



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Leslye Krutko

SUBJECT: SEE BELOW

DATE: June 5, 2007

Approved

Kay Winer

Date

6/8/07

COUNCIL DISTRICT: City-wide
SNI AREA: NA

SUBJECT: APPROVAL OF AN AMENDMENT TO THE HOUSING SERVICES PARTNERSHIP CONTRACT TO EMERGENCY HOUSING CONSORTIUM LIFEBUILDERS, SACRED HEART COMMUNITY SERVICE, AND INNVISION THE WAY HOME, TO PROVIDE SERVICES TO THE HOMELESS POPULATION AND TO THOSE AT RISK OF HOMELESSNESS IN THE CITY OF SAN JOSE, AND APPROVAL OF AN INCREASE IN FUNDING.

RECOMMENDATION

It is recommended that the City Council adopt a resolution:

- a) Approving a 12-month extension to the Housing Services Partnership contract to provide homeless services on behalf of the City from July 1, 2007 through June 30, 2008;
- b) Approving an increase in the Housing Services Partnership contract amount from \$2,247,879 to \$3,532,822 to cover the cost of services provided through June 30, 2008;
- c) Authorizing the Director of Housing to negotiate and execute all necessary documents.

OUTCOME

The approval of an amendment to the existing contract with the Housing Services Partnership (HSP) will ensure the uninterrupted provision of needed services for the homeless and those at risk of becoming homeless. The increase in funding will allow HSP to better meet the needs of homeless families and individuals and those at risk of homelessness, and expand job referral services.

June 5, 2007

Subject: Approval of a 12-month amendment to the Housing Services Partnership Contract and Approval of Increase in Funding.

Page 2 of 4

BACKGROUND

On September 9, 2003, the Mayor and City Council adopted a Ten-Year Homeless Strategy with the goal of ending chronic homelessness in San José. The Plan included a number of programs and policies designed to improve the current assistance system to enable the homeless population to move from the streets to permanent housing. The Strategy included measures to enhance the quality of “wraparound services”, the diverse range of supportive and social services often required to enable homeless individuals and families to successfully transition to stable housing.

On August 11, 2004, the City issued a Request for Proposals (RFP) for services to be provided on behalf of the City to the homeless and those at risk of homelessness in San José. The services included: homeless prevention counseling, financial assistance, case management, and permanent housing placement. Initially two nonprofit agencies, Emergency Housing Consortium LifeBuilders (EHC) and InnVision the Way Home (InnVision), submitted separate responses to the RFP. After review and evaluation of the proposals, the Housing Department determined that a collaboration of the two agencies could better meet the needs of the target population than either of the independent proposals. Department staff met with representatives of the agencies and negotiated a three-agency partnership that also included Sacred Heart Community Service (SHCS) in an innovative collaboration that offers greater accessibility to services for those in need. The three agencies created a new partnership, the Housing Services Partnership, to deliver the range of services the City required.

On January 25, 2005, the City Council approved the selection of EHC, InnVision, and SHCS, working together under one contract, to provide homeless services on behalf of the City. The initial contract ran from February 1, 2005 through June 30, 2006 at a total cost of \$1,034,167, with an annualized cost of \$730,000. On May 30, 2006, the City Council approved a twelve-month amendment to allow the HSP contract to run through June 30, 2007, along with an increase in the contract to \$2,247,879 to cover the cost of services over the year.

ANALYSIS

The existing HSP contract period expires June 30, 2007. Rather than publishing a new RFP, Housing staff is proposing an extension of the current contract for the following reasons:

1. The HSP contract incorporates three major agencies offering the range of services required in San José;
2. HSP is an innovative collaboration that aligns with the City’s Homeless Strategy to streamline access to homeless services;
3. Experience over the two contract periods indicates that the HSP collaboration can offer convenient, coordinated, and unduplicated services in a manner that no single agency can provide; and
4. The issuance of a new RFP at this time would create the potential for the interruption of needed services for persons who are homeless or at risk of homelessness.

HONORABLE MAYOR AND CITY COUNCIL

June 5, 2007

Subject: Approval of a 12-month amendment to the Housing Services Partnership Contract and Approval of Increase in Funding.

Page 3 of 4

Under the current agreement, the three HSP agencies provide rental and move-in assistance, security deposits, housing search, intake, referrals, counseling, transportation assistance, life skills and budget management coaching, computer training, and fiscal administration at an annual cost of \$1,213,712. Since the program's inception, HSP has assisted over 16,500 families and individuals obtain or maintain their housing.

During the current contract period, Housing Department staff regularly met with the HSP program managers to review the program policies, procedures, performance measures, reporting requirements, and staffing needs. One of the key changes to the HSP that came out of those discussions is the addition of an Employment Specialist who will coordinate all employment related activities including connecting clients with employment opportunities. The Housing Department will conduct a program evaluation after six months to evaluate the effectiveness of the program followed by the issuance of a new RFP.

Attachment A details the costs associated with the services provided as they were approved by the City Council for FY 2006-2007 and the proposed amounts for the requested contract extension. The proposed contract extension will increase the annual contract amount by \$1,284,943, and will allow the HSP to continue to provide assistance. Because the participating organizations were unable to recover additional indirect administrative and program expenses related to the HSP program such as office supplies, occupancy costs, and other related costs, staff is recommending \$43,681 be added to the budget to cover these services.

To augment the HSP program, the City applied for and has been recommended to receive a grant from the Santa Clara Valley Transportation Authority. The \$60,000 grant will provide \$20,000 a year for three years for a pilot program to provide auto repair assistance to households with transportation needs associated with employment, medical care or education. If approved by the Santa Clara County Board of Supervisors and the Valley Transportation Agency in September 2007, this program will also be administered by the HSP.

PUBLIC OUTEACH

The original RFP in August 2004 was made available to all members of the Santa Clara County Collaborative on Affordable Housing and Homeless Issues (the "Collaborative"), which includes over 130 member agencies (government, private and nonprofit services providers and housing developers.)

COORDINATION

This report has been prepared in coordination with the Office of the City Attorney.

HONORABLE MAYOR AND CITY COUNCIL

June 5, 2007

Subject: Approval of a 12-month amendment to the Housing Services Partnership Contract and Approval of Increase in Funding.

Page 4 of 4

FISCAL/POLICY ALIGNMENT

Funding for this proposal is consistent with the Council approved Budget Strategy memo adopted on February 4, 2003, and with the 10-Year Homeless Strategy to End Chronic Homelessness, approved by the City Council on September 9, 2003.

COST SUMMARY/IMPLICATIONS

There are no fiscal impacts to the City arising from this proposal. Funding is from the Housing Trust Fund (Fund 440). Attachments A and B provide budget detail for the proposal.

BUDGET REFERENCE

| Fund # | Appn # | Appn. Name | Total Proposed Appn | Amt. for Contract | Proposed Budget Page | Proposed Budget Action (Date, Ord. No.) |
|--------|--------|------------------------------|---------------------|-------------------|----------------------|---|
| 440 | 3358 | Housing Services Partnership | \$1,285,200 | \$1,284,943 | XI-41 | 6/19/07 |

CEQA

N/A (Not a project)


LESLYE KRUTKO
Director of Housing

For questions please contact Leslye Krutko, Director of Housing, 535-3851.

Attachment A and B

The following table represents the breakdown of costs associated with the services provided as they were approved in the HSP extended contract for FY 2006-2007, and the proposed amounts for the requested contract extension.

| <i>Staffing Costs</i> | | | | |
|---------------------------------|---|---------------------------------|---|----------------------------------|
| | <i>Current Structure</i> | <i>Current Annualized Costs</i> | <i>Proposed Structure</i> | <i>Proposed 2007-2008 Budget</i> |
| EHC Lifebuilders | 2.0 Case Manager 1.0 Receptionist 0.5 Supervision | \$201,578 | 2.0 Case Manager 1.0 Receptionist 0.25 Supervision | \$195,331 |
| InnVision | 1.0 Case Manager 0.25 Supervision | \$67,434 | 1.0 Case Manager 0.25 Supervision | \$70,806 |
| Sacred Heart Community Services | 1.0 Housing Specialist 0.25 Supervision | \$81,600 | 1.0 Housing Specialist 1.0 Employment Specialist 0.5 Supervisor | \$139,125 |
| Subtotal | | \$350,612 | | \$405,262 |

| <i>Direct Program Costs</i> | | | | |
|-----------------------------|--|---------------------------------|--|----------------------------------|
| | <i>Current Structure</i> | <i>Current Annualized Costs</i> | <i>Proposed Structure</i> | <i>Proposed 2007-2008 Budget</i> |
| Direct Financial Assistance | 1,121 households at maximum \$700 each | \$700,000 | 1,100 households at maximum \$800 each | \$760,000 |
| Transportation Services | | \$72,000 | | \$72,000 |
| Subtotal | | \$700,000 | | \$832,000 |

June 5, 2007

Subject: Approval of a 12-month extension to the HSP Contract and Approval of Increase in Funding.

Page 2 of 2

| <i>In-Direct Program Costs</i> | | | | |
|-------------------------------------|--|---------------------------------|--|----------------------------------|
| | <i>Current Structure</i> | <i>Current Annualized Costs</i> | <i>Proposed Structure</i> | <i>Proposed 2007-2008 Budget</i> |
| Program Expenses (EHC & SHCS) | Postage, equipment maintenance, check purchases, etc. (SHCS) | \$4,400 | Postage, equipment maintenance, check purchases, office supplies, etc. | \$14,333 |
| Occupancy expenses (EHC) | | \$0 | Utilities, janitorial, other building related expenses | \$4,180 |
| Administrative Indirect Costs (EHC) | | \$0 | Related overhead and administrative costs | \$29,168 |
| Subtotal | | | | \$47,681 |
| Program Total | | | | \$1,284,943 |



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Joseph Horwedel
Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: June 6, 2007

Approved

Ray Warner

Date

6/10/07

COUNCIL DISTRICT: 2
SNI AREA: None

SUBJECT: THIRD AMENDMENT TO THE AMENDED AND RESTATED FUNDING AND REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF SAN JOSE AND COYOTE HOUSING GROUP LLC REGARDING THE COYOTE VALLEY SPECIFIC PLAN AND RELATED ENVIRONMENTAL DOCUMENTS AND REGULATORY PERMITS AND ADOPTION OF 2007-2008 APPROPRIATION ORDINANCE AND FUNDING SOURCES RESOLUTION AMENDMENTS IN THE GENERAL FUND.

RECOMMENDATION

It is recommended that the City Council take the following actions to continue funding for the preparation of the Coyote Valley Specific Plan, and its related environmental documents and regulatory permits:

- a. Approve the Third Amendment to the Amended and Restated Funding and Reimbursement Agreement with Coyote Housing Group, LLC for the work associated with the preparation of the Coyote Valley Specific Plan, related environmental documents, and regulatory permits to extend the term from June 30, 2007 to December 31, 2007 including a provision for the Director of the Planning, Building and Code Enforcement to extend the terms in writing by one additional six (6) month increment; and increase the amount of funding to cover staff and consultant costs through December 31, 2007 by approximately \$1.25 million for a total of \$17.20 million.
- b. Approve minor amendments to the agreements between the City and Dahlin Group, KenKay Associates, Economic and Planning Systems, Apex Strategies, David J. Powers and Associates, Wetland Research Associates, Schaaf and Wheeler, Hexagon Transportation Consultants, ENGEO, Basin Research Associates and Lowney Associates to extend the term

of each of the agreements from June 30, 2007 to December 31, 2007 including a provision for the Director to extend the terms in writing by one additional six (6) month increment.

- c. Adoption of a resolution authorizing the Director of Planning, Building and Code Enforcement to negotiate and execute a Consultant Agreement between the City and HMH Engineers for \$50,000 for consultant services for the CVSP for the term of December 31, 2007, including a provision for the Director of Planning, Building and Code Enforcement to extend the term in writing by one additional six (6) month increment.
- d. Adopt a resolution authorizing the Director of Planning, Building and Code enforcement to send out a Request for Qualifications for the development of form-based zoning to implement the CVSP for an amount not to exceed \$83,600.
- e. Adoption of a resolution authorizing the City Attorney to negotiate and execute a Consultant Agreement between the City and Cox, Castle and Nicholson for consultant services on the Coyote Valley Specific Plan for \$270,000 for the term of January 1, 2007 through December 31, 2007, including a provision for the City Attorney to extend the term in writing by one additional six (6) month increment
- f. Adopt the following amendments to the 2007-2008 annual Appropriation Ordinance and Funding Sources Resolution Amendments in the General Fund as follows:
 1. Increase the City-Wide appropriation for the Coyote Valley Specific Plan by \$1,250,000; and
 2. Increase earned revenue from Other Revenue by \$1,250,000.

OUTCOME

The desired outcomes associated with the actions listed above are the provision of additional resources for staff and consultants to continue work on the preparation of the Coyote Valley Specific Plan and related documents, including the Draft Environmental Impact Report (DEIR). Approval of the recommendation would provide additional funding from the Coyote Housing Group to continue the project through December 31, 2007, the anticipated completion date. The consideration of this amendment and associated actions gives the Council an opportunity to take the necessary action to provide the required funding to continue the specific plan process.

EXECUTIVE SUMMARY

Staff recommends the approval of the recommended third amendment to the CVSP funding agreement (i.e., Amended and Restated Funding and Reimbursement Agreement) in order for staff and consultants to continue work on the CVSP documents including the specific plan itself and its EIR. This amendment would enable the Coyote Housing Group to provide funds

sufficient to cover the plan preparation costs from July 1, 2007 to December 31, 2007, which is the target time for completing the specific plan process.

The new appropriation of approximately \$1.25 million that is being requested with this amendment would ensure the availability of funds to continue the planning effort.

BACKGROUND

In August 2002, the Mayor and City Council initiated the preparation of a specific plan for Coyote Valley, an area consisting of 7,000 acres of mostly undeveloped land in the southern reaches of the City of San Jose just north of the City of Morgan Hill. It is presently divided into three sub-areas according to the San Jose 2020 General Plan: the North Coyote Valley Campus Industrial area, the mid-Coyote Urban Reserve, and the Coyote Greenbelt to the south.

With the initiation, the City Council adopted 16 vision and outcomes statements for Coyote Valley consistent with the San Jose 2020 General Plan (http://www.sanjoseca.gov/coyotevalley/docs/Council%20Vision%20and%20Expected%20Outcomes_4-29-2005_revised.pdf). Pursuant to this Council's Vision, the Coyote Valley Specific Plan will identify the location and intensity of land uses, plan for infrastructure and community service needs, formulate financing and implementation programs, and determine the phasing of the plan elements, as necessary.

In February 2003, the City Council approved the Mayor's Budget Strategy memorandum, setting forth specific guidance to control costs. With respect to long-range land use planning, the direction was "to defer or suspend advance land use planning efforts without outside funding." Per this Council direction, Planning staff and the City Attorney's Office negotiated a funding agreement with self-selected Coyote Valley property owners who volunteered to finance the preparation of the Coyote Valley Specific Plan and its related environmental documents and regulatory permits. This voluntary property owner group is called the Coyote Housing Group, LLC. The City Council approved the original funding agreement on June 24, 2003, an Amended and Restated agreement on June 7, 2005, the First Amendment to the Amended and Restated agreement on June 27, 2006 and the Second Amendment to the Amended and Restated agreement on August 29, 2006.

ANALYSIS

Planning staff have assessed the scope of services and associated costs for the consultants to continue work on the CVSP and related environmental studies, and determined that an extension is necessary for several reasons. The Draft EIR circulation period ends June 29, 2007, and staff will need to respond to all comments utilizing the services of consultants. The contracts with these consultants will expire June 30, 2007. To respond promptly and thoroughly to comments, the Funding Agreement extension, associated consultant funding, and contract extensions are required.

In addition, based on the findings of the EIR, staff is working with the consultants, Task Force, and community to refine the Coyote Valley Specific Plan to further reduce and avoid environmental impacts. Staff anticipates that the majority of the Task Force work and CVSP process could conclude by December 31, 2007, assuming that there is not a need to re-circulate the CVSP EIR.

The First Amendment was approved in June 2006 with a limited scope to provide a only a portion of the plan preparation costs regarding staff and related non-personal expenses through August 2006. The Second Amendment provided additional funds for staff and some consultants through June 2007. The Third Amendment will provide additional funds for staff and some consultants through December 2007. Other CVSP consultants have sufficient resources in their budgets to complete their services, but still require contract extensions.

Since the First and Second Amendments, staff has worked with CHG on the additional costs required to complete the project. The appropriation adjustment recommended in this memorandum will cover 6 months (including a provision for the Director of Planning, Building and Code Enforcement to extend the term by one additional six (6) month increment) of staff costs and limited augmentations to certain consultants, totaling \$1.25 million. The amendment also establishes a schedule of payments by CHG to the City for the full payment of \$1,250,000.

The extra consultant costs mostly results from the services that are required to complete the specific plan, the EIR and related documents due to the extraordinary complexity and the need for updated infrastructure costs and plan refinements. Additional funding may be required in the future related to the completion of the CVSP and the forthcoming EIR comments. In terms of staff, a majority of the costs are in the Department of Planning, Building and Code Enforcement because Planning staff is managing and leading this effort. Additional funding is provided to cover the necessary staff costs from the Departments of Public Works and Transportation, who continue to be intimately involved throughout the planning process. In addition, participation from other City Departments is expected to continue, and funds are identified to pay for their costs as well. The additional \$1.25 million requested includes \$1,000,000 for staff work, \$200,000 for legal services and \$50,000 for engineering services.

The consultant agreement between the City and Crawford and Multari and Clark Associates for zoning services has been terminated due to unforeseen health circumstances of a key staff member, and authorization is being requested for the Director of Planning to send out a Request for Qualifications for form-based zoning services for an amount not to exceed \$83,600. Given the City's procurement process, the completion of the zoning work would likely follow the completion and Council consideration of the CVSP, expected in December 2007.

POLICY ALTERNATIVES

If the City Council wishes to continue with the Coyote Valley process, there appears not to be any practical alternative to the proposed Third Amendment to cover the costs of staff, consultants and related non-personal expenses for the CVSP.

PUBLIC OUTREACH/INTEREST

The Coyote Valley Specific Plan effort involves extensive community outreach, as well as discussions with many other governmental agencies. To date, the Task Force has met more than 50 times. There have also been several well-attended community workshops, Technical Advisory Committee meetings consisting of staff from public and non-governmental agencies, and various other focus group and technical sub-committee meetings.

- √ **Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

Though the City is being reimbursed for the over \$17.20 million dollar cost of preparing the specific plan by CHG, staff has determined that the project meets the spirit of Criteria 1 because of the extraordinary complexity and high degree of public interest involved in it. For this reason all Council memoranda and project documents are posted on a dedicated CVSP website at <http://www.sanjoseca.gov/coyotevalley/>.

The Coyote Valley Specific Plan effort involves extensive community outreach, as well as discussions with many other governmental agencies. To date, the Task Force has met more than 50 times. There have also been several well-attended community workshops, Technical Advisory Committee meetings consisting of staff from public and non-governmental agencies, and various other focus group and technical sub-committee meetings.

COORDINATION

The preparation of this memorandum has been coordinated with the City Attorney's Office. The Specific Plan effort involves almost all City Departments and many outside local, state, and federal agencies, including but not limited to the Santa Clara Valley Water District, Valley Transportation Agency, and the United States Army Corps of Engineers.

FISCAL/POLICY ALIGNMENT

The Coyote Valley Specific Plan is intended to implement the San Jose 2020 General Plan.

COST SUMMARY/IMPLICATIONS

The cost of preparing the Coyote Valley Specific Plan, EIR, and other regulatory documents is entirely funded by the CHG.

BUDGET REFERENCE

| Fund # | Appn # | Appn Name | Total Appn | 2007-2008 Proposed Operating Budget (Page) |
|--------|--------|-------------------------------------|-------------|--|
| 001 | 3243 | Coyote Valley Specific Plan and EIR | \$2,006,000 | N/A* |

* Funding was budgeted in 2006-2007, but was recommended for rebudget into 2007-2008, as a part of the Recommended Amendments to the 2007-2008 Proposed Operating and Capital Budget Manager's Budget Addendum. The 2007-2008 Operating Budget and the implementing appropriation ordinance and funding sources resolution are anticipated to be approved by the City Council on June 19, 2007.

CEQA

Exemption, PP03-06-211.



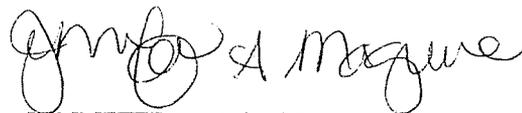
JOSEPH HORWEDEL, DIRECTOR
Planning, Building and Code Enforcement



JENNIFER A. MAGUIRE
Assistant Budget Director

For questions please contact Laurel Prevetti, Assistant Director of Planning, Building and Code Enforcement at 408-535-7901.

I hereby certify that there will be available for appropriation in the General Fund monies in the Fiscal Year 2007-2008 monies in excess of those heretofore appropriated there from, said excess being at least \$1,250,000.



JENNIFER A. MAGUIRE
Assistant Budget Director



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Joseph Horwedel

SUBJECT: Envision San José 2040
General Plan Update
Work Program

DATE: June 4, 2007

Approved

Date

COUNCIL DISTRICT: Citywide
SNI: All

RECOMMENDATION

The City Council initiate the Envision San José 2040 General Plan Update by approving the proposed Guiding Principles, Work Program, and Community Participation Program

OUTCOMES

The approval of the above actions will begin the process to update the San José 2020 General Plan, the City's long-range planning document to guide the future growth and development of the City, leading to the adoption of the proposed Envision San Jose 2040 General Plan.

EXECUTIVE SUMMARY

This memorandum describes the proposed Envision San Jose 2040 General Plan Update process, including the proposed Guiding Principles, Work Program, and Community Participation Program. The discussion of the proposed Work Program includes the overview of the work program and schedule, and sections addressing Key Questions to Focus the General Plan Update process, and Key Issues Not a Part of the General Plan Update, including implications for the Coyote Valley Specific Plan process. The discussion of the Community Participation Program addresses the proposed Envision San Jose Committee, Public Workshops and the Public Outreach Plan.

BACKGROUND

On May 3, 2007, the City Council held a Study Session to review information necessary to facilitate the initiation of the proposed Envision San José 2040 General Plan Update. This

memorandum presents the proposed Guiding Principles, Work Program, and Community Participation Program for Council approval.

Study Session Comments

At the Study Session, the City Council provided a number of comments to help guide the formation of the General Plan Update process. They included the following:

- The draft work program framework anticipated an approximate three-year process. The Council recommended developing a process that can be completed in approximately two years, with a draft General Plan completed by August, 2008.
- The Council encouraged identifying aspects of the General Plan that do not need significant review, including such topics as Specific Plans and Area Development Policies that meet current and future General Plan and other City policies.
- The Council confirmed that the seven Major Strategies contained in the San José 2020 General Plan continue to represent the appropriate framework for the future growth of the City. In addition, the Council agreed that topics including enhanced sustainability, cultural diversity, social equity, fiscal stability, and accountability should be addressed in the Guiding Principles and considered for inclusion in the Major Strategies in the Updated General Plan.
- In regards to community participation, the Council comments included the following:
 - Provide multi-lingual services, as necessary to ensure inclusion and representation of the various ethnic groups in the City
 - Identify clear roles, responsibilities and expectations for an Advisory Committee
 - Explore methods to consolidate and use existing community contact lists to build a comprehensive public outreach database
 - Consider conducting a scientific survey to help identify and validate community values and vision for the future of San José.

ANALYSIS

Proposed Guiding Principles

As mentioned above, at the May 3 Study Session the Council confirmed that the seven Major Strategies contained in the San José 2020 General Plan continue to represent the appropriate framework for the future growth of the City. These strategies are: Economic Development, Growth Management, Downtown Revitalization, Urban Conservation/Preservation, Greenline/Urban Growth Boundary, Housing and Sustainable City. The Council agreed that topics including enhanced sustainability, cultural diversity, social equity, and fiscal stability should be addressed in the Guiding Principles and considered for inclusion in the Major Strategies in the Updated General Plan. Attachment A includes the proposed Guiding Principles for the Envision San José 2040 General Plan Update.

The proposed Sustainability Guiding Principle expands on the General Plan Sustainable City Major Strategy by acknowledging and incorporating the City's ongoing efforts to implement the Urban Environmental Accords, adopted by the City Council in November 2005, which address a comprehensive range of sustainability factors, including energy, waste reduction, urban design, urban nature, transportation, environmental health and water resources.

A new topic to be included in the Guiding Principles is Social Equity, which states that the City should "cultivate ethnic, cultural and socio-economic diversity and equity in the planning for all public facilities and services to protect and enhance the quality of life for all San José residents." This concept follows the lead of the City's successful Strong Neighborhoods Initiative process to promote inclusiveness and participation in the decision-making process and equity in the provision of City facilities and services.

These Principles should be adopted by the City Council and used throughout the General Plan Update process to guide discussions and decisions. In particular, the work of the Advisory Committee will be shaped and guided by these principles.

Proposed Envision San José 2040 General Plan Update Work Program

Work Program Overview

The proposed Envision San José 2040 General Plan work program is divided into two primary phases. Phase I comprises the fundamental work elements necessary to shape the updated General Plan, including:

- Analyzing existing conditions and future projections
- Conducting issue identification and community visioning workshops,
- Developing and selecting a preferred alternative for the future growth of the City.

Phase I is anticipated to conclude with Council direction on a preferred land use alternative in approximately September 2008.

Phase II of the work program will consist of:

- Comprehensively reviewing and refining all General Plan Goals and Policies
- Drafting the updated General Plan text
- Preparing the General Plan Draft Environmental Impact Report (DEIR).

Phase II will conclude with Planning Commission public hearings on the DEIR and Draft Plan and City Council public hearings and adoption of the Envision San José 2040 General Plan in approximately February 2010. The proposed Work Program Schedule is shown graphically in Attachment B. A detailed list of the tasks included in each phase of the work program is included in Attachment C.

Project Schedule

The entire Envision San José 2040 process is anticipated to occur over a two and a half year period. The Advisory Committee timeframe would be roughly two years. As noted above, the primary process and decision-making for the updated General Plan will occur in Phase I, to be completed in September 2008. Given the proposed outcomes and scope of Envision San José 2040, the complexity of issues involved and the level of public participation both expected and desired, staff believes that the proposed schedule incorporates the minimum necessary timeframe practical for completion of the process. Each task in the work program builds upon the work completed in the previous task. For example, the issue identification and community vision creation are critical to the development of alternatives. The thoroughness and quality of the work and outreach conducted for each task will affect the outcome and quality of work in subsequent tasks. Further compression of the schedule will not provide adequate time for either City Departments or community-wide input on the development of the content and direction of the plan, while also permitting the thorough analysis needed by decision makers to make informed decisions.

Key Questions to Focus the General Plan Update Process

There are a number of key questions that will form the focus for the development of the updated General Plan. They follow closely the proposed Guiding Principles, and are as follows:

1. Future Growth Projections

- How much projected job, population and housing growth will San Jose need to accommodate?
- How do San Jose's projected growth rates relate to that of the greater Bay Area region?

2. Land Capacity

- How much and what type of land will be required to accommodate future new employment, housing and all other uses anticipated?
- How much land is currently available, both vacant and underutilized, in the San Jose 2020 General Plan?
- What are the current and future trends and projections for the types and intensity of employment and housing development expected?
- What amount and type of land will be required for all uses and activities, including commercial, recreational, schools, churches, etc?
- What is the realistic holding capacity of the South Almaden Valley Urban Reserve (SAVUR)?
- Verify the location of the 15% Slope Line to confirm those areas considered appropriate for future urban development

3. Infrastructure and Services

- What is the current status of the City's infrastructure capacity and service levels?
- What is the level of unfunded capital infrastructure needs and deferred maintenance?
- What are the projected infrastructure needs and service level expansions required to serve both the existing community and projected new growth?

- What are the projected services needs of other public and outside agencies, e.g., schools, healthcare, etc.?
- 4. Economic and Fiscal Analysis
 - How do the projected infrastructure and service level demands of the updated General Plan impact the City's economic and fiscal health and stability?
 - What are the economic and fiscal implications of the proposed mix of land uses?
- 5. Environmental Resources
 - How can the General Plan protect, restore and enhance San Jose's environmental assets, e.g., habitat protection, energy conservation, green building practices?
- 6. Social Equity
 - How can General Plan policies support social equity?
- 7. Proposed Envision 2040 General Plan Land Use Plan
 - What is the optimum land use plan and capacity to accommodate projected future growth in the manner that most effectively achieves the Guiding Principles?
 - How much growth can/should occur in transit corridors, other infill locations and the urban reserves?
 - What are the existing infrastructure capacities available/needed to serve transit corridors, other infill locations, and the urban reserves?

Answering these questions within the compressed timeframe recommended by the City Council will be challenging and complex, requiring a combination of significant staff and professional consultant analysis, on-going community participation and dedicated involvement by the Advisory Committee and the City Council.

Key Issues Not a Part of the General Plan Update

Due to the proposed compressed timeframe of the General Plan Update, several issues are not proposed for inclusion in the General Plan Update process, including:

- Expansions of the Urban Growth Boundary and Urban Service Area
- Revisions to the Coyote Valley Urban Reserve Prerequisite Conditions (triggers):
 1. Five thousand (5,000) new jobs are added, as evidenced by the issuance of building permits sufficient to accommodate such growth, to the 2,000 existing jobs (1990) in the North Coyote Valley Campus Industrial Area as part of a continuing demonstrated interest in North Coyote Valley as a location for industrial development.
 2. The City's fiscal condition is stable, predictable and adequate in the long term. This determination should be based on:
 - A five year economic forecast for the City which projects a balanced budget or budget surplus for each of the forecast years.
 - City services must be at least at the same level as they were in 1993, throughout the City. At least the following quantifiable services should be considered in this

assessment: police response time, police personnel per capita, fire response time, fire personnel per capita, library books per capita, library floor space per capita, hours open at Main and branch libraries, and community center floor space per capita.

- Reasonable certainty that the City's basic fiscal relationship with the state or other levels of government will not be significantly altered during the period of the five year economic forecast.
- Revisiting Specific Plans/Area Plans
- Architectural/Urban Design and Community Character Policy enhancements
- Historic Preservation Policy and Surveys

Implications for the Coyote Valley Specific Plan (CVSP)

Staff is continuing its work on the Coyote Valley Specific Plan. The language in the San Jose 2020 General Plan states “*the Prerequisite Conditions (triggers) should only be modified during a comprehensive update of the General Plan involving a community task force similar to the San Jose 2020 General Plan update process.*” The project description in the CVSP Draft Environmental Impact Report (DEIR) includes a General Plan text amendment to modify the purpose of the existing triggers and their timing to allow the City Council to adopt a CVSP and Planned Community designation without having to first meet the triggers. This text amendment would not change the Prerequisite Conditions themselves, but would rather change the timing of when those conditions are to be met. This means that the specific plan could be adopted, but no residential development could be approved prior to satisfying all the triggers.

As noted above, any proposed changes to the Prerequisite Conditions can only be considered during the General Plan Update, per the San Jose 2020 General Plan. In addition, any proposed change to the 25,000 dwelling unit and 50,000 job minimum development capacities proposed for the CVSP should only occur during the General Plan Update. Neither of these issues is currently included in the General Plan Update Work Program. Staff is recommending that the Work Program not include either item. If the City Council would like to consider changes to either or both of these topics, then they should be incorporated into the General Plan Update Work Program and schedule, and work on the CVSP process should be suspended until the conclusion of the Update process.

Continued Processing of Privately-Initiated General Plan Amendments

In order to accomplish the proposed work program and schedule, processing of individual privately-initiated General Plan Amendments will not be referred to the General Plan Update and should proceed during the General Plan Amendment hearing process.

Outcomes of the Envision San José 2040 General Plan Update

The proposed Envision San José 2040 work program is designed to achieve the following outcomes:

- A Plan that will guide the City towards the realization of San José as a diverse and vibrant World Class City

- A Plan that provides a blueprint to accommodate future population and economic growth, while at the same time improving the quality of life for current and future residents and achieving environmental and fiscal sustainability for the City
- A Plan that cultivates the unique character of the many communities within San Jose by providing greater livability and identity within a citywide perspective
- A public educated on the importance and role of the General Plan, and strongly supportive of and invested in the Plan's vision, guiding principles, and goals and polices
- A General Plan that is a comprehensive and strategic Plan for the whole City organization, integrating decisions on land use and community development with those by all City Departments on the development of infrastructure and the provision of services
- A policy document that includes innovative and effective, yet feasible, goals and polices to implement the identified vision of the City in 2040. Goals and policies will include those that address the City's service and infrastructure needs, environmental sustainability and resources conservation, quality of life and the shape of future development.
- A Plan that establishes accountability measures to track progress and achievement of Guiding Principles, Major Strategies and Goals established in the General Plan Update.

Community Participation Program

The two goals of the Community Participation Program are:

- Achieve active, consistent community participation with significant involvement and guidance for the General Plan Update.
- General Awareness of the General Plan Update throughout San Jose with ample opportunities to participate throughout the process in a meaningful way

The core components of the community participation program are the proposed Envision San Jose Committee, the Public Workshop Series, the Public Outreach Plan and the Envision San José 2040 website. Each of these is described below.

Envision San Jose Committee

Community input and guidance on the development of the General Plan Update should be lead by the Envision San Jose Committee, an advisory committee selected by the Mayor and City Council. The Envision San José Committee will be responsible for providing input and direction on the key policy decisions leading to the development of the content of the Plan. The Committee will make recommendations to the Planning Commission and the City Council on the preferred land use alternative and the Draft General Plan. In making recommendations and in working with staff on the direction and content of the plan, the Committee will review and consider input provided by the general public at the Public Workshops, through the website, or

through other venues. Committee meetings will occur approximately monthly and will be open to the public and the public will have an opportunity to participate in these meetings.

The Envision San Jose Committee should represent the wide range of community interests and cultural and ethnic diversity that make-up San José. This should include community representatives from each Council District and members representing various interests in the City including neighborhood, business, environmental, affordable housing, development, and other community organizations. The Committee should also include a representative from the City's Youth Commission and representation from San José State University and the School Districts. The Envision San José Committee is proposed to be led by a Chair and a Co-Chair. A proposed composition of this Committee is shown in Attachment D.

Public Workshop Series

The primary opportunity for public input will be the Public Workshop Series. Throughout the process, Public Workshop Series are planned at key points in the process. Each Workshop Series will include five workshops to be held at different locations throughout the City. The following four Workshop Series are proposed:

- City Vision and Issue Identification Workshop
- Alternatives Review and Selection Workshop
- Existing Conditions/Alternatives Development
- Goals and Policies Review and Development Workshop
- Review of Draft General Plan and EIR Workshop

Each of these Workshop Series will include a component to engage youth in the process. Furthermore, workshops will be held for Spanish and Vietnamese speakers, either as part of the larger General Public Workshops, or as stand-alone workshops. Staff will work with the Spanish and Vietnamese speaking communities to identify the most effective approach.

Public Outreach Plan

Developing a Public Outreach Plan that effectively reaches all of San José's diverse communities will be one of the first tasks of the Update Process. Staff will work with community leaders to identify the best approach for each community, building on the many suggestions collected during the Early Community Outreach process. Opportunities for community participation, particularly the public workshops, will be advertised in multiple local newspapers and public service announcements will be developed for airing on local television and radio stations, including the San José public access channel. Staff will also work with the media to develop stories on the General Plan to further public interest and participation in the process. Other likely tactics will include inserting Envision San José Workshop announcements in resident's utility bills and posting/distributing Workshop Announcements at community centers, libraries and schools. All outreach materials will inform the public that they can also participate in the process by providing input on the website.

A key piece of the public outreach "infrastructure" is the development of a Public Outreach Database. This effort will build upon the database managed by the Neighborhood Development

Center and currently being updated by the City Manager's Office. Staff will also coordinate with the Council Offices to ensure that this database integrates the outreach databases from each Council Office, as appropriate. The database will be updated on a regular basis to add names of individuals attending the public workshops, committee meetings, or providing input through the website. The primary outreach mode will be through E-mail. However, staff will also maintain a mailing database of individuals not able to access E-mail and who provide mailing addresses.

Envision San José 2040 Website

The other key vehicle for public participation in General Plan Update is the Envision San José 2040 website. The website, already in operation, will be used to inform the public of upcoming meetings and workshops and provide updates on the status of the Update process. Furthermore, all public meeting and workshop agendas, materials, products and summary notes will be posted on the website. This website, however, is not only proposed to disseminate information, but will facilitate participation in the process by members of the public, who either cannot or choose not to attend meetings and workshops. This website is proposed to include web versions of all Public Workshop exercises and offer the opportunity to submit comments on the process, thereby facilitating broader and more diverse public participation. Staff is exploring online surveying tools to assist in the update process.

Conclusions/Next Steps

Upon Council approval of the recommended actions, Planning Staff will immediately commence Task A, in Phase I, Project Initiation, with the limited staff resources currently allocated, pending adoption of the FY2007-08 Budget and authorization to begin recruitment of the additional staff proposed to create the full General Plan Update Team.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater.
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City.
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may Community group that requires special outreach.

Significant public outreach has occurred. Twenty-five public meetings were scheduled throughout the community. All meetings were included on the Planning website Community Calendar. The calendar was also distributed through the Neighborhood Development Center E-mail distribution. In addition, the Envision San José 2040 General Plan Update website is being kept current with materials describing the process.

BUDGET IMPLICATIONS

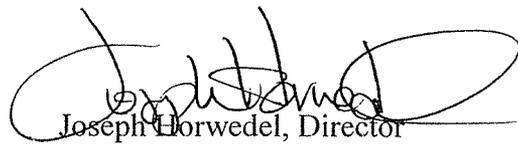
The proposed Operating Budget contains funding for staffing and consultant resources for the General Plan Update. The start of the General Plan Update would occur assuming the proposed funding is approved as a part of the Budget process in June.

COORDINATION

Preparation of this memorandum was coordinated with the City Attorney's Office. If the General Plan Update is initiated, staff will continue working with all City Departments and begin coordination with other agencies regarding the General Plan Update.

CEQA

Not a Project



Joseph Horwedel, Director
Planning, Building and Code Enforcement

For questions please contact Stan Ketchum, Principal Planner, at 535-7876.

ATTACHMENT A

Guiding Principles

Economic Development – Maximize the economic and revenue generation potential of the City's land resources and employment opportunities for San Jose residents.

Growth Management – Balance the urban services and facilities demands of new development with the need to address the City's fiscal stability through the operating and capital budget process.

Downtown Revitalization – Invigorate Downtown as San Jose's cultural center with a mix of housing, employment, convention and visitor amenities, museums, parks, linkages to San Jose State University, etc.

Urban Conservation/Preservation – Protect and enhance San Jose's neighborhoods and historic resources to promote community identity and pride.

Greenline/Urban Growth Boundary – Preserve land that protects water, habitat, and agricultural resources and/or offers recreational opportunities, as well as to preserve the scenic backdrop of the hillsides surrounding San Jose.

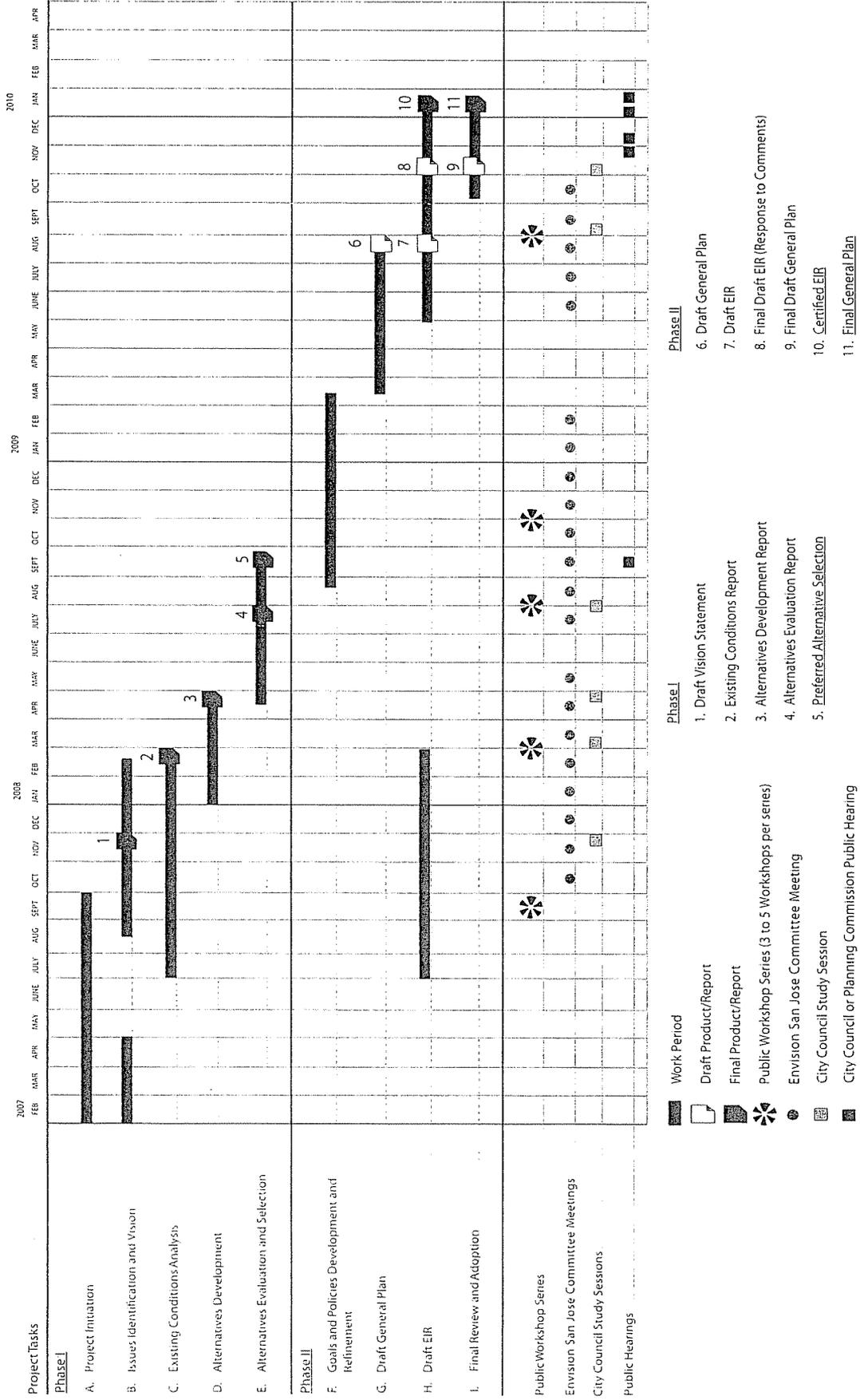
Housing – Provide a wide variety of housing opportunities to meet the needs of all economic segments of the community in stable neighborhoods.

Sustainability – Manage, conserve and preserve natural resources for present and future generations. Identify opportunities to enhance the City's sustainability policies through the implementation of the Urban Environmental Accords.

Social Equity - Cultivate ethnic, cultural and socio-economic diversity and equity in the planning for all public facilities and services to protect and enhance the quality of life for all San Jose residents.

Attachment B

PROPOSED ENVISION SAN JOSE 2040 PROJECT SCHEDULE



ATTACHMENT C

ENVISION SAN JOSE 2040 GENERAL PLAN UPDATE WORK PROGRAM SUMMARY

PHASE I

Task A. Project Initiation

1. Work Program Refinement
 2. Identification of City staff Technical Advisory Committees
 3. Existing Data Collection
 4. Selection of Envision San Jose Committee
 5. Development of Public Outreach Strategy and Database
 6. Refinement of General Plan Update Website
 7. Selection of Consultants
-

Task B. Issue Identification and Vision

1. Initial Stakeholder Outreach
 2. Public Workshop Series #1 – Issue Identification and Vision
 3. Draft Vision Statement
-

Task C. Existing Conditions Analysis

1. Demographic and Employment Trend Analysis
 2. Existing Land Use and Community Character
 3. Housing Conditions and Needs Assessment
 4. Employment Lands Needs Assessment
 5. Assessment of San Jose 2020 General Plan Population/Employment “Holding” Capacity
 6. Transportation Facilities and Traffic Conditions
 7. Public Facilities and Services
 8. Utilities
 9. Historic and Cultural Resources
 10. Biological Resources
 11. Noise and Air Quality
 12. Hazards and Hazardous Materials
 13. Hydrology and Water Quality
 14. Water Supply Assessment
 15. Geology and Soils
 16. Fiscal and Economic Analysis
 17. Recommendation for Fiscal Sustainability
-

Task D. Alternatives Development

1. Public Workshop Series #2 – Development of Alternatives
 2. Alternatives Development Report
-

Task E. Alternatives Evaluation and Selection

1. Economic/Fiscal Evaluation of Alternatives
 2. Circulation Evaluation of Alternatives
 3. Overall Assessment of Alternatives for Consistency with Vision and Guiding Principles
 4. Public Workshop Series #3 – Alternatives Evaluation and Selection
 5. Planning Commission Hearing on Alternatives Selection
 6. City Council Hearing on Alternatives Selection
 7. Selection of Preferred Land Use Alternative
-

ATTACHMENT D

Envision San Jose 2040 General Plan Update

Stakeholders Groups Proposed for Inclusion on the Envision San Jose Committee

Note: Proposed stakeholder groups are in bold.

Potential organizations and interest groups that could represent these groups are also included below.

- 1) **Community Representative from each Council District**
- 2) **Neighborhood Organizations**
 - a. Strong Neighborhoods Initiative Representative
 - b. United Neighborhoods of Silicon Valley
- 3) **Business**
 - a. Chambers of Commerce
 - b. Silicon Valley Leaderships Group
 - c. Downtown Association
 - d. Home Builders Association
 - e. American Institute of Architects
 - f. National Association of Industrial and Office Properties
 - g. Light/Heavy Industrial Business and/or Property Owner
- 4) **Community Based Organizations**
 - a. Salvation Army
 - b. League of Women Voters
- 5) **Education**
 - a. San Jose State University
 - b. School Districts
- 6) **Youth**
 - a. Youth Commissioner
- 7) **Planning Commissioner**
- 8) **Other City Commissions/Committees**
 - a. Parks and Recreation Commission
 - b. Housing and Community Development Advisory Commission
 - c. Historic Landmarks Commission
 - d. Bicycle and Pedestrian Advisory Committee
 - e. Arts Commission
- 9) **Other Interest Groups**
 - a. Environmental Interest Group
 - b. Affordable Housing
 - c. Labor
 - d. Faith Organizations
 - e. Health Industry



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Joseph Horwedel

SUBJECT: SEE BELOW

DATE: June 11, 2007

Approved

Ray Winter

Date

6/11/07

COUNCIL DISTRICT: 3

SUBJECT: APPROVAL OF REFUND OF CONSTRUCTION TAXES RECEIVED FOR CERTAIN PROJECTS IN THE PARK CENTER PLAZA, PUEBLO UNO AND SAN ANTONIO PLAZA REDEVELOPMENT PROJECT AREAS

RECOMMENDATION

It is recommended that the San Jose City Council approve refunds to Block 3 Development Partners (\$977,225.87) and Wilcox Block LLC (\$51,050.57) in a total amount of \$1,028,276.44 for construction taxes erroneously collected pursuant to certain sections the San Jose Municipal Code.

OUTCOME

Approval of the refunds will allow staff to process a refund of taxes paid in error on two construction projects in Downtown.

BACKGROUND

Construction taxes are excise taxes that have been imposed by the City Council to fund specific city operations as set forth in Title 4 of the San Jose Municipal Code. San Jose has four different construction taxes:

- Building and Structure Tax
- Commercial-Residential-Mobilehome Park Building Tax
- Construction Tax
- Residential Construction Tax

HONORABLE MAYOR AND CITY COUNCIL

June 11, 2007

Subject: Refund of Construction Taxes for Certain Projects in Redevelopment

Project Areas

Page 2

Each of the above construction taxes are assessed at the time of Building Permit issuance. However, the Municipal Code also provides that certain Redevelopment Project Areas are exempt from these taxes for the new construction which is: 1) done subject to and in accordance with the redevelopment plan for the project area and 2) part of the initial development of the site under the redevelopment plan. The exemption does not apply to any subsequent construction of the property or to any repairs/alterations. This exemption for certain Redevelopment Project Areas remains in effect until the termination of that redevelopment plan.

The Municipal Code identifies that the tax exemption applies to new construction in three specific Redevelopment Project Areas: Pueblo Uno, Park Center Plaza, and San Antonio Plaza. The redevelopment plans in these areas expire:

- Park Center Plaza – January 1, 2012
- Pueblo Uno – July 8, 2018
- San Antonio Plaza – January 1, 2012

In June 2006, the City Council adopted a claims presentation and processing ordinance, which was added as Chapter 4.82 to the Municipal Code, requiring claimants seeking a tax refund to file their claims within one year of the date of payment to the City. The claimant is required to file his or her claim with the City official charged with the requirements for administering the tax. In this instance, the Director of Planning, Building & Code Enforcement (PBCE) is the City official charged with collecting the construction taxes. The Director of PBCE is authorized to allow, compromise, or settle a tax refund claim if the claimant has demonstrated that all or a portion of the amount claimed has been overpaid, paid more than once, or has been erroneously or illegally collected or received by the City and the amount to be refunded does not exceed \$25,000, and up to \$50,000 with the consent of the City Attorney. In the event the amount to be paid exceeds \$50,000, the approval of the City Council is required.

ANALYSIS

In May 2007, four new construction projects were identified as being charged certain construction taxes over the previous 12 months although they qualified the construction tax exemption as outlined above. These projects include:

- Bijan Bakery (170 South Market Street)
- Tower 88 (88 East San Fernando Street)
- 360 Residences Sales Office (170 South Market Street)
- Wilcox Block (99 South First Street)

Each of these four projects have filed the appropriate claim with the Building Official and PBCE staff have determined that these projects are eligible for a refund based on the exemption outlined in Section 4.47.085 of the Municipal Code. The aggregate amount due to the projects is \$1,079,509.93. A break out of the refund is provided in Attachment A.

HONORABLE MAYOR AND CITY COUNCIL

June 11, 2007

Subject: Refund of Construction Taxes for Certain Projects in Redevelopment

Project Areas

Page 3

As the Director of PBCE and the City Attorney have authority to settle two of the four claims, City Council approval of the recommended action would allow staff to finalize the refunds for Block 3 Development Partners and Wilcox Block LLC.

PUBLIC OUTREACH/INTEREST

This report meets Criteria 1 outlined below as it involves the use of public funds in an amount exceeding \$1 million.

- ✓ **Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. (Required: Website Posting)
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. (Required: E-mail and Website Posting)
- Criteria 3:** Consideration of proposed changes to service delivery, programs, or staffing that may have impacts to community services and have been identified by staff, the Board or Council, or a community group that requires special outreach. (Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)

COORDINATION

This Council report has been coordinated with the City Attorney's Office, General Counsel's Office, Redevelopment Agency, and City Manager Budget Office.

COST IMPLICATIONS

Appropriation action recommendations to provide funds for the above referenced refunds are included in the 2006-2007 Year End Clean-up memorandum agendized for City Council consideration on June 19th (Item 3.5). These actions include the establishment of Refund to Developer appropriations in the Construction Excise Tax Fund (CRMP - \$662,000), the Building and Structure Construction Tax Fund (\$380,000), Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District 3 (\$25,000), and the Residential Construction Tax Contribution Fund (\$15,000). Corresponding reductions to the Ending Fund Balances in each of these funds were recommended to offset these costs. There were no resulting impacts to capital projects in the 2007-2008 capital budget. Impacts on the out-year of the Capital Improvement Program will need to be reevalated in the coming year.

HONORABLE MAYOR AND CITY COUNCIL

June 11, 2007

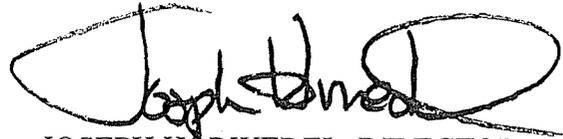
Subject: Refund of Construction Taxes for Certain Projects in Redevelopment

Project Areas

Page 4

CEQA

Not a project.

A handwritten signature in black ink, appearing to read "Joseph Horwedel", written in a cursive style.

JOSEPH HORWEDEL, DIRECTOR
Planning, Building and Code Enforcement

For questions, please contact John Ruch, Acting Division Manager – Building Department at (408) 535-6876

Attachment A – Tax Refund Table

ATTACHMENT A

CONSTRUCTION TAX REFUNDS FOR CERTAIN PROJECTS IN THE PARK CENTER PLAZA,
PUEBLO UNO, AND SAN ANTONIO PLAZA REDEVELOPMENT PRJOECT AREAS

| Applicant | Address | Building & Structures Tax | CRMP Commercial | CRMP Residential | Construction Tax District 3 | Residential Cosntruction Tax | Total |
|------------------|--------------------|------------------------------|--------------------|---------------------|--------------------------------|------------------------------------|-----------------------|
| Bijan Bakery | 170 Market Street | 5,746.69 | 11,493.37 | | 50.24 | | \$17,290.30 |
| Block 3 Partners | 88 San Fernando | 345,433.02 | 235,384.86 | 357,878.07 | 24,345.92 | 14,184.00 | \$977,225.87 |
| Mesa Development | 170 Market Street | 11,314.40 | 22,628.79 | | | | \$33,943.19 |
| Wilcox Block | 99 S. First Street | 17,016.86 | 34,033.71 | | | | \$51,050.57 |
| TOTAL | | | | | | | \$1,079,509.93 |



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Albert Balagso

**SUBJECT: PARKS, RECREATION AND
NEIGHBORHOOD SERVICES
2007-2008 AGREEMENTS**

DATE: 06-04-07

Approved

Ray Winer

Date

6/10/07

COUNCIL DISTRICT: Citywide

SNI AREA: N/A

RECOMMENDATION

Adoption of a resolution authorizing the City Manager to negotiate and execute all of the following agreements, subject to the appropriation of funds by City Council, and on such terms and conditions as deemed appropriate by the City Manager:

- (a) Agreements and amendments to agreements, for Parks, Recreation and Neighborhood Services Department (PRNS) programs identified on the attachment, consistent with the amounts budgeted for these programs in the adopted budget for 2007-08; and
- (b) Agreements and amendments to agreements, accepting grant funds from the County of Santa Clara (County) for provision of mental health services and senior nutrition programs, in amounts consistent with budgeted amounts in the adopted budget for 2007-08; and
- (c) A three-month extension of the agreement with the County of Santa Clara of the Senior Nutrition Agreement into the first three months of FY 2007-08 and to accept grant funds for that period in amounts consistent with budgeted amounts in the adopted budget for FY 2007-08, until a new agreement for 2007-08 is finalized with the County; and
- (d) A second amendment to the County of Santa Clara (County) 2001-02 Mental Health agreement to accept addition funding of \$85,828 due to an underpayment to the City which was identified through County's audit-reconciliation of records; and
- (e) Designate the Director of Parks, Recreation and Neighborhood Services to negotiate and execute all contracts and amendments in 2007-08 related to the following grant programs for that period in amounts consistent with budgeted amounts in the adopted budget for 2007-08, and further authorizing the Director to execute amendments to the following grant agreements during the FY 2007-08, subject to appropriation of funds by City

Council: Bringing Everyone's Strengths Together (BEST), Healthy Neighborhood Venture Funds (HNVF) and San José After School Program (SJAS).

OUTCOME

By delegating to the City Manager the authority to negotiate and execute these contracts, the process of making funding available to the recipients will be expedited. Additionally, City Council and staff time that would usually be required throughout the organization to prepare and review individual memos for these agreements will be significantly reduced.

BACKGROUND

In response to the City Council and City Manager's interest in accelerating the City's administrative processes, including the contract process, PRNS has been preparing this Council Memorandum annually since 1999. PRNS is again seeking authorization to negotiate and execute 2007-08 agreements. This authorization will allow execution of agreements during the City Council's July recess. These agreements either expire June 30, 2007 or will need to be executed sometime during the fiscal year.

ANALYSIS

The City contracts with community-based organizations, school districts, and other parties for various programs administered by PRNS. These programs provide services that support the livability of neighborhoods, offer opportunities for individuals to enjoy life, and strengthen communities of people within San José. The City also contracts with the County to receive funds for the provision of senior nutrition services and for the Grace Community Center program for mentally disabled adults.

The funding for these agreements is both ongoing, as in the case of programs added to the base budget, or one-time, and the City is interested in processing these agreements in a timely manner.

In a number of cases, the amount to be paid or be received by the City through these contracts exceeds the City Manager's contract authority. By delegating to the City Manager the authority to negotiate and execute these contracts, the process of making funding available to the recipients will be expedited. Additionally, City Council and staff time that would usually be required throughout the organization to prepare and review individual memos for these agreements will be significantly reduced.

The proposed contracts and the corresponding compensation to be paid by the City with 2007-08 funds or to be received by the City are identified in the attachment. At the time this memorandum is being written, the final budget for 2007-08 has not been adopted by the City Council. In the event the amounts specified for these contracts change in the final budget, the contracts would reflect the amount specified in the final budget and corresponding appropriations. The City Manager shall have the authority to accept from the County funds

exceeding the figures identified in the attachment for the specified programs and purposes identified in the attachment under the heading "Compensation Paid to City of San José," provided that the City Manager determines that the City is able to provide the services and comply with any additional requirements associated with the increased grant funds. The City Manager shall process any required budgetary adjustments and appropriation actions resulting from a deviation in the amounts actually received from the County for such programs.

PRNS is also seeking authority for the City Manager or his or her designee, to sign amendments to all of the agreements covered by this memorandum. The City Manager or designee may only exercise such amendment authority if the contract, as amended, is consistent with the approved budget and further provided that City Council has taken all appropriation actions necessary to fulfill the terms of the amended contract.

Consultant Agreements that require compliance of Ordinance No. 27136 (which amended the preference in the award of contracts for local and small businesses) have not been included in this memorandum.

PUBLIC OUTREACH

- ✓ **Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

While the majority of the contracts listed on the attachment are far below the \$1 million threshold, there are a few that meet the Criteria 1 requirements. The attachment also lists the total budget for each grant program, which does exceed \$1 million. RFP's were published via website posting for the three grant programs, i.e. BEST, HNVF, and SJAS. The \$2.1 Million HNVF Grant Agreement for the Children's Health Initiative was recommended during the HNVF Advisory Committee's two publicly-noticed meetings as well as posted on the PRNS Website.

Additionally, the grant award to be received from the County of Santa Clara for the City's Senior Nutrition Program and subsequent agreement as well as the funds to be accepted from the Santa Clara County Open Space Authority meet or exceed \$1 million which, by definition of Criteria 1 requires website posting. These items will be posted by the Office of the City Clerk on the City's website.

HONORABLE MAYOR AND CITY COUNCIL

06-04-07

Subject: Parks, Recreation and Neighborhood Services 2007-2008 Agreements

Page 4

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, City Manager's Office and the City Manager's Budget Office.

COST IMPLICATIONS

The agreements cited in the attachment are funded in the FY 2007-08 Proposed Operating Budget.

CEQA

Santa Clara County Open Space Authority - Willow Glen Spur Trail Project: PP02-12-370

All remaining items on attachment: Not a Project.



ALBERT BALAGSO
Director of Parks, Recreation
and Neighborhood Services

Attachment

ATTACHMENT

| AGREEMENT | DESCRIPTION | PROPOSED 2007-08 BUDGET |
|---|--|--|
| Bring Everyone's Strengths Together (BEST) Grant Agreements | Provide BEST grant funds to selected qualifying community based organizations and other agencies. | \$3,000,000 |
| Catholic Charities of Santa Clara County Agreement | Operate programs at the Washington Youth Center. Catholic Charities was selected through an RFP process. | \$435,500 |
| Children's Health Initiative (HNVF) | To provide health insurance to uninsured children in the City of San Jose. | \$2,100,000 |
| Community Crime Prevention Associates (CCPA) | To evaluate and provide technical assistance to the San José BEST service providers, the Mayor's Gang Prevention Taskforce and the Safe School Campus Initiative. | \$130,000 |
| Grace Baptist Church (Lease Agreement) | Lease of space, including church and adjacent building for operation of the Grace Community Center for a term beginning 7/1/2007 through 6/30/2008 | \$117,000 |
| Healthy Neighborhood Venture Fund Agreements | Provide HNVF grant funds to selected qualifying community based organizations and other agencies. | \$4,026,944 |
| Kids Love Soccer | Instructor Agreement to provide soccer instruction at various community centers for 2007-08/2008-09 (two year agreement). | \$500,000 |
| Mexican American Community Services Corporation (MACSA) | For the operation of the MACSA Youth Center | \$275,162 |
| San José After School Agreements | Provide funding to school districts and other agencies where youth may receive services which may include homework assistance, tutoring, other academic and cultural enrichment, recreation and nutrition. | \$2,465,000 |

| AGREEMENT | DESCRIPTION | PROPOSED 2007-08 BUDGET |
|---|---|---|
| San José Conservation Corps Agreement | Assist in removal of graffiti from private property. | \$103,531 |
| Skyhawks | Provide summer sports camps at various community centers and other locations throughout the City for a two year agreement beginning in FY 07-08 (6/1/08 – 5/31/10). | \$500,000 |
| <u>Compensation paid to the City of San Jose</u> | | |
| Corporation for National and Community Services Grant Application and Agreement | Submit grant application for the 2008-09 FY (which is due for submittal during the 2007-08 FY) and accept grant funds and negotiate and execute all agreements consistent with budgeted amounts if grant is awarded for provision of the Senior Companion Program | \$130,309 |
| County of Santa Clara Agreement for Mental Health Services | Joint provision of mental health services at City's Grace Community Center. | City estimates receipt of up to \$594,899 |
| County of Santa Clara Agreement for Senior Nutrition Program | Joint provision of a nutrition program for seniors. | City estimates receipt of up to \$1,100,000 |
| Santa Clara County Open Space Authority (OSA) | To accept funds from OSA for the Willow Glen Spur Trail Project to acquire parcels required for future development of a trail system along a former railway alignment | \$1,000,000 |



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Albert Balagso

SUBJECT: SEE BELOW

DATE: 05-29-07

Approved

Kay Wm

Date

6/8/07

COUNCIL DISTRICT: 7
SNI AREA: N/A

SUBJECT: AUTHORIZATION FOR THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT FOR CONSTRUCTION OF THE SAFETY IMPROVEMENT PROJECT AT LOS LAGOS GOLF COURSE

RECOMMENDATION

Adoption of a resolution authorizing the City Manager to negotiate and execute an agreement with Los Lagos Golf Course, LLC, for the construction of the Safety Improvement Project at Los Lagos Golf Course in the amount not to exceed \$1,958,125.

CEQA: File No. PP06-102

OUTCOME

Approval of the Safety Improvement Project will result in providing improved perimeter protection at Los Lagos Golf Course through the construction of perimeter netting along holes numbers 6, 17, and 18.

BACKGROUND

In April 2002, the City of San José entered into an Operation and Maintenance Agreement (Agreement) with the operator of Los Lagos Golf Course, Los Lagos, LLC, (Operator) to maintain, operate and manage the facility. On November 4, 2003, the City and Operator entered into a First Amendment to the Agreement to clarify the procedures for the Operator's implementation of certain capital improvements at the golf course. The Agreement, as amended,

provides that the City may authorize the Operator to manage, on behalf of the City, the design and construction of the improvements at the golf course.

Since the golf course opened, there have been approximately 80 claims filed from homeowners surrounding the golf course related to errant golf balls striking their personal property. A number of course modifications have already been implemented to deter golf balls from leaving the course:

- A protective fence was added to the 18th tee, 6th tee, and 13th green
- Signage guiding tee shots and informing players of their responsibility for errant shots was added to the 1st, 6th, 10th, 13th, 17th and 18th tees
- Aiming posts were added to fairways Nos. 6, 17 and 18
- Mowing patterns were changed to visually orient player's hitting direction

Additionally, Parks, Recreation and Neighborhood Services (PRNS) in collaboration with the Operator desire to construct a perimeter netting project that will further reduce problems caused by errant golf balls.

ANALYSIS

In order to implement the Safety Improvement Project, the City wishes to enter into an Agreement with the Operator to manage the construction of the proposed perimeter netting project.

The proposed project includes netting installed the length of the holes along the perimeter of the golf course. This includes holes number 6, 17 and 18. The purpose of the netting is to decrease the number of golf balls that leave the course. A ball trajectory study was conducted in 2006-07 by a consultant as part of the project design and it was determined that the netting heights would vary from 60 to 140 feet in order to deter all but the most extreme hit ball.

In accordance with the Operator's Agreement, as amended, the Operator is authorized to manage this construction project. The Operator shall follow all requirements of the Agreement with respect to the construction of the Safety Improvement Project including following the City's requirements for bidding and providing performance and payment bonds for the construction project. All contractors must comply with the City's bidding, insurance, bonding and prevailing/living wage requirements.

The City and Operator may also agree that the Operator will receive a fee for management of the Safety Improvement Project provided that the Operator's fee does not exceed 15% of the total cost of the project, excluding contingency and fees for City review and inspection.

The proposed project will commence during the summer and fall with the project bidding in July, and construction starting in September and finishing in December.

PUBLIC OUTREACH / INTEREST

- ✓ **Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. (Required: Website Posting)
- ☐ **Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. (Required: Email and Website Posting)
- ☐ **Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. (Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)

Criteria 1 applies to this project as the use of public funds is then \$1 million and will be posted to the City's website prior to the City Council Meeting. Additionally, PRNS will be conducting a community meeting to outline the project in detail once the final design has been determined.

COORDINATION

Preparation of this project has been coordinated with the City Attorney's Office, Public Works, and Planning, Building, and Code Enforcement.

FISCAL / POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy to continue with capital investments that spur construction spending in the local economy. The project also aligns with the Council-approved *Greenprint for Parks and Community Facilities and Programs* goal of providing safe recreational facilities.

COST SUMMARY / IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$1,958,125
2. SOURCE OF FUNDING: 391 – Construction and Conveyance Tax Funds – Parks City-Wide
3. FISCAL IMPACT: The proposed operating and maintenance costs of this project have been reviewed and it has been determined that the project will have no significant adverse impact on the General Fund operating budget.

BUDGET REFERENCE

| Fund # | Appn # | Appn. Name | Total Appn | Amt. for Contract | 2006-2007 Adopted Budget Page | Last Budget Action (Date, Ord. No.) |
|--|--------|---|-------------|-------------------|-------------------------------|-------------------------------------|
| Current Funding Available FY2006-07 | | | | | | |
| 391 | 5612 | Los Lagos Golf Course Safety Improvements | \$1,000,000 | \$958,125 | Page V-548 | |
| Proposed Funding in FY2007-08 | | | | | | |
| 391 | 5612 | Los Lagos Golf Course Safety Improvements | \$1,000,000 | | Page V-460 | |
| Total | | | \$2,000,000 | \$1,958,125 | | |

CEQA

CEQA: File No. PP06-102



ALBERT BALAGSO
Director of Parks, Recreation and
Neighborhood Services

For questions please contact Julie Mark, Acting Assistant Director, at (408) 793-5553.



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: William F. Sherry, A.A.E.

SUBJECT: SEE BELOW

DATE: June 6, 2007

Approved

Ray Wines

Date

6/8/07

COUNCIL DISTRICT: City-Wide

SUBJECT: TRANSPORTATION SECURITY ADMINISTRATION LAW ENFORCEMENT OFFICER REIMBURSEMENT PROGRAM COOPERATIVE AGREEMENT

RECOMMENDATION

Adoption of a resolution authorizing the City Manager to apply for federal funding, and execute a Cooperative Agreement (CA) with the Transportation Security Administration to fund eligible costs for deployment of law enforcement officers (LEOs) at each airport passenger-screening location at the Norman Y. Mineta/San Jose International Airport (Airport) in the estimated amounts in excess of the City Manager's contract authority of approximately \$1,109,000 per year or approximately \$5,545,000 for the period October 1, 2007 to September 30, 2012.

OUTCOME

Approval of this recommendation will allow the Airport to receive federal grant to partially fund the cost of providing the required security mandate by the TSA and to reduce airport operating and maintenance costs.

BACKGROUND

After the events of September 11, 2001, several security mandates were issued by the TSA in order to ensure the security of the traveling public and the nation's transportation system. One of these mandates is to require each airport operator to provide a law enforcement presence and capability at the Airport that is adequate to ensure the safety of the passengers. This CA will provide funds to offset portion of the eligible security costs for LEOs at security checkpoints starting October 1, 2007 to September 30, 2012.

ANALYSIS

The purpose of the CA is to reimburse the Airport for costs associated with providing LEOs at each airport security passenger-screening location when mandated by the TSA. Since August

2006, the Airport has been on an Orange Alert code which requires that a LEO is present at each of the security passenger-screening location. It is anticipated that the Orange Alert code will stay for an indefinite period of time. This LEO reimbursement program would provide reimbursement for actual direct costs of the police officers' salaries with a not to exceed hourly rate of \$29.96. The average hourly overtime rate of police officers assigned at the airport security passenger-screening locations is approximately \$77.

Contingent upon supplemental funding being available, additional consideration may be given to airports with cost in excess of not to exceed hourly rate of \$29.96. For this reason, staff intends to submit a grant funding request based on actual average overtime pay of police officers assigned at the Airport in order to maximize grant funding. Currently, the Airport is providing approximately 1,200 hours per month of LEO time to support the security passenger-screening locations and these are all done on overtime hours. The estimated cost of this mandated measure is approximately \$1,109,000 per year or approximately \$5,545,000 for the period October 1, 2007 to September 30, 2012. Any level of federal funding for this mandated security measure would significantly reduce the airport security costs.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memo is posted on the City's website for the June 26, 2007 Council Agenda.

COORDINATION

This memo has been coordinated with the TSA, the City Attorney's Office, and the City Manager's Budget Office.

COST SUMMARY/IMPLICATIONS

The grant funding, if awarded, will be used to offset the cost of providing a mandated security measure at the various security passenger-screening locations at the Airport. The estimated maximum annual reimbursement of \$1,109,000 will reduce Airport operating and maintenance costs.

BUDGET REFERENCE

A separate action to recognize additional funds will be made after approval of the TSA CA. Funding to pay for police overtime associated with the mandated requirement is currently budgeted in the Airport Maintenance and Operations Funds and the General Fund.

CEQA

Not Applicable.


for WILLIAM F. SHERRY, A.A.E.
Director of Aviation

Please direct questions to William Sherry, Director of Aviation, at (408) 501-7669.