



# **CITY COUNCIL AGENDA**

**JANUARY 15, 2002**

**SYNOPSIS**

LINDA J. LE ZOTTE  
FORREST WILLIAMS  
CINDY CHAVEZ  
CHUCK REED  
NORA CAMPOS

DISTRICT 1  
DISTRICT 2  
DISTRICT 3  
DISTRICT 4  
DISTRICT 5

RON GONZALES MAYOR

KEN YEAGER  
GEORGE SHIRAKAWA, JR.  
DAVID D. CORTESE  
JOHN DIQUISTO  
PAT DANDO

DISTRICT 6  
DISTRICT 7  
DISTRICT 8  
DISTRICT 9  
DISTRICT 10

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.
- **Economic and Neighborhood 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.
- **Recreation and Cultural Services** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- **Transportation Services** — A safe and efficient transportation system that contributes to the livability and economic health of the City.
- **Environment and Utility Services** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- **Aviation Services** — Provide for the air transportation needs of the community and the region at levels that are acceptable to 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.

Items listed in Section 10 require approval of both the City Council and the San José Redevelopment Agency Board.

You may speak to the City Council about any item that is on the agenda, and you may also speak on items that are not on the agenda during Open Forum. If you wish to speak to the City Council, please refer to the following guidelines:

1. **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.
2. When the Council reaches your item on the agenda, Mayor Ron Gonzales 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.
3. 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.
4. To assist you in tracking your speaking time, there are three lights located to the far right of 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 every first and third Tuesday at 7 p.m., 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.**

- **Call to Order and Roll Call**  
**9:30 a.m. - Closed Session, Room 600, City Hall**  
**Absent: Council Members -None**
  
- 1:30 p.m. - Regular Session, Council Chambers, City Hall**  
**Absent: Council Members -None.**
  
- **Invocation (District 1)**  
**Third grade class students of Latimer School Choir sung “One Song” for the Invocation and presented each Council Member with Lapel pins representing the school mascot.**
  
- **Pledge of Allegiance**  
**Mayor Gonzales led in the Pledge of Allegiance.**
  
- **Orders of the Day**  
**Approved.**

## **1 CEREMONIAL ITEMS**

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- 1.1** Presentation of a commendation to Lillian Silberstein for her years of service to the community. (Mayor)  
(Deferred from 12/11/01 – Item 1.3 and 12/18/01 – Item 1.1)  
**Joining Mayor Gonzales at the podium was Lillian Silberstein and her husband to receive the commendation.**
  
- 1.2** Presentation of a proclamation declaring January 14–18, 2002 as Winter Storm Awareness Week. (Emergency Services)  
**Joining Mayor Gonzales at the podium was Director of Emergency Services, Frances E. Winslow to present information regarding Winter Storm Awareness Week and to invite Council and the audience to view the related exhibits downstairs in City Hall.**
  
- 1.3** Presentation of a commendation to Gil Hernandez and his son, Paul Hernandez, for the gift of a Clapper to the Fire Department for the Fire Bell located at Fire Station 1. (Fire)  
**Joining Mayor Gonzales at the podium were Fire Chief Manuel P. Alarcon, and Council Member Diquisto to present a commendation to Gilbert Hernandez and his son Paul Hernandez of South Bay Bronze for their generous contribution of time and materials.**

# 1 CEREMONIAL ITEMS

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- 1.4 Presentation of plaques to Maree Andre for 2 years service on the Project Diversity Screening Committee; to Joe Martinez for 2 years service on the Project Diversity Screening Committee; to Monica Rascoe for 2 years service on the Project Diversity Screening Committee; and to Lupe Zuniga for 2 years service on the Project Diversity Screening Committee. (Mayor)

**Mayor Gonzales presented Maree Andre, Monica Roscoe and Lupe Zuniga with plaques for 2 years service on Project Diversity. The plaque for Joe Martinez will be mailed to him, as he was unable to attend the meeting.**

- 1.5 Presentation of commendations to San José’s “Fast 50” companies. (Mayor)  
(Orders of the Day)

**In addition to presenting commendations to the representatives from Numerical Technologies Inc., BEA Systems and Nextron, Mayor Gonzales acknowledged the distinguished accomplishment of WebEx, Netro Corporation, Digital Video Systems, Inc., PDF Solutions, Inc., Gadzooks Networks, BackWeb Technologies and ebay Inc.**

# 2 CONSENT CALENDAR

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**Notice to the public:** There will be no separate discussion of Consent Calendar items as they are considered to be routine by the City Council and will be adopted by one motion. If a member of the City Council, staff, or public requests discussion on a particular item, that item will be removed from the Consent Calendar and considered separately.

- 2.1 **Approval of Minutes.**  
**Approved.**

- 2.2 **Final adoption of ordinances.**  
**None.**

- 2.3 **Approval of various fiscal actions for Redevelopment Agency Capital Projects.**

**Recommendation:** Adoption of appropriation ordinance and funding sources resolution amendments in the Services for Redevelopment Capital Projects Fund (City-side Redevelopment Fund) for the Civic Center Plaza Study Area Project with a net impact to the fund of \$8,500. (City Manager’s Office)

**Ordinance No. 26557 adopted.**  
**Resolution No. 70790 adopted.**

## 2 CONSENT CALENDAR

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### 2.4 Approval to amend an agreement for engineering and technical support services for the Water Pollution Control Plant.

**Recommendation:** Approval of a second amendment to the consultant agreement with Brown and Caldwell for engineering and technical support services for the Water Pollution Control Plant, extending the term from January 31, 2002 to July 31, 2002, at no cost to the City. (Environmental Services)

**This Item was dropped.**

### 2.5 Approval of open purchase orders for the purchase of supplies, materials, equipment, and services.

**Recommendation:** Approval of award of open purchase orders for supplies, materials, equipment, and services for FY 2001-2002 #18, and authorization for the Director of General Services to execute the purchase orders. (General Services)

**Approved.**

### 2.6 Approval of an agreement for a ULFT Retrofit Program for municipal facilities.

**Recommendation:** Approval of an agreement with Valleywide Plumbing, a sole proprietorship, for performance of Ultra Low Flush Toilets (ULFT) Retrofit Program for municipal facilities for the period of 12 months following execution of the agreement in an amount not to exceed \$225,808; Municipalities in the Treatment Plant Tributary area planning to participate are Saratoga, Santa Clara, San José, Los Gatos, Milpitas, Cupertino, and Campbell. (General Services/Environmental Services)

**Approved.**

### 2.7 Approval of an agreement for the Almaden Community Center & Branch Library & Parma Park Master Plan Project.

**Recommendation:** Approval of an agreement with Rob Wellington Quigley, FAIA for architectural consultant services for the Almaden Community Center & Branch Library & Parma Park Master Plan Project in the amount of \$157,000, with a retroactive term of execution from September 14, 2001, to cover preliminary work to keep the project on schedule, and an agreement expiration date of December 31, 2002. Council District 10. (Public Works)

**Approved.**

### 2.8 Approval to award a contract for the HVAC Fire Stations 2, 14, and 16 Project.

**Recommendation:** Report on bids and award of contract for the Heating Ventilation & Air Conditioning (HVAC) Fire Stations 2, 14, and 16 Project to the low bidder, Golden State Builders, in the amount of \$197,188, and approval of a contingency in the amount of \$20,000. CEQA: Exempt. (Public Works)

**Approved.**

## 2 CONSENT CALENDAR

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### 2.9 Approval of an agreement related to 311 service.

**Recommendation:** Adoption of a resolution authorizing the City Manager to execute:

- (a) An agreement (modification #2) by and among Pacific Bell Telephone Company and the City of San José, for 311 service, for an additional annual compensation of \$91,800, for the period of July 1, 2000 through January 3, 2003, for a total contract cost not to exceed \$229,500.
- (b) Additional extension of the agreement without further City Council approval other than the appropriation of funding.

(Information Technology)

(Rules Committee referral 1/9/02)

**Resolution No. 70791 adopted.**

### 2.10 Approval of a sublease agreement of fully furnished office space for the Department of Environmental Services.

**Recommendation:** Adoption of a resolution authorizing the City Manager, subject to the concurrence of the Treatment Plant Advisory Committee, to negotiate and execute a 6-month sublease agreement with Cisco Systems Inc., for 13,000 square feet of fully furnished office space on the second floor of the building located at 430 N. McCarthy Boulevard, Milpitas, California requiring the City to pay rent of \$39,000 per month plus prorated utilities. (Public Works)

(Rules Committee referral 1/9/02)

**Resolution No. 70792 adopted.**

### 2.11 Approval to apply for a grant to defray the cost of increased security requirements at the Airport.

**Recommendation:** Adoption of a resolution authorizing the City Manager to apply for, and execute upon receipt, a grant from the Federal Aviation Administration to be used to defray the cost of increased security requirements at the Norman Y. Mineta San José International Airport, in an amount in excess of the City Manager's contract authority of \$100,000. (Airport)

(Orders of the Day)

**Resolution No. 70793 adopted.**

## 3 STRATEGIC SUPPORT SERVICES

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### 3.1 Report of the Study Session Mayor Gonzales, Chair

**No report.**

### 3 STRATEGIC SUPPORT SERVICES

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#### 3.2 Rules in Lieu Report – January 2, 2002

Vice Mayor Shirakawa, Jr., Chair

- (a) Redevelopment Agency items reported out at Redevelopment Agency meeting  
**The Redevelopment Agency items to be reported out at Redevelopment Agency Board meeting**
  
- (b) City Council
  - (1) Add New Items to the January 15, 2002 Agenda  
**The Committee approved the January 15, 2002 City Council Agenda with two changes.**
  
  - (2) Add New Items to the January 8, 2002 Agenda  
**The Committee approved the January 8, 2002 City Council Agenda with four additions.**
  
- (c) City Council Committees
  - (1) Amendments to Council Committee Agendas
    - (a) Finance and Infrastructure Committee
    - (b) Economic Development and Environment Committee
    - (c) Education, Neighborhoods, Youth, and Seniors Committee**None Filed**
  
- (d) Meeting Schedules  
**There were none.**
  
- (e) The Public Record  
**There was no Public Record filed.**
  
- (f) Boards, Commissions and Committees  
**There were none.**
  
- (g) Council Referrals for Assignment to Appropriate Committee, Administration, or Council Appointee  
**There were none.**
  
- (h) Administrative Reviews and Approval  
**There were none.**
  
- (i) Oral communications  
**None were presented.**
  
- (j) Adjournment  
**The meeting was adjourned.**

**The Rules In Lieu Committee Report and actions of January 2, 2002 were accepted.**

### **3 STRATEGIC SUPPORT SERVICES**

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- 3.3 Report of the Finance and Infrastructure Committee**  
**Council Member Dando, Chair**  
No report.

### **4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT**

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- 4.1 Report of the Economic Development & Environment Committee**  
**Council Member Williams, Chair**  
No report.

- 4.2 Approval of various tobacco control policies for programs funded by the Healthy Neighborhoods Venture Fund.**

**Recommendation:** Adoption of the following tobacco control policies for programs funded by the Healthy Neighborhoods Venture Fund (HNVF):

- (a) Comprehensive Smoke-free Environment Policy requiring HNVF funded programs to prohibit the use of tobacco products at any time in agency vehicles, buildings, and property;
- (b) Disclosure of Tobacco Company Contributions Policy precluding the award of HNVF funds to applicants who receive or solicit funds, goods, or services from tobacco companies but not to applicants who receive or solicit funds, goods, or services from subsidiaries of tobacco companies;
- (c) Fund Acknowledgement Policy requiring HNVF funded programs to acknowledge the receipt of funds from the City of San José HNVF Program and allowing programs that receive contributions from subsidiaries of tobacco companies to acknowledge receipt of funds from only the subsidiary, and not the parent company, in printed and other materials; and,
- (d) Divestment from Tobacco Policy requiring HNVF funded programs to divest any stock or funds in companies that derive more than 15 percent of their revenues from tobacco companies and their subsidiaries.

(Parks, Recreation and Neighborhood Services)

(Deferred from 12/11/01 – item 4.2)

**Deferred to January 29, 2002.**

## **4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT**

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### **4.3 Approval of various actions related to the Story Plaza Family Housing Development.**

**Recommendation:**

- (a) Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for the issuance of up to \$15,000,000 in tax-exempt multifamily housing revenue bonds for the 130-unit Story Plaza family rental housing located on the east side of McLaughlin Avenue, southerly of Story Road.

**TEFRA Hearing held.**

**No Public Testimony.**

- (b) Adoption of a resolution:
- (1) Expressing intent to issue up to \$15,000,000 in multifamily tax-exempt revenue bonds to finance the construction of the 130-unit Story Plaza family rental housing project.
  - (2) Authorizing the Director of Housing to file an application with CDLAC for an allocation of up to \$15,000,000 in private activity bonds.
  - (3) Authorizing the Director of Housing to negotiate and execute a Deposit and Escrow Agreement with Story Low Income Housing, LLC, or an affiliated entity, for the CDLAC Application for the Story Plaza Apartments Development.

Council District 7. (Housing/Finance)

**Resolution No. 70794 adopted.**

### **4.4 Approval of various actions related to the Story Plaza Apartments.**

**Recommendation:** Adoption of a resolution:

- (a) Approving business terms for an Acquisition/Predevelopment Loan of up to \$6,500,000 to Story LIH, LLC, or its designated affiliate for the development of the Story Plaza Apartments, a 130-unit development affordable to very low-and low-income households, with teacher preference, on a total of 1.98 acres located at the east side of McLaughlin Avenue, southerly of Story Road, and on a separate contiguous parcel located at 1178 McLaughlin Avenue.
- (b) Approving a fund reservation for a Construction Loan of up to \$10,305,051.
- (c) Approving a fund reservation of up to \$7,262,113 for permanent financing for the development.
- (d) Finding that the use of 20% Housing Funds for the project is of benefit to the Redevelopment Project Areas in San José.

Council District 7. SNI: Tully/Senter. (Housing)

**Resolution No. 70795 adopted.**

## 4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT

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### 4.5 Approval of various actions related to the Sunset Square Apartments.

**Recommendation:** Approval of the following actions regarding the financing of the 96-unit Sunset Square Apartments, an acquisition/rehabilitation development affordable to extremely low-, very low-, and low-income households, located at 2080 Alum Rock (“the Development”):

- (a) Hold a Tax Equity and Fiscal Responsibility Act of 1986 (“TEFRA”) Hearing for the issuance of up to \$12,000,000 in tax-exempt multifamily housing revenue bonds for the Development.  
**TEFRA Hearing held.**  
**No Public Testimony.**
- (b) Adoption of resolutions:
  - (1) Expressing intent to issue up to \$12,000,000 in tax-exempt bonds for the Sunset Square Apartments.
  - (2) Authorizing the Director of Housing to file an application with the California Debt Limit Allocation Committee (CDLAC) for an allocation of up to \$12,000,000 in private activity bonds.
  - (3) Authorizing the Director of Housing to negotiate and execute a Deposit and Escrow Agreement with Sunset Charities Housing Corporation, or its affiliate for the CDLAC application for the Development.  
**Resolution No. 70796 adopted.**
  - (4) Approving business terms for an acquisition, construction, and permanent loan of up to \$2,209,000, and a conditional grant of up to \$450,000 to Sunset Charities Housing Corporation, or its designated partnership for the acquisition, rehabilitation, and permanent financing of the Development.
  - (5) Authorizing the Director of Housing to negotiate and execute all necessary documents with Sunset Charities Housing Corporation, or its designee, including loans, deeds, and other related agreements on behalf of the City related to the housing development.

Council District 5. (Housing/Finance)

**Resolution No. 70797 adopted.**

### 4.6 Public Hearing to consider the establishment of Rule 20A Underground Utility District (PG&E funds).

**Recommendation:** PUBLIC HEARING on and approval of an ordinance establishing a Rule 20A Underground Utility District bounded by South Fourth Street, South Fifth Street, and South Sixth Street, between East San Fernando Street and East Santa Clara Street. CEQA: Exempt. Council District 3. SNI: University. (Public Works)

**This Item renumbered from Item 7.1**

**Ordinance No. 26558 passed for publication.**

## **4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT**

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- 4.7 Amendment to the San José Municipal Code to require landlords to notify new tenants that their unit is subject to rent control and provide them with information regarding their rights under the ordinance.**

**Recommendation:** Approval of an ordinance amending Chapter 23 of Title 17 of the San José Municipal Code to require landlords to notify tenants that their unit is subject to rent control and provide them with information to their rights under the ordinance.

(Mayor/Campos)

(Rules Committee referral 1/9/02)

**Ordinance No. 26559 passed for publication.**

## **5 RECREATION & CULTURAL SERVICES**

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- 5.1 Report of the Education, Neighborhoods, Youth, and Seniors Committee Council Member Chavez, Chair**  
No report.

- 5.2 Approval of the Gardner Community Center and Biebrach Park Master Plan.**

**Recommendation:** Approval of the Gardner Community Center and Biebrach Park Master Plan. CEQA: Negative Declaration. Council District 3. SNI: Gardner/Atlanta. (Public Works/Parks, Recreation and Neighborhood Services)

**Approved.**

## **6 TRANSPORTATION SERVICES**

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## **7 ENVIRONMENTAL & UTILITY SERVICES**

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- 7.1 Public Hearing to consider the establishment of Rule 20A Underground Utility District (PG&E funds).**

**Recommendation:** PUBLIC HEARING on and approval of an ordinance establishing a Rule 20A Underground Utility District bounded by South Fourth Street, South Fifth Street, and South Sixth Street, between East San Fernando Street and East Santa Clara Street. CEQA: Exempt. Council District 3. SNI: University. (Public Works)

**This Item renumbered to 4.6**

## **8 AVIATION SERVICES**

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## **9 PUBLIC SAFETY SERVICES**

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## **10 JOINT COUNCIL/REDEVELOPMENT AGENCY**

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- **Closed Session Report**
  
- **Notice of City Engineer's Pending Decision on Final Maps**  
In accordance with Sec. 19.16.140d of the San Jose Municipal Code, this is notice of the City Engineer's pending decision on the following Final Maps:  
  

**None.**
  
- **Open Forum**  

**Ross Signorino spoke against the hiring of street entertainers in San Jose.**
  
- **Adjournment**  

The Council of the City of San Jose adjourned at 2:30 P.M. until Tuesday, January 22, 2002, 11:00 a.m., at 5750 Almaden Expressway for a Joint City Council/Santa Clara Valley Water District meeting.