



# CITY COUNCIL AGENDA

**JUNE 10, 2014**

## 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. 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 <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, Council Wing, 2<sup>nd</sup> 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](mailto: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**
  - 9:31 a.m.** - Closed Session, Call to Order in Council Chambers  
Open Session, Labor Negotiations Update (See Item 3.2)  
**Absent Council Members: All Present.**
  - 1:33 p.m.** - Regular Session, Council Chambers, City Hall  
**Absent Council Members: All Present.**
  - 7:02 p.m.** - General Plan/Public Hearings, Council Chambers, City Hall  
**Absent Council Members: All Present.**
  
- **Invocation (District 6)**  
**Pastor Chris Tenny, Dwell Christian Church offered the Invocation.**
  
- **Pledge of Allegiance**  
**Mayor Reed, accompanied by the Third, Fourth and Fifth Graders from Blackford Elementary School and College Students from the Council on American Islamic Relations, led the Pledge of Allegiance.**

- **Orders of the Day**  
The Orders of the Day and the Amended Agenda were approved, with Item 3.8 deferred to June 17, 2014 and Items 10.2 and 10.3 continued to June 17, 2014.  
  
Item 11.4 was dropped and deferred to August 5, 2014. (6-4-1. Noes: Kalra, Liccardo, Nguyen, Rocha. Absent: Herrera.)

- **Closed Session Report**  
City Attorney Doyle disclosed the following Closed Session actions of June 10, 2014:

**A. Authority to Pursue Appellate Review in a Litigation Case:**

**Case Name:** San José Police Officers’ Association v. City, et al.

**Adverse Party of Parties:** San José Police Officers’ Association, City of San José, Board of Administration for Police and Fire Department Retirement Plan of City of San José and Does 1-10 and related actions.

**Substance of Litigation:** Challenge to Measure B.

**Council Vote: Ayes:** Constant, Herrera, Khamis, Liccardo, Nguyen, Oliverio, Rocha; Reed.

**Noes:** Campos, Chu, Kalra.

**Abstain:** None.

**Not Present:** None.

## **1. CEREMONIAL ITEMS**

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- 1.1** Presentation of a commendation to the winners of the 2014 Falcon Naming Contest. (Mayor) (Deferred from 6/3/14 – Item 1.1)

**Heard in the Evening.**

**Mayor Reed recognized and commended the winners of the 2014 Falcon Naming Contest. The two male Falcons were named “Blaze” and “Bolt”. The name “Blaze” was submitted by Katelyn and Nina, Grade 4, Holly Oak Elementary School and “Bolt” was provided by Samik, Grade 2, Delphi Academy. The two female Falcons were named “Beatriz” and “Halo”. “Beatriz” was offered by Alicia, Grade 9, Andrew Hill High School and “Halo” was selected by Daniela and Gia, Grade 4, Holly Oak Elementary School.**

- 1.2** Presentation of a commendation to six Senior Peer Leaders from the Walk with Ease, Eat for Health Program for their volunteer work and advocacy to senior health. (Constant) **Mayor Reed and Council Member Constant recognized and commended the Senior Peer Leaders for their volunteer work and advocacy to senior health.**

# 1. CEREMONIAL ITEMS

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- 1.3 Presentation of a commendation to those who were instrumental in the creation of the Silicon Valley Talent Partnership. (Mayor)  
**Mayor Reed recognized and commended the people who were instrumental in the creation of the Silicon Valley Talent Partnership.**
- 1.4 Presentation of a commendation to Iglesia Ni Cristo Congregation for centennial anniversary celebration and dedicated service to residents of San José. (Nguyen)  
**Heard in the Evening.**  
**Mayor Reed and Vice Mayor Nguyen recognized and commended Iglesia Ni Cristo Congregation for their dedication to the residents of San José.**
- 1.5 Presentation of a commendation to Dan Brady for his 25 years of service, dedication, and leadership to the Boy Scouts of America Troop 390, Pack 390, and Venture Crew 697 of San José. (Oliverio)  
**Heard in the Evening.**  
**Mayor Reed and Council Member Oliverio recognized and commended Dan Brady for his 25 years of service to the Boy Scouts of America Troop 390, Pack 390, and Venture Crew 697 of San José.**
- 1.6 Presentation of a proclamation recognizing June 12th as “Philippines’ Independence Day”. (Campos)  
(Rules Committee referral 6/4/14)  
**Mayor Reed and Council Members Campos, Chu and Kalra recognized June 12, 2014 as “Philippines’ Independence Day”.**

# 2. CONSENT CALENDAR

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- 2.1 **Approval of Minutes.**  
**There were none.**
- 2.2 **Final Adoption of Ordinances.**  
**There were none.**
- 2.3 **Approval of Council Committee Reports.**

**Recommendation:** Approval of Council Committee Reports.

- (a) Rules and Open Government Committee Report of May 21, 2014. (Mayor)
  - (b) Rules and Open Government Committee Report of May 7, 2014. (Mayor)
  - (c) Rules and Open Government Committee Report of May 14, 2014. (Mayor)
- Approved.**

## 2. CONSENT CALENDAR

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### 2.4 Mayor and Council Excused Absence Requests.

**Recommendation:**

- (a) (1) Council by motion waive the 10-day noticing requirement for the following item, approve its placement on the agenda, and consider the following recommendation. (Chu)

**Waived.**

- (2) Request for an excused absence for Council Member Chu from the Regular Meeting of Neighborhood Services and Education Committee on June 12, 2014 due to Authorized City Business: Attending graduation ceremonies for Piedmont Middle School, Morrill Middle School and Sierramont Middle School. (Chu)

(Rules Committee referral 6/4/14)

**Approved.**

### 2.5 City Council Travel Reports.

**There were none.**

### 2.6 Report from the Council Liaison to the Retirement Boards.

**There were none.**

### 2.7 Update of Cultural Connection Two-Year Workplan.

**Recommendation:** As recommended by the Community and Economic Development Committee on April 28, 2014, adopt the 2014 -2016 Prioritized Workplan to implement Cultural Connection: San José Cultural Plan for 2011 – 2020. CEQA: Not a Project, File No. PP10-069(a), Staff report. (Office of Cultural Affairs/Economic Development) [Community and Economic Development Committee referral 4/28/14 – Item D(2)] (Deferred from 5/20/14 – Item 4.4)

**Adopted.**

### 2.8 District 5 City Sponsored Events.

**Recommendation:** As recommended by the Rules and Open Government Committee on May 28, 2014:

- (a) Approve the AB60 Information Forum on June 5, 2014 as a City Council sponsored Special Event and approve the expenditure of funds and approve and accept donations from various individuals, business or community groups to support this event.
- (b) Approve the Safe Summer Kick Off Resource Fair and Pharmaceutical Drug Turn In on June 22, 2014 as a City Council sponsored Special Event and approve the expenditure of funds and approve and accept donations from various individuals, business or community groups to support this event.

## 2. CONSENT CALENDAR

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### 2.8 District 5 City Sponsored Events. (Cont'd.)

**Recommendation:**

- (c) Approve the District 5 Puerto Rican Flag Raising Ceremony on June 10, 2014 as a City Council sponsored Special Event and approve the expenditure of funds and approve and accept donations from various individuals, business or community groups to support this event.
- (d) Approve the District 5 Filipino Flag Raising on June 12, 2014 as a City Council sponsored Special Event and approve the expenditure of funds and approve and accept donations from various individuals, business or community groups to support this event.

CEQA: Not a Project. (Campos)

[Rules Committee referral 5/28/14 – Item G(6)]

**Approved.**

### 2.9 Charging Criminal Offenses and Criminal Citation Authority.

**Recommendation:** Approve an ordinance amending Chapter 1.08 of Title 1 of the San José Municipal Code by amending Section 1.08.010 to allow the City Attorney to charge offenses designated as misdemeanors under the Municipal Code as infractions and adding a new Section 1.08.060 to grant criminal citation authority to certain employees designated by the City Manager. CEQA: Not a Project; File No. PP10-068(c), Municipal Code or Policy that involves no changes in the physical environment. (City Attorney)

**Ordinance No. 29416 passed for publication.**

### 2.10 Legal Services Agreement with Reed Smith LLP.

**Recommendation:** Adopt a resolution authorizing the City Attorney to execute the Third Amendment to the Agreement among the Board of Administration for the Police and Fire Department Retirement Plan, the City of San José and Reed Smith LLP for legal services to increase the maximum compensation by \$500,000 for an amount not to exceed \$1,250,000. CEQA: Not a Project; File No. PP10-066(e), Services that involve no physical changes to the environment. (City Attorney)

**Resolution No. 77024 adopted.**

## 2. CONSENT CALENDAR

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### 2.11 National Night Out.

**Recommendation:** As recommended by the Rules and Open Government Committee on May 28, 2014:

- (a) Approve the National Night Out scheduled for August 5, 2014 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. (City Clerk)

[Rules Committee referral 5/28/14 – Item G(2)]

**Approved.**

### 2.12 District 1 Korean Flag Raising.

**Recommendation:** As recommended by the Rules and Open Government Committee on May 28, 2014:

- (a) Approve the Korean Flag Raising as a City Council sponsored Special Event and approve the expenditure of funds.
- (b) Approve and accept donations from various individuals, business or community groups to support the event.

(Constant)

[Rules Committee referral 5/28/14 – Item G(5)]

**Approved.**

### 2.13 Permanent Utility Easement Agreement with the San José Water Company for the Earthquakes Stadium.

**Recommendation:** Adopt a resolution authorizing the City Manager to execute the permanent easement agreement with the San José Water Company for water facilities installation to support the construction and operation of the San José Earthquakes' Stadium. CEQA: FMC/Coleman Avenue Planned Development Rezoning EIR, Resolution No. 71716. Council District 3. (Economic Development)

**Resolution No. 77025 adopted.**

### 2.14 Amendment to the Lease Agreement with Smith Family Trust for Office Space Located at 1302 North Fourth Street.

**Recommendation:** Approve a First Amendment to the lease for 20,480 square feet of office space at 1302 North Fourth Street to extend the current term of the agreement for an additional six months (July 1, 2014 through December 31, 2014) and set the monthly rental rate during the extension period at \$38,912 per month. CEQA: Exempt, File No. PP09-117. Council District 3. (Economic Development)

**Approved.**

## 2. CONSENT CALENDAR

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### 2.15 Annual Renewal of Workforce Investment Act Programs and Projects for 2014-2015.

**Recommendation:** Adopt an annual renewal resolution authorizing the City Manager or designee to negotiate and execute:

- (a) All contracts, amendments, agreements, leases, subleases, and memoranda of understanding with contractors and vendors providing services to the Workforce Investment Act Program (WIA), including, but not limited to, novations or assignments, vendor training contracts, case management contracts, consultant contracts, memoranda of understanding required with Mandatory Partners for the use of One-Stop facilities, and cities and the unincorporated area of Santa Clara County whose residents receive service under the WIA program for the period from July 1, 2014 to June 30, 2015, in accordance with procurement procedures and requirements mandated by the state and federal governments for Workforce Investment Act grant recipients and with established City procurement procedures and requirements that have been reviewed and approved, as required, by the Silicon Valley Workforce Investment Network (work2future) Board, so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.
- (b) All amendments to City Council approved agreements that have been reviewed and approved, as required, by the work2future Board so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.
- (c) All grants agreements, subgrant agreements, and any documents necessary to accept the grant for discretionary funding applied for and approved by the work2future Board, for the period from July 1, 2014 to June 30, 2015, so long as moneys have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.
- (d) All agreements specified in Section 1 with an end term beyond the fiscal year in which the contract began (beyond June 30, 2014), so long as monies have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement, but not beyond the end of the following fiscal year (not beyond June 30, 2015).
- (e) All agreements specified in (a) above that do not involve a disbursement of funds (no-fund agreement) beyond the fiscal year in which the agreement begins (beyond June 30, 2015), but not beyond the end of the following fiscal year (not beyond June 30, 2016).

CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Economic Development)

**Resolution No. 77026 adopted.**

## 2. CONSENT CALENDAR

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### 2.16 Actions Related to the Vermont House Located at 1072 and 1082 Vermont Street.

**Recommendation:** Adopt a resolution authorizing the Director of Housing to:

- (a) Negotiate and execute an Exclusive Negotiation Agreement between the City and Abode Services for potential development of the City-owned Vermont House site, located at 1072 and 1082 Vermont Street.
- (b) Negotiate and execute documents for a Predevelopment Loan between the City and Abode in an amount not to exceed \$125,000.
- (c) Negotiate and execute an amendment to the Vermont House Affordability Restrictions to income-restrict the two structures based on the actual number of bedrooms.

CEQA: Negative Declaration, File No. CP97-033. Council District 6. (Housing)

**Resolution No. 77027 adopted.**

### 2.17 Amendment to the Agreement with Athens Insurance Services Inc. for Worker's Compensation Comprehensive Services.

**Recommendation:** Approve the Second Amendment to the agreement with Athens Insurance Services DBA Athens Administrators for workers compensation comprehensive services, to adjust the total annual costs for medical cost containment services under the service areas of Utilization Review and Medical Case Management and Bill Review/Preferred Provider Organizations. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Human Resources)

**Approved.**

### 2.18 Ethiopian Heritage Flag Raising.

**Recommendation:** As recommended by Rules and Open Government Committee on May 28, 2014:

- (a) Approve the Ethiopian Heritage Flag Raising scheduled on July 3, 2014 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. (Liccardo)

[Rules Committee referral 5/28/14 – Item G(4)]

**Approved.**

### 2.19 Agreement with Santa Clara Valley Water District for the Los Gatos Creek Trail.

**Recommendation:** Approve a Joint Use Agreement with the Santa Clara Valley Water District (SCVWD) for continued operation and maintenance of the recreational trail along Los Gatos Creek Trail on SCVWD property for a term of 25 years, with City option to renew for another 25 years. CEQA: Exempt, File No. PP14-052. Council District 6. (Parks, Recreation and Neighborhood Services)

**Approved.**

## 2. CONSENT CALENDAR

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### 2.20 Labor Compliance Program.

**Recommendation:** Adopt a resolution adopting a Labor Compliance Program for all public works construction projects utilizing Proposition 84 funds (Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006). CEQA: Not a Project, File No. PP10-068(b), Municipal Code of Policy change that involves no changes to the physical environment. (Public Works)

**Resolution No. 77028 adopted.**

### 2.21 Report on Bids and Award of Contract for the Minnesota Avenue Sanitary Sewer Improvement Project.

**Recommendation:** Report on bids and award of contract for the 6394-Minnesota Avenue Sanitary Sewer Improvement project to the low bidder, JMB Construction, Inc., in the amount of \$1,063,931, and approval of a contingency in the amount of \$106,000. CEQA: Exempt, File No. PP13-076. Council District 6. (Public Works)

**Approved.**

### 2.22 Annual Status Reports on Safe Neighborhood Parks and Recreation Bond Projects, Branch Library Bond Projects and Public Safety Bond Program for FY 2012-2013.

**Recommendation:**

- (a) Accept the Annual Status Report on the Safe Neighborhood Parks and Recreation Bond Projects for the FY 2012-2013.
- (b) Accept the Annual Status Report on the Branch Library Bond Projects for the FY 2012-2013.
- (c) Accept the Annual Status Report on the Public Safety Bond Program for the FY 2012-2013.

CEQA: Not a Project, File No. PP10-069(a), Annual Reports. (Public Works)

**Accepted.**

### 2.23 Actions Related to the San José International Airport Sterile Corridor Extensions at Gates 17 and 18 Project.

**Recommendation:**

- (a) Adopt the following Appropriation Ordinance amendments in the Airport Revenue Bond Improvement Fund:
  - (1) Increase the Federal Inspection Facility Sterile Corridor Extension appropriation to the Airport Department in the amount of \$470,000.
  - (2) Decrease the Terminal Area Improvement, Phase I appropriation to the Airport Department in the amount of \$470,000.

**Ordinance No. 29417 adopted.**

## 2. CONSENT CALENDAR

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### 2.23 Actions Related to the San José International Airport Sterile Corridor Extensions at Gates 17 and 18 Project. (Cont'd.)

#### **Recommendation:**

- (b) Adopt a resolution authorizing the Director of Public Works to:
  - (1) Award the construction contract for the San José International Airport Sterile Corridor Extension at Gates 17 and 18 Project to the lowest responsive and responsible bidder in an amount not to exceed \$1,525,000 and approve a fifteen percent contingency.
  - (2) Hear and decide any timely bid protests, to make the City's final determination as to the lowest responsive bidder that is responsible, or to reject all bids and re-bid the project.
  - (3) Execute change orders in excess of \$100,000 within the contingency amount.

CEQA: Airport Master Plan Update EIR, Resolution Nos. 67380 and 71451, File No. PP14-035. (Public Works/City Manager)

**Resolution No. 77029 adopted.**

### 2.24 Report on Bids and Award of Contract for the Fire Station No. 21 Project.

#### **Recommendation:**

- (a) Report on bids and award of the construction contract for the 3336 - Fire Station No. 21 Project to the low bidder, Sausal Corporation, Inc., to include the base bid and Add Alternates No. 1, 2 and 3, in the amount of \$5,112,900, and approval of a contingency in the amount of \$512,000.

**Approved.**

- (b) Adopt the following Appropriation Ordinance amendments in the Neighborhood Security Bond Fund:
  - (1) Increase the Fire Station 21 – Relocation (White Road) appropriation to the Fire Department by \$350,000.
  - (2) Decrease the Fire Station 37 (Willow Glen) Reserve by \$350,000.

CEQA: Addendum to the Evergreen-EastHills Visioning Strategy EIR, File No. PP08-184. Council District 8. (Public Works/City Manager)

**Ordinance No. 29418 adopted.**

## 2. CONSENT CALENDAR

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### 2.25 Actions Related to the Downtown San José Property-Based Improvement District Annual Report.

**Recommendation:** Adopt a resolution:

- (a) Approving the Downtown San José Property-Based Improvement District Annual Report prepared by the Downtown San José Property Owners Association for Fiscal Year 2014-2015 as filed or modified by Council.
- (b) Confirming the individual assessments as proposed by the Downtown San José Property Owners Association, or as modified by Council.
- (c) Directing that the City baseline services contribution in the amount of \$365,000 be continued in Fiscal Year 2014-2015.
- (d) Directing the Director of Public Works to deliver the assessment roll to the County for collection with the property taxes.

CEQA: Not a Project, File No. PP10-069(a), Assessments and Annual Reports.  
(Transportation/Public Works)

**Resolution No. 77030 adopted.**

### 2.26 Agreement with MHN Services for Substance Abuse Treatment and with Managed Health Network for Employee Assistance Programs and Critical Incident Stress Management.

**Recommendation:** Approve an agreement between the City and MHN Services for Substance Abuse Treatment and Managed Health Network for Employee Assistance Program and Critical Incident Stress Management for the initial period of July 1, 2014 through June 30, 2015, with additional option periods that would extend the agreement through December 31, 2016, for a total cost that will not exceed \$1,512,500, subject to the annual appropriation of funds. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Human Resources)  
(Deferred from 6/3/14 – Item 2.25)

**Approved.**

### 2.27 River Park Towers II Office Tower Building Signs.

**Recommendation:** As referred by the Rules and Open Government Committee on June 4, 2014:

- (a) Council by motion waive the 10-day noticing requirement for the following item, approve its placement on the agenda, and consider the following recommendation.  
**Waived.**
- (b) Direct the City Manager to facilitate the installation of two mid-building signs on the River Park Towers II Office Tower located at 300 Park Avenue in Downtown San José, and approve a ten-day sunshine waiver.

CEQA: Not a Project, File No. PP10-069, Administrative activities. (Mayor)  
(Rules Committee referral 6/4/14)

**Approved.**

### 3. STRATEGIC SUPPORT SERVICES

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3.1 Report of the City Manager, Edward Shikada (Verbal Report).  
No Report.

3.2 Labor Negotiations Update.

**Recommendation:** Accept Labor Negotiations Update.  
**Heard at 9:30 a.m.**  
No Report.

*Items 3.3, 3.4, 3.5 and 3.6 heard after Ceremonial Items.*

3.3 Mayor's 2014 June Budget Message.

**Recommendation:**

- (a) Review, discussion and approval of the Mayor's 2014 June Budget Message.
- (b) Adopt a resolution by the City Council authorizing the City Manager to negotiate and execute agreements addressed in the Mayor's Budget Message which are for amounts that exceed the City Manager's contract authority, provided that any required environmental review has been completed. (Mayor)

**The Mayor's June Budget Message for Fiscal Year 2014-2015, dated May 30, 2014, was approved, approving the City Manager's Proposed Budget with additional direction as outlined for purposes of adopting a final budget for Fiscal Year 2014-2015, with the following amendments:**

- (1) Clarify that the \$1 Million fund for Economic Development for incentives to attract manufacturing jobs is used for new or expanding manufacturing companies.
- (2) MBA 17, Recommendation 4: keep the name as current "Fire Station 37 Reserve" leaving the reserve funds in place.
- (3) Allocate \$50,000 to Health Trust as a one time funding from savings in the Shopping Cart Program to cover their permitting costs incurred by small businesses who participated in the Health Trust Program to order to allow corner stores to convert their infrastructure to provide dairy, whole grains and fresh produce to the community. Any additional savings from the Shopping Cart Program should be allocated to the Police Staffing Reserves.

**Resolution No. 77011 adopted, as amended.**

**Noes: Campos, Kalra.**

### 3. STRATEGIC SUPPORT SERVICES

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#### 3.4 Actions Related to the Sewer Service and Use Charges and Storm Sewer Service Charges Rates.

**Recommendation:**

- (a) Adopt a resolution setting the following Sewer Service and Use Charge rates for 2014-2015:

**Resolution No. 77012 adopted.**

<u>Category</u>	<u>2014-2015 Monthly Rates</u>
Single-Family Residential	\$33.83
Multi-Family Residential	\$19.35 per unit
Mobile Home	\$19.39 per unit
Non-Monitored Commercial and Industrial	See Attachment A
Monitored Industrial	See Attachment A

- (b) Adopt a resolution setting the following Storm Sewer Service Charge rates for 2014-2015:

**Resolution No. 77013 adopted.**

<u>Category</u>	<u>2014-2015 Monthly Rates</u>
Single-Family Residential and Duplex	\$7.87
Mobile Home	\$3.94 per unit
Residential Condominium	\$4.30 per unit
Large Multi-Family Residential (5 or more units)	\$4.30 per unit
Small Multi-Family Residential (3-4 units)	\$14.95
Commercial, Institutional and Industrial	See Attachment B

CEQA: Not a Project File No. PP10-067(a), Increases and Adjustments to Fees, Rates and Fares. (Environmental Services)

#### 3.5 Municipal Water System Water Rate Increase for 2014-2015.

**Recommendation:**

- (a) Conduct a Public Hearing on proposed San José Municipal Water System 2014-2015 potable water rates and charges; and
- (b) Adopt a resolution increasing the San José Municipal Water System potable water rates and charges by 11.0%, effective July 1, 2014.

CEQA: Statutorily Exempt, File No. PP10-067(a), Increase or Adjustment to Fees, Rates and Fares. Council Districts 2, 4, 7 and 8. (Environmental Services)

**The Public Hearing was held.**

**Resolution No. 77014 adopted.**

### 3. STRATEGIC SUPPORT SERVICES

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#### 3.6 Approve the Fiscal Year 2014-2015 Operating/Capital Budgets for the City of San José and Schedule of Fees and Charges.

**Recommendation:**

- (a) Adopt resolutions approving the Operating Budget for Fiscal Year 2014-2015 for the City of San José, the Capital Budget for Fiscal Year 2014-2015 for the City of San José, and the Five-Year Capital Improvement Program for Fiscal Year 2015-2019 for the City of San José as revised by the Mayor's Budget Message and directing the City Manager to prepare final documents for adoption.

**Resolution No. 77015 adopted.**

**Resolution No. 77016 adopted.**

**Resolution No. 77017 adopted.**

- (b) (1) Council by motion waive the 10-day noticing requirement for the legal document for the following item.

**Waived.**

- (2) Adopt a resolution establishing the Schedule of Fees and Charges for 2014-2015.

**Resolution No. 77018 adopted.**

- (c) Adopt a resolution to repeal Resolution No. 76950 and set forth the Master Parking Rate Schedule to authorize parking meter rates of up to \$2 per hour in parking meter zones where Smart Meters have been installed, and authorize an adjustment in the meter rate below \$1 per hour in parking meter zones with underutilized on-street parking.

**Resolution No. 77019 adopted.**

- (d) Adopt a resolution amending Council Policy 1-15, Debt Management Policy, to amend Section II (Responsibility for Debt Management Activities) and Section III (Purposes and Parameters for Debt Issuance).

**Resolution No. 77020 adopted.**

- (e) Adopt a resolution amending Council Policy 1-18, Operating Budget and Capital Improvement Program Policy, to amend Operating Budget, Section 8 (Debt) and Capital Improvement Program, Section 3 (Debt).

(City Manager)

**Resolution No. 77021 adopted.**

- (f) Approve an ordinance amending Title 4 of the San José Municipal Code to add a new Chapter 4.34 to specify the vote of the City Council required for the approval of Lease Financings.

(City Attorney)

**Ordinance No. 29429 adopted.**

### **3. STRATEGIC SUPPORT SERVICES**

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#### **3.7 Actions Related to the Agreement with Google Fiber for Future Installation of Google Fiber Network.**

**Recommendation:**

- (a) Accept status report on the City's efforts to submit information requested by Google Fiber for its consideration of selecting San José for the future installation of a Google Fiber network; and
- (b) Adopt a resolution authorizing the City Manager or his designee to execute a master Network Hut License Agreement with Google Fiber, and to execute Network Hut Site Terms thereunder for individual sites following City Council approval of such individual sites.

CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. (City Manager)  
(Deferred from 4/29/14 – Item 3.4, et al, 6/3/14 – Item 3.3)

**Deferred to June 17, 2014 per Administration.**

#### **3.8 Waiver of Revolving Door Restrictions.**

**Recommendation:** As recommended by the Rules and Open Government Committee on May 21, 2014, deny a Waiver of the Revolving Door Restrictions for Council Member Campos' former Chief of Staff, Josué Garcia. (City Clerk)  
[Rules Committee referral 5/21/14 – Item G(4)]

**Deferred to June 17, 2014 per Orders of the Day.**

#### **3.9 Planning Commission Interviews and Appointments.**

**Recommendation:**

- (a) Interview five (5) applicants for appointment to the Planning Commission.
- (b) Appoint three (3) members to the Planning Commission to terms expiring June 30, 2018.
- (c) If any vacancy remains, direct the City Clerk to continue recruitment efforts and bring forward additional applicants for consideration within 90 days.

(City Clerk)

**Heard no earlier than 3:30 p.m.**

**The Applicants were interviewed.**

**Edesa Bitabadal, Edgar Abelite and Nick Pham were appointed to terms expiring June 30, 2018.**

## **4. COMMUNITY & ECONOMIC DEVELOPMENT**

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### **4.1 Special Events Ordinance.**

**Recommendation:** As recommended by the Community and Economic Development Committee on April 28, 2014, of the two proposed Special Events ordinances, adopt the revised community special events ordinance that would add Chapter 13.14, repeal Chapters 13.12, 13.16, and 13.22, and amend Chapter 13.44 of Title 13 of the San José Municipal Code, in order to establish a comprehensive permit process for outdoor special events on or at City streets, parks, paseos and plaza. CEQA: Not a Project, File No. PP10-068(c), Municipal Code amendments involving no changes to the physical environment. (City Attorney/Economic Development)

**Ordinance No. 29419 passed for publication.**

### **4.2 Administrative Hearing on and Consideration of a Planned Development Permit and Determination of Public Convenience or Necessity to Allow the Sale of Alcoholic Beverages at an Existing Retail Store.**

**Recommendation:** Conduct an Administrative Hearing on and consider a Planned Development Permit and Determination of Public Convenience or Necessity to allow the sale of alcoholic beverages for off-sale consumption at an existing 92,504 square foot retail store (Walmart) on an approximately 13.4 gross acre site in the A(PD) Planned Development Zoning District, located on the northwest corner of Almaden Expressway and Highway 85, approximately 670 feet south of Cherry Avenue, and adopt a resolution reflecting the Council's action (5095 Almaden Expressway) (John Giacomazzi, Owner). CEQA: Exempt. Planning Commission recommends approval (5-1-1). (Planning, Building and Code Enforcement)

PD14-002/ABC14-001 – District 9

**The Public Hearing was held.**

**Resolution No. 77031 adopted.**

**Noes: Campos, Chu, Kalra, Khamis, Rocha.**

## **5. NEIGHBORHOOD SERVICES**

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### **5.1 Report on Request for Proposal for the Senior Nutrition Program.**

**Recommendation:**

(a) Accept the report on Request for Proposal for Senior Nutrition Program;  
**Accepted.**

**Noes: Campos, Chu, Kalra.**

## 5. NEIGHBORHOOD SERVICES

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### 5.1 Report on Request for Proposal for the Senior Nutrition Program. (Cont'd.)

**Recommendation:**

- (b) Adopt a resolution authorizing the City Manager to:
  - (1) Negotiate and execute an agreement with Compass Group USA, Inc. (Bateman) to provide Citywide Senior Nutrition Services for an initial one-year term beginning October 1, 2014, through September 30, 2015, with a maximum compensation amount not to exceed \$1,400,000 subject to City Council appropriation of funds; and
  - (2) Execute five one (1) year options to renew the agreement, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP10-066(a), Agreements and Contracts. (Parks, Recreation and Neighborhood Services)

**Resolution No. 77032 adopted.**

**The City Manager was directed to:**

- (1) **Monitor the actions of the County related to potential additional funding for senior nutrition.**
- (2) **Reconvene the bid evaluation team to complete the evaluation of the on-site bid. To work to identify the funding to complete the gap that would be present based on that bid, the County money and the approved budget for senior nutrition. Return to the Council with the complete package for review.**
- (3) **Work with the seniors to come up with a more reliable survey process in order to evaluate the opinions related to the Senior Nutrition Program in a way that seniors are not intimidated, are able to answer honestly and may openly express how they feel about the program.**

Noes: Campos, Chu, Kalra.

### 5.2 Report on San José's Bringing Everyone's Strength Together and Mayor's Gang Prevention Task Force Programs.

**Recommendation:** As recommended by the Public Safety, Finance, and Strategic Support Committee on May 15, 2014:

- (a) Accept the Evaluation Report for FY 2012-2013 San José Bringing Everyone's Strengths Together (BEST) and the Mayor's Gang Prevention Task Force; and
- (b) Approve the Resource Allocation Plan for San José BEST and Safe Summer Initiative Grant programs for FY 2014- 2015.

CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Parks, Recreation and Neighborhood Services)

**Accepted.**

## **6. TRANSPORTATION & AVIATION SERVICES**

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### **6.1 Airport Ground Transportation Program.**

**Recommendation:** As recommended by the Transportation and Environment Committee on May 5, 2014, accept the following changes to be incorporated as part of the new Airport Ground Transportation program directive:

- (a) Accept a three year moratorium on any new taxi cab companies from servicing the City of San José; after the third year staff should determine through a “needs and necessities” process whether passenger demand supports any new taxi companies’ increase in the City of San José.
- (b) Require any new taxi companies to have a minimum three year experience operating taxis in San José before they can become qualified to service the Airport.
- (c) During the first three years of the new Airport Ground Transportation program, require any new taxi company servicing the Airport to have been DOT GPS approved either on or before March 4, 2014.
- (d) Continue to allow individuals drivers to apply for Taxi Driver permits in the City of San José.

(Airport)

**Dropped. Referred To the Transportation and Environment Committee.**

## **7. ENVIRONMENTAL & UTILITY SERVICES**

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## **8. PUBLIC SAFETY SERVICES**

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### **8.1 Continuation of Amendments to Title 20 and to Title 6 to Establish Medical Marijuana Regulations.**

**Recommendation:**

- (a) Approve an ordinance of the City of San José repealing suspended Ordinance No. 28958 except for those Sections of Title 20 of the San José Municipal Code related to Zoning Code Verification Certificates previously unsuspending by Ordinance No. 29089, and amending Title 20 by amending Section 20.10.040 of Chapter 20.10, amending Section 20.40.100 of Chapter 20.40; amending Section 20.50.100 of Chapter 20.50, amending Section 20.70.100 of Chapter 20.70, adding a new Part 9.75 to Chapter 20.80, and adding new Sections 20.100.1530, 20.100.1535 and 20.100.1540 to Part 13 of Chapter 20.100, all to establish Land Use regulations pertaining to medical marijuana collectives.

**Ordinance No. 29420 passed for publication.**

**Noes: Campos, Kalra, Rocha.**

## 8. PUBLIC SAFETY SERVICES

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### 8.1 Continuation of Amendments to Title 20 and to Title 6 to Establish Medical Marijuana Regulations. (Action Cont'd.)

- (b) Approve an ordinance of the City of San José amending Title 6 of the San José Municipal Code to add a new Chapter 6.88 to establish a registration process pertaining to medical marijuana collectives; and, to establish regulations pertaining to medical marijuana collectives and to the individual cultivation and use of medical marijuana.

**Ordinance No. 29421 passed for publication.**

**Noes: Campos, Kalra, Rocha.**

- (c) Discussion of regulating campaign contributions by medical marijuana establishments, and other regulated businesses, to political candidates.  
CEQA: Addendum to Negative Declaration File No. PP11-039 as previously addended; File No. PP14-030. Planning Commission recommends approval with modifications described in the transmittal memo. (City Manager/Planning, Building and Code Enforcement/Police)

- (1) **The memorandum from Mayor Reed, Vice Mayor Nguyen and Council Members Liccardo and Oliverio, dated May 9, 2014, was approved, approving the Administration's recommendations outlined in the Staff Report dated April 29, 2014, to amend Title 20 to establish Land Use Regulations pertaining to medical marijuana collectives and cultivation with the following modifications to:**
- (a) **Allow marijuana dispensaries and growing operations in IP Industrial Park Zoning Districts and HI Heavy Industrial Zoning Districts, while expressly prohibiting marijuana dispensaries and growing operations in the employment centers covered by the North San José Area Development Policy, The International Business Park and the Edenvale Area Development Policy.**
- (b) **Add "adult daycare centers" to the 150 foot minimum distance category.**
- (c) **Place religious assembly uses in the 150 foot category with residential uses.**
- (d) **Replace the word "schools" with "preschools, elementary schools and secondary schools".**
- (2) **The memorandum from Mayor Reed, Vice Mayor Nguyen and Council Members Liccardo and Oliverio, dated May 9, 2014, was approved, approving the Staff recommendations outlined in the Staff Report dated April 29, 2014, amending Title 6 with the additions and revisions as outlined, and with the exception of the provisions to require County-issued State ID cards, require entertainment permits for entertainment uses, prohibit self-illuminated advertising and prohibit human or mechanical sign wavers, which are referred to Staff for further study (per the City Attorney's memorandum):**

## 8. PUBLIC SAFETY SERVICES

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### 8.1 Continuation of Amendments to Title 20 and to Title 6 to Establish Medical Marijuana Regulations. (Action Cont'd.)

- (2) (a) Amend Title 6.88.010, Purpose and Intent [Page 2 of the draft ordinance] by replacing with content of Exhibit A.
- (b) Add to Part 2, Definitions [Page 3], definitions for Manufacturing and Processing. The definition for Processing should include reference to the ban on chemical processing in the California code.
- (c) Add to Title 6.88.380, Fees and Charges [Page 28], fees for inspection.
- (d) Amend Title 6.88.420, Security, Item J [Page 33] to: require 24-hour security at offsite cultivation facilities and to include the sidewalks adjacent to the collective.
- (e) Amend Title 6.88.440, Collective Operations, Item F [page 37] to read: "No persons under the age of twenty-one (21) shall be allowed at the location."
- (f) Increase the distance in Title 6.88.440, Collective Operations, Item J [Page 37] to read: "within 300 feet of the Premises and/or Location on the public-right-of-Way."<sup>1</sup>
- (g) Amend Title 6.88.450, Owner, Manager, Membership Requirements, Item A, number 3 [Page 39] to read "Be under the age of twenty-one (21)" and more clearly reflect that dispensing marijuana to minors is prohibited.
- (h) Amend Title 6.88.460, Dispensing and Packaging of Medical Marijuana, Item C [Page 42] to clarify that not only shall packaging not imitate candy, but the medical marijuana product itself shall not imitate candy.
- (i) Amend Title 6.88.700, Inspection and Enforcement, Item C [Page 48] to include provisions that samples obtained by the police will be logged and recorded in accordance with departmental standards.
- (j) Add to Title 6.88.820, Violation and Enforcement, Item A [Page SO], a provision that "any and all remedies" may include the immediate closure of the collective by the City Manager or Chief of Police for violations threatening the health and safety of patients, caregivers, employees and/or the public.
- (k) Add sections for Property Maintenance and Performance Standards, as outlined in Exhibit B.
- (l) Add a provision that, in compliance with California law, the chemical processing of concentrated cannabis is prohibited. Should State law change in the future, chemical processing will continue to be prohibited in collectives and will only be considered in offsite cultivation locations with a Hazardous Materials permit and appropriate chemical safety plan.

<sup>1</sup> Three hundred feet is the distance requirement outlined in Title 6.86.240 Performance Standards for Off-Sale Alcohol facilities.

## **8. PUBLIC SAFETY SERVICES**

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### **8.1 Continuation of Amendments to Title 20 and to Title 6 to Establish Medical Marijuana Regulations. (Action Cont'd.)**

- (2) (m) Add a provision that collective employees shall be at least twenty-one (21) years of age.

(n) Add a provision that transfers may only occur inside the premises of the collective.
- (3) The memorandum from Mayor Reed, dated May 12, 2014, was approved:

  - (a) Amend the draft ordinance Title 20.80.775, Restrictions and Conditions, Item D to read: At the time of issuance of a Zoning Code Verification Certificate, no Medical Marijuana Collective or Medical Marijuana Collective, Cultivation Site Only shall be located on a parcel of real property that is closer than a minimum of one hundred and fifty (150) feet from any residential use as measured by the foot path of travel in a straight line between the boundary lines of the parcels that are closest to one another.
  - (b) Establish the effective date of each ordinance regulating Medical Marijuana Collectives and Cultivation to be 30 days after the second reading of the ordinance.
  - (c) A collective that is:

    - (1) In possession of a valid receipt for payment of Marijuana Business Tax;
    - (2) Has no outstanding code compliance orders;
    - (3) Is eligible to register;
    - (4) Is not disqualified from registration;
    - (5) That meets the distance requirements from schools and other uses outlined in Title 20.80.775, Items A & B;
    - (6) That meets the distance requirements from residential uses in Title 20.80.775, Item D:

Shall have: 90 days from the effective date of the ordinance to apply for Zoning Verification and Registration needed to complete its registration, whether for its existing site or a new site; and one year from the effective date of the ordinance to obtain Zoning Verification and Registration and move if necessary.
  - (d) From the effective date of the ordinance, all collectives must comply with all other operational regulations (such as the prohibition of consumption onsite, in parking lots, or at neighboring properties or public right-of-way, enforcement of age limits, etc.) outlined in Title 6.
- (4) The memorandum from Council Member Rocha, dated May 12, 2014, Item (1) only: Prohibit collectives from locating in the CG Commercial General Zoning District, was approved.

## 8. PUBLIC SAFETY SERVICES

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### 8.1 Continuation of Amendments to Title 20 and to Title 6 to Establish Medical Marijuana Regulations. (Action Cont'd.)

- (5) The supplemental memorandum from Council Member Liccardo, dated May 20, 2014, was approved:
- (a) Include as sensitive uses those homeless/family shelters and drop-in service providers with the same 500-foot buffer accorded to substance abuse rehabilitation centers.
  - (b) Ensure that existing, Legal Non-Conforming (LNC) residential uses are included within the definition of "any residential use," along with the corresponding 150 foot buffer.

The following was approved:

- (6) **Distances:** For collectives located ~~on a parcel with multiple tenants~~ in a multi-tenant building that contains other occupants, the distance from nonresidential sensitive receptors shall be measured in a straight line from the parcel boundary of the sensitive receptor to the nearest exterior wall of the collective's occupied tenant space in the shared building. For collectives that are the sole occupant of the building, the distance from nonresidential sensitive receptors shall be measured in a straight line from the parcel boundary of the sensitive receptor to the nearest boundary of the collective's building envelope. The minimum distance from a collective to another collective shall be 50 feet measured in a straight line from parcel boundary to parcel boundary.
- (7) **Cash Transitions:** Cash transactions shall be allowed. Staff was directed to explore ways to encourage collectives to use financial institutions.
- (8) **Enforcement:** Staff was directed to explore options to streamline the enforcement process under Title 6 and the Marijuana Business Tax Regulations.
- (9) **Cultivation:** Amend Section 6.88.430 E to read: Only Medical Marijuana that was cultivated and manufactured by the Collective at the Collective's Premises and/or offsite Cultivation Location in strict accordance with State Law and this Chapter, may be stored and dispensed from said Premises and Location. Medical Marijuana products (including edibles and concentrates) sold in San José must be manufactured and/or processed at the Collective's Premises in San José.

Amend 6.88.435 to read:

- (1) The Cultivation Site shall be located within Santa Clara County and counties contiguous to Santa Clara County. The Cultivation Site must be in compliance with State Law and local ordinances.
- (2) A Cultivation Site that does not serve as the Collective's sole dispensing location shall not be open to the public.
- (3) The City Manager was directed to give the highest priority to issuing regulations necessary to ensure that collectives control, record and track their marijuana throughout the growing and dispensing process in accordance with State Law and the California Attorney General's guidelines.

## **8. PUBLIC SAFETY SERVICES**

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### **8.1 Continuation of Amendments to Title 20 and to Title 6 to Establish Medical Marijuana Regulations. (Action Cont'd.)**

- (10) **Evaluation:** Staff was directed to report to Council annually on the secondary impacts of medical marijuana collectives in San José.
- (11) The memorandum from Council Member Herrera, dated June 9, 2014, was referred to Staff for consideration, direction to Staff to look into the following:
  - (a) Charitable contributions by dispensaries to anti-drug nonprofits.
  - (b) A policy dedicating a percentage of the Marijuana Business Tax to address the public cost of medical marijuana dispensaries.

Noes: Campos, Kalra, Rocha.

## **9. REDEVELOPMENT – SUCCESSOR AGENCY**

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### **9.1 Redevelopment – Successor Agency on Consent Calendar.**

**Recommendation:**

- (a) Actions Related to the Assignment Agreement for the MLK Library Escrow Account.
  - (1) The Successor Agency approve an Assignment Agreement assigning to the City of San José the Successor Agency's right to meet and confer regarding the expenditure of restricted funds for capital improvements to the Martin Luther King (MLK) Library as provided under the original Development Agreement for the MLK Library and assigning to the City the Escrow Agreement and Joint Trust Fund Agreement associated with the MLK Library Escrow Account.
  - (2) The City Council approve the Assignment Agreement and accept the assignment of the Successor Agency's right to meet and confer regarding the expenditure of restricted funds for capital improvements to the MLK Library as provided under the original Development Agreement for the MLK Library and accept the Escrow Agreement and Joint Trust Fund Agreement associated with the MLK Library Escrow Account.

(Successor Agency)

[Deferred from 6/3/14 – Item 9.1(b)]

**Approved.**

- **Open Forum**  
**Tom Sawyer complained about the Fry's Aircraft night landings. Mayor Reed directed City Manager Edward K. Shikada to follow up with Mr. Sawyer.**
  
- **Adjournment**  
**The Council of the City of San José adjourned the afternoon session at 6:42 p.m.**

## 10. GENERAL PLAN PUBLIC HEARINGS

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### 10.1 Tentative approval of General Plan Consent Calendar items.

**Recommendation:**

- (a) General Plan Amendment for Dove Hill Road.  
As recommended by the Rules and Open Government Committee on April 23, 2014, direct staff to bring forward a City-initiated General Plan amendment for GP08-08-03 to change the land use designation back to Non-Urban Hillside from Public/Quasi-Public. (Herrera)

[Rules Committee referral 4/23/14 – Item G(2)]

(Continued from 5/20/14 – Item 10.1)

**Referred to Staff. Return to Council in 2015.**

**Noes: Campos, Kalra, Nguyen, Oliverio, Rocha.**

### END OF GENERAL PLAN PUBLIC HEARINGS ON CONSENT CALENDAR

### 10.2 Diridon Station Area Plan and General Plan Amendment.

**Recommendation:** Conduct a Public Hearing to consider taking the following actions:

- (a) Certify the Environmental Impact Report for the Diridon Station Area Plan, and adopt a resolution making certain findings concerning significant environmental impacts, mitigation measures and alternatives, adopting a mitigation monitoring and reporting program, and adopting a statement of overriding considerations, all in accordance with the California Environmental Quality Act (CEQA);
- (b) Approve the Diridon Station Area Plan, Implementation Strategy Report including revised shared parking policies described in the supplemental staff memo, Art Master Plan, and 10–Year Horizon Analysis to provide a framework for transforming the Diridon Station Area into a regional transportation hub, employment center, and entertainment destination; and more specifically to use the 10–Year Horizon Analysis as a guide to assess the parking needs of near term development in the Central Zone of the Plan area, to identify opportunities for shared parking, and to ensure that the parking provisions in the City of San José and San José Arena Management agreement continue to be met.
- (c) Direct Staff to pursue shared parking as a condition of development on sites that currently provide public parking within approximately one-third of a mile of the Diridon Station Area.

*(Item continued on the next page)*

## 10. GENERAL PLAN PUBLIC HEARINGS

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### 10.2 Diridon Station Area Plan and General Plan Amendment. (Cont'd.)

#### Recommendation:

- (d) Tentative approval of text amendments to the Envision San José 2040 General Plan to incorporate the Diridon Station Area Plan into the General Plan and designate it as an Urban Village, and to make the following General Plan Land Use/Transportation Diagram changes:
- (1) General Plan Amendment to change the Land Use/Transportation Diagram land use designation on a 6.06 gross acre site generally bounded by West Julian Street to the north, Stockton Avenue to the east, The Alameda to the south, and to the west approximately 180 feet from Rhodes Court, from Mixed Use Commercial to Urban Village.
  - (2) General Plan Amendment to change the Land Use/Transportation Diagram land use designation on a 6.5 gross acre site generally located on both side of West San Carlos Street between Bird and Delmas Avenues, from Neighborhood/Community Commercial to Downtown.
  - (3) General Plan Amendment to change the Land Use/Transportation Diagram land use designation on a 0.36 gross acre site generally at the northeast corner of Park and Gifford Avenues, from Neighborhood/Community Commercial to Downtown.
  - (4) General Plan Amendment to change the Land Use/Transportation Diagram land use designation on a 0.14 gross acre site generally located on the east side of Josefa Street at the terminus of Columbia Avenue, approximately 200 feet south of West San Carlos Street, from Residential Neighborhood to Downtown.
  - (5) General Plan Amendment to change the Land Use/Transportation Diagram land use designation on a 0.14 gross acre site generally located on the west side of Gifford Avenue, approximately 90 feet south of West San Carlos Street, from Residential Neighborhood to Downtown.
  - (6) General Plan Amendment to change the Land Use/Transportation Diagram land use designation on a 0.38 gross acre site generally located at the northwest corner of Auzerais and Delmas Avenues, from Neighborhood/Community Commercial on 0.13 acres and Residential Neighborhood on 0.25 acres to Downtown.
- (e) Approve the recommended actions outlined in the section of this report titled, “Coordination with San José Arena Management”.

CEQA: Diridon Station Area Plan Environmental Impact Report (File No. PP09-163) to be considered for certification and adoption. Planning Commission recommends approval (5-0-2). (Planning, Building and Code Enforcement)

(Continued from 5/20/14 – Item 10.2)

**Continued to June 17, 2014 per Orders of the Day.**

**Public comment Item 10.2 has been concluded.**

## 10. GENERAL PLAN PUBLIC HEARINGS

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### 10.3 Approve all General Plan Amendment Actions.

**Recommendation:** Adopt a resolution approving all General Plan amendment actions from both May 20, 2014 and June 10, 2014. (Planning, Building and Code Enforcement)

**Continued to June 17, 2014 per Orders of the Day.**

## 11. PUBLIC HEARINGS ON CONSENT CALENDAR

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### 11.1 Public Hearings on Consent Calendar.

**Recommendation:**

- (a) Consideration of an ordinance rezoning the real property located at the southwest corner of North 4<sup>th</sup> Street and East Saint John Street (77 North 4<sup>th</sup> Street) from CG Commercial General to DC Downtown Primary Commercial Zoning District of an approximately 0.44 gross acre site (Pittman Family Partnership, Green Valley Corporation, and Salinas Valley Corporation, Owners). CEQA: Envision San José 2040 General Plan EIR, Resolution No. 76041. Planning Commission recommends approval (7-0-0). (Planning, Building and Code Enforcement)  
C14-005 – District 3

**Ordinance No. 29422 passed for publication.**

- (b) Consideration of an ordinance rezoning the real property located at/on the south terminus of Cadwallader Avenue, approximately 1090 feet south of Prunetree Lane (4140 Cadwallader Avenue) from the A Agricultural District to the R-1-RR Residential Zoning District; there is an existing single family home on the 1.51 gross acre site. CEQA: Envision San José 2040 General Plan EIR, Resolution No. 76041. (Planning, Building and Code Enforcement)  
C14-022 – District 8

**Ordinance No. 29423 passed for publication.**

- (c) Consideration of an ordinance rezoning the real property located on the northeast corner of South White Road and Aborn Road (3290 South White Road) from the A(PD) Planned Development Zoning District to the CN Commercial Neighborhood Zoning District on an approximately 0.50 gross acre site. CEQA: Envision San José General Plan 2040 EIR, Resolution No. 76041. (Planning, Building and Code Enforcement)  
C14-023 – District 8

**Ordinance No. 29424 passed for publication.**

## **11. PUBLIC HEARINGS ON CONSENT CALENDAR**

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### **11.1 Public Hearings on Consent Calendar. (Cont'd.)**

**Recommendation:**

- (d) Consideration of an ordinance rezoning the real property located on the southwest corner of Ridder Park Drive and Schallenberger Road (750 Ridder Park Drive) from the HI Heavy Zoning District to the CIC Combined Industrial/Commercial Zoning District to allow industrial/warehouse uses on the approximately 35.67 gross acre site. CEQA: Envision San José 2040 General Plan EIR, Resolution No. 76041. (Planning, Building and Code Enforcement)  
C14-025 –District 3  
**Ordinance No. 29425 passed for publication.**

**END OF THE PUBLIC HEARINGS ON CONSENT CALENDAR**

## **11. PUBLIC HEARINGS**

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### **11.2 Rezoning the Real Property Located on the West Side of Almaden Expressway at the Southern Terminus of Brasilia Way.**

**Recommendation:**

- (a) Adopt a resolution adopting the Mitigated Negative Declaration for the Brasilia Way Residential Development Project and a related Mitigation Monitoring and Reporting Program.  
**Resolution No. 77033 adopted.**  
**Noes: Kalra.**
- (b) Consideration of and vote on a Majority Protest to Rezoning PDC12-018 filed pursuant to Part 5 of Chapter 20.120 of Title 20 (Zoning Code) to protest a rezoning to the A(PD) Planned Development Zoning District on a 7.5 gross acre site located on the west side of Almaden Expressway at the southern terminus of Brasilia Way (5827 Brasilia Way).  
**Approved. (11-0.)**

*(Action Continued on the Next Page)*

## 11. PUBLIC HEARINGS

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### 11.2 Rezoning the Real Property Located on the West Side of Almaden Expressway at the Southern Terminus of Brasilia Way. (Cont'd.)

- (c) Consideration of an ordinance rezoning the real property located on the west side of Almaden Expressway at the southern terminus of Brasilia Way (5827 Brasilia Way) from the A(PD) Planned Development Zoning District to the A(PD) Planned Development Zoning District to allow for the development of up to 10 single-family detached residences on an approximately 7.95 gross acre site (Brasilia LLC, Owner).

CEQA: Mitigated Negative Declaration to be considered for adoption. (Planning, Building and Code Enforcement)

PDC12-018 – District 10

**The memorandum from Mayor Reed, Council Members Khamis and Rocha, dated June 6, 2014, was approved, approving the Staff recommendations (a) and (b) above, and (c) with the following modifications:**

- (1) Incorporate project design changes as detailed in the supplemental Staff Report which will result in protection of 48 of the existing 55 native oak trees on the property. As described in the project documentation the property owner will also be adding 34 native oak trees to the site for a net gain of 27 oak trees.**
- (2) Modify structure at Lot 1 for a three story structure to a two story structure to provide more consistency with nearby existing home sites and provide a visual “step-up” to the other new homes to be constructed at the base of the hill.**
- (3) Modify structure at Lot 5 from a three story structure to a two story structure to provide more consistency with nearby existing home sites and provide a visual “step-up” to the other new homes to be constructed at the base of the hill.**
- (4) Accept the property owner’s office to partner with the District 10 Council Office and community organizations to improve and maintain landscaping and provide long desired “gateway” signage for the median barrier across from the proposed development.**

**Ordinance No. 29426 passed for publication, as amended.**

**Noes: Kalra.**

### 11.3 Historic Landmark Designation for “Century 21 Theatre.”

**Recommendation:** Conduct a Public Hearing and adopt a resolution designating the “Century 21 Theatre” located on the south side of Olsen Drive, approximately 500 feet west of Winchester Boulevard (3161 Olsen Drive), as a City Landmark of special historic, architectural, cultural, aesthetic or engineering interest, or value of a historic nature. CEQA: Exempt, File No. HL14-212. (Planning, Building and Code Enforcement)  
HL14-212 – District 1

**The Public Hearing was held.**

**The memorandum from Council Member Rocha, dated June 9, 2014, was approved, accepting the Staff recommendations.**

**Resolution No. 77034 adopted.**

**Noes: Constant, Khamis, Oliverio; Reed.**

## 11. PUBLIC HEARINGS

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### 11.4 Rezoning the Real Property Located at the Northeast Corner of Park Avenue and Laurel Grove Lane.

**Recommendation:**

- (a) Adopt a resolution adopting the Mitigated Negative Declaration for the Park Avenue Senior and Multi-Family Housing Project and a related Mitigation Monitoring and Reporting Program.
- (b) Consideration of an ordinance rezoning the real property located at the northeast corner of Park Avenue and Laurel Grove Lane (777 Park Avenue) from the A(PD) Planned Development Zoning District to the A(PD) Planned Development Zoning District to allow up to 182 multi-family attached units on 2.14 gross acres site (County of Santa Clara Housing Authority, Owner).

CEQA: Mitigated Negative Declaration to be considered for adoption. Planning Commission recommends approval (5-0-2). (Planning, Building and Code Enforcement) PDC13-012 – District 6

**Item 11.4 was dropped and deferred to August 5, 2014 per Orders of the Day. Staff was directed to notify the Applicant.**

**(6-4-1. Noes: Kalra, Liccardo, Nguyen, Rocha. Absent: Herrera.)**

### 11.5 Rezoning the Real Property Located on the West Side of Lincoln Avenue Approximately 500 Feet South of Auzerais Avenue.

**Recommendation:**

- (a) Adopt a resolution adopting the Mitigated Negative Declaration for the 505 Lincoln Avenue Residential Project and a related Mitigation Monitoring and Reporting Program.  
**Resolution No. 77035 adopted.**
- (b) Consideration of an ordinance rezoning the real property located at the west side of Lincoln Avenue, approximately 500 feet south of Auzerais Avenue (505 Avenue) from the IP – Industrial Park and A(PD) Planned Development Zoning Districts to the A(PD) Planned Development Zoning District to allow a 5-story building with up to 190 multi-family residential units on a 2.94 gross acre site (SI 52 LLC, Owner).

CEQA: Mitigated Negative Declaration to be considered for adoption. (Planning, Building and Code Enforcement)

PDC13-046 – District 6

**Ordinance No. 29427 passed for publication.**

## 11. PUBLIC HEARINGS

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### 11.6 Planned Development Permit and Rezoning the Real Property Located on the Norwest Corner of Nortech Parkway and Disk Drive.

#### **Recommendation:**

- (a) Consideration of an ordinance rezoning the real property located on the northwest corner of Nortech Parkway and Disk Drive (25 Nortech Parkway) (State Street Bank and Trust, Owner) from the A(PD) Planned Development Zoning District to the A(PD) Planned Development Zoning District to allow a reduction in the vehicle and bicycle parking requirements for a previously approve Planned Development Zoning (File PDC99-054).

**The memorandum from Mayor Reed, dated June 9, 2014, was approved, accepting the Staff recommendations as described.**

**Ordinance No. 29428 passed for publication.**

**Noes: Campos, Chu, Kalra, Nguyen, Rocha.**

- (b) Consideration of a Planned Development Permit to allow the construction of three single-story manufacturing buildings totaling 563,760 square feet on a 35.57 gross acre site.

CEQA: Addendum to the Cisco Site 6 EIR, North San José Area Development Policy EIR, and the Envision San José 2040 General Plan EIR. (Planning, Building and Code Enforcement)

PDC14-004/PD14-007 – District 4

**Approved.**

**Noes: Campos, Chu, Kalra, Nguyen, Rocha.**

- **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>
10250	Northeast Corner of Juliet Park Drive and Rosemar Avenue	5	Rosemar Court 7, LLC	6	SFD

- **Open Forum**

**There was no public testimony.**

- **Adjournment**

**The Council of the City of San José was adjourned at 1:11 a.m. in memory of Tennis Coach Don Johnson, who passed away on the May 10, 2014. In 1976 Don created a National Junior Tennis League program for San José and was an excellent Tennis Coach for over 25 years. (Liccardo)**

**JOINT CITY OF SAN JOSE / SAN JOSE FINANCING AUTHORITY AGENDA**

**3:09 P.M.**

**TUESDAY, JUNE 10, 2014**

**CHAMBERS**

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*Heard Immediately Following Item 3.6.*

- 1. Call to Order and Roll Call**  
**Absent Council Members: Chu. (Excused)**
- 2. City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2008F – Airport West Property Approval of Direct Placement with Bank of America.**

**Recommendation:**

- (a) Adopt a resolution of the City Council approving and authorizing the negotiation, execution and delivery of a Continuing Covenant Agreement with Bank of America National Association relating to the City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2008F (Land Acquisition Refunding Project), approving and authorizing the execution and delivery of a Second Amendment to General Sublease Agreement and a Second Amendment to Site and Facility Lease relating thereto, and authorizing other related actions.

**Resolution No. 77023 adopted.**

**Noes: Oliverio.**

- (b) Adopt a resolution of the City of José Financing Authority Board approving and authorizing the negotiation, execution and delivery of a Continuing Covenant Agreement with Bank of America National Association relating to the City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2008F (Land Acquisition Refunding Project), approving and authorizing the execution and delivery of an Amended and Restated Indenture of Trust and a Second Amendment to General Sublease Agreement, a Second Amendment to Site and Facility Lease and a Memorandum of Assignment and Termination relating thereto, and authorizing other related actions.

CEQA: Not a Project, PP10-069, City organizational and administrative activities.  
(Finance)

**SJFA Resolution No. 125 adopted.**

**Noes: Oliverio.**

- 3. Open Forum**  
**There were none.**

**Mayor Reed adjourned the Joint/San José Financing Authority at 3:10 p.m.**