's Deferred Compensation Program.

Recommendation: As recommended by the Public Safety, Finance and Strategic Support Committee on March 21, 2013, accept the audit of the City's Deferred Compensation Program. (City Auditor)
[Public Safety, Finance and Strategic Support Committee referral 3/21/13 – Item D(4)]
Accepted.

3.4 Recommendation to Support the Regulations of Menthol and Flavored Tobacco Products.

Recommendation: As referred by the City Council under Orders of the Day on March 12, 2013, consider adoption of a resolution in support of the Food and Drug Administration's regulation of menthol and flavored tobacco products. (Chu/Kalra/ Campos)
(Referred by City Council 3/12/13 – Orders of the Day)
Deferred to 4/23/13 per the Rules and Open Government Committee.

3.5 Resolution in Support of an Amendment to the United States Constitution.

Recommendation: As referred by the City Council on March 26, 2013, refer to the Elections Commission the question of whether or not the City of San José should adopt a resolution calling for an amendment to the United States Constitution that states that, first, only individual human beings, not corporations no other collective entities, enjoy the First Amendment protections of the United States Constitution, and second, that money is not "speech" protected by the First Amendment. (Liccardo/Campos/Rocha)
[Referred by City Council 3/26/13 – Item 3.6(h)]
Deferred to 4/23/13 per the Rules and Open Government Committee.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Development Agreement with Century Court Schmidt CS Seufferlein, et al.

Recommendation: Consideration of an ordinance to approve a Development Agreement with Century Court Schmidt CS Seufferlein, et al to develop up to 394 single-family attached residential units and 20,000 square feet of ground floor commercial retail space consistent with a previously approved Planned Development Rezoning (File No. PDC05-114) which allows up to 440 residential units and 20,000 square feet of ground floor retail commercial space at/on the Southwest corner of North First Street and Century Center (1733 N First St) in the North San José Area Development Policy area subject to performance by Century Court Schmidt CS Seufferlein, et al for payment of contributions, commencement of construction, and subsequent occupancy per deadlines of performance included in the agreement (Schmidt F James Et Al, Owner). CEQA: EIR Resolution No. 72768 (North San José Area Development Policy FEIR) and Addenda thereto, including Addendum File Number PDC05-114. An Initial Study (IS) and Addendum to the North San José Area Development Policies Update Program Environmental Impact Report (EIR) were prepared by the Director of Planning, Building, and Code Enforcement for the subject high rise residential project and proposed Development Agreement. Based on the analysis in the Initial Study and Addendum, the City concludes that the Final Program EIR adequately discloses and addresses the environmental effects of the Development Agreement as part of the 32,000 units that the Program EIR analyzed. Furthermore, the City finds that this project would not result in any significant environmental effects not already identified and addressed in the Final Program EIR.

DA13-001 – District 3. (Planning, Building and Code Enforcement)
(Deferred from 3/26/13 – Item 4.3)

Ordinance No. 29241 passed for publication, with duplicate wording in Section 3, Obligation of Parties, deleted per Staff’s request.

4.2 Housing Impact Fee and Inclusionary Housing Nexus Study.

- (a) Direct the Housing Department and the City Attorney’s Office to draft and release a Request for Qualification (RFQ) to identify a qualified consultant to complete a nexus study to examine Housing Impact Fees, to support the Citywide Inclusionary Housing Ordinance, and to identify other tools that capture value imparted by City land use decisions, including a foregone density fee discussed in this memorandum;
- (b) Authorize the Director of Housing and the City Attorney to select, and enter into an agreement with, a qualified firm or individual based on the results of the RFQ;
- (c) Direct the Housing Department to return to the City Council upon completion of the Nexus Study to present:
 - (1) Key findings/recommendations of the nexus study;
 - (2) A recommended work plan for implementing an affordable rental housing impact fee, if applicable; and
 - (3) Other potential mechanisms to fund affordable housing.

CEQA: Not a Project, File No. PP10-069(a), Staff report. (Housing)

Deferred to 6/4/13 per Administration.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.3 2013-2014 Annual Action Plan for the Five-Year Consolidated Plan.

Recommendation: Conduct a Public Hearing on the draft 2013-2014 Annual Action Plan for the Five-Year Consolidated Plan, as required by the U.S. Department of Housing and Urban Development, in order to continue receiving federal housing and community development funding, and announce that the draft Plan was released for public review and comment on March 28, 2013, and will continue through April 30, 2013. CEQA: Not a Project, File No. PP10-069(a), Annual Report. (Housing)

Public hearing held.

4.4 Economic Strategy Update and Proposed 18-Month Workplan.

Recommendation: As recommended by the Community and Economic Development Committee on March 25, 2013, accept staff's report on:

- (a) The Accomplishments of Economic Strategy Workplan to date;
- (b) The status and use of development incentives;
- (c) The status of campus development and leasing opportunities; and
- (d) The proposed Economic Strategy Workplan.

CEQA: Not a Project, File No. PP10-069(a), Staff Report. (Economic Development)
[Community and Economic Development Committee referral 3/25/13 – Item D(2)]

Deferred to 4/16/13 per Administration.

4.5 Actions Related to the San Carlos Senior Apartments Project.

Recommendation:

- (a) Adopt a resolution:
 - (1) Approving the final structure of City financial assistance, with no additional City funding, for the 95-unit San Carlos Senior Apartments Project (Senior Project or Project) located at 1535 West San Carlos Street, as follows:
 - (a) A construction/permanent loan in the aggregate amount of \$6,208,420, reflecting the amount equal to the Senior Project's original conditional grant of \$4,775,000, refinance of the existing loan of \$536,238 for construction of infrastructure for the Project, and a capitalized payment in lieu of interest in the amount of \$897,182;
 - (b) Approving the extension of the term of an existing loan with a principal balance of \$2,973,834 for the Carlos Townhomes project loan ("Townhomes Loan") to match the Senior Project Loan, adding borrower, recording a deed of trust against the Senior Project to secure the Townhomes Loan and the repayment of the Townhomes Loan from residual receipts from the Seniors Project.
 - (c) Authorizing the Director of Housing to negotiate and execute all legal documents to effectuate the transaction, including loans and an option to purchase.

Resolution No. 76600 adopted.

Noes: Oliverio.

(Item continued on the next page)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.5 Actions Related to the San Carlos Senior Apartments Project. (Cont'd.)

Recommendation:

- (b) Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the Low and Moderate Income Housing Asset Fund:
- (1) Increase the revenue estimate for Earned Revenue by \$5,700,000;
 - (2) Increase the Housing Loans and Grants appropriation by \$4,775,000; and
 - (3) Increase the Ending Fund Balance by \$925,000.

CEQA: Mitigated Negative Declaration; File No. PD04-103. Council District 6.
(Housing/City Manager's Office)

Ordinance No. 29242 adopted.

Resolution No. 76601 adopted.

Noes: Oliverio.

5. NEIGHBORHOOD SERVICES

5.1 Anti-Graffiti and Litter Program Semi-Annual Report.

Recommendation: As recommended by the Neighborhood Services and Education Committee on March 14, 2013, accept the Anti-Graffiti and Litter Program Semi-Annual Report. (Parks, Recreation and Neighborhood Services)

[Neighborhood Services and Education Committee referral 3/14/13 – Item D(3)]

Accepted.

6. TRANSPORTATION & AVIATION SERVICES

6.1 Award of a Ground Lease and Operating Agreement to Signature Flight Support.

Recommendation:

- (a) Consider the appeal by Atlantic Aviation, regarding the Report on Request for Proposals (RFP) for General Aviation Aeronautical Services Facilities at the Norman Y. Mineta San José International Airport and adopt a resolution setting forth the decision of the City Council;

Resolution No. 76633 adopted, denying the appeal.

(Item Continued on the next page)

6. TRANSPORTATION & AVIATION SERVICES

- 6.1 (b) Report on RFP for General Aviation Aeronautical Services Facilities at the Norman Y. Mineta San José International Airport and adopt a resolution authorizing the City Manager to:
- (1) Negotiate and execute a ground lease and operating agreement with Signature Flight Support for the construction and operation of a Fixed Based Operation (FBO) on approximately 29 acres at the west side of the Airport for a fifty (50) year term from the date of execution by the City and with interim construction ground rent commencing upon the date of execution by the City, in the amount of \$1,319,084 until the earlier of the twenty-fifth (25th) month from the date of execution by the City or the date a certificate of occupancy is issued for the use and occupancy of the leasehold improvements, and subsequent annual ground rent in the amount of \$2,638,168, subject to annual Consumer Price Index increases, and subject to increase by appraisal every five (5) years during the term of the lease;
 - (2) Negotiate and execute amendments to the ground lease and operating agreement at any time during the first five (5) years of the term to modify the lease boundaries of the site, and to expand or contract the lease size as necessary to maximize the use of available land on the west side of the Airport for any land included in the scope of the RFP; and
 - (3) Negotiate and execute a Non-Disturbance, Consent, Estoppel and Subordination Agreement with Signature Flight Support Corporation and BCH San José LLC to provide for the continued use and occupancy of approximately nineteen (19) acres of the leasehold by BCH San José LLC pursuant to the terms of a new ground lease and operating agreement between the City and BCH San José LLC on the same terms and conditions as the ground lease and operating agreement with Signature Flight Support Corporation, in the event that the lease with Signature is rejected in bankruptcy, terminated or otherwise cancelled at any time prior to the end of its fifty (50) year term.

CEQA: Airport Master Plan EIR, Resolution Nos. 67380 and 71451, with Addendum, File No. PP13-022. (Airport)

Resolution No. 76602 was adopted, with additional direction as outlined in the memorandum from Mayor Reed and Council Members Liccardo and Herrera, dated April 5, 2013, with Item (b) modified to: “Accept the report on the Request for Proposals (RFP) for General Aviation Aeronautical Services Facilities, and authorize the City Manager to negotiate ~~and execute agreements~~ with Signature Flight Support as described in the staff report,” and with the inclusion of Item (f): “Return to Council on April 16, 2013 for discussion of contractual language related to the curfew, and to provide authority to the City Manager to execute an agreement.”

Noes: Oliverio.

7. ENVIRONMENTAL & UTILITY SERVICES

8. PUBLIC SAFETY SERVICES

9. REDEVELOPMENT – SUCCESSOR AGENCY

- **Notice of City Engineer’s Pending Decision on Final Maps**

In accordance with Sec. 19.16.140d of the San José Municipal Code, this is notice of the City Engineer's receipt of the following Final Maps for review:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>
10179	South side of West Taylor Street, approximately 230 feet east of Elm Street	6	Denardi Group	5 Lots / 4 Units	SFDR

- **Open Forum**

- (1) **Ross Signorino offered comments on graffiti prevention.**
- (2) **Yemeseratch Girma-Ayele, San Jose State University student, asked how reports could be accessed online and thanked the Council for the opportunity to participate.**

- **Adjournment**

The Council of the City of San José adjourned at 6:07 p.m. in memory of Peter S. Carter. In addition to contributing to the growth of Silicon Valley for over 30 years, Peter played a prominent role in advertising and public relations. Widely respected by government leaders and candidates, Peter was valued as a trusted advisor, fundraiser, and confidant. Peter became widely known for his beautiful photography, extreme generosity, and legendary hospitality. Peter passed away unexpectedly on March 6, 2013 at the age of 70. (Constant)

**HOUSING AUTHORITY OF
THE CITY OF SAN JOSÉ AGENDA**

1:30 P.M.

TUESDAY, APRIL 9, 2013

CHAMBERS

- 1. Call to Order 5:38 p.m.**
- 2. The Moving to Work 2014 Annual Plan and Collaboration with the Housing Authority of the County of Santa Clara.**

Recommendation:

- (a) Accept this update on the collaboration between the City of San José, the Housing Authority of the City of San José (City Housing Authority), and the Housing Authority of the County of Santa Clara (HACSC).
- (b) Authorize the City Housing Authority's Executive Director to submit a letter to the HACSC that does the following:
 - (1) Supports the Moving to Work 2014 Annual Plan;
 - (2) Discusses the City Housing Authority's desire to collaborate with the HACSC to identify ways to house more homeless residents;
 - (3) Requests that the HACSC prioritize a portion of its Project Based units for homeless residents;
 - (4) Requests that the HACSC continue to provide a portion of turnover vouchers to the chronically homeless as vouchers become available; and
 - (5) Requests that the HACSC include City Housing Authority/City of San José staff on any strategic planning initiative that may impact City of San José residents.
- (c) Support HACSC efforts to restore HUD funds lost as a result of sequestration.
CEQA: Not a Project, File No.PP10-068, General Procedure & Policy Making.
(Housing)

The update was accepted with authorization given to the Housing Authority's Executive Director, and including language to have the authority to advocate on the City of San José's interest as provided in previous direction by Council.

- 3. Open Forum – None.**
- 4. The Housing Authority of the City of San José was adjourned at 6 p.m.**