



MINUTES OF THE CITY COUNCIL

SAN JOSÉ, CALIFORNIA

TUESDAY, DECEMBER 9, 2008

The Council of the City of San José convened in regular session at 9:30 a.m. in the Council Chambers at City Hall.

Present: Council Members - Campos, Chirco, Chu, Constant, Cortese, Liccardo, Nguyen, Oliverio, Pyle, Williams; Reed.

Absent: Council Members - None.

Upon motion unanimously adopted, Council recessed at 9:50 a.m. to a Closed Session in Room W133, (A) to confer with Legal Counsel with respect to anticipated litigation of significant exposure (Claim Not Filed) pursuant to Government Code subsection (b) of Section 54956.9 in one (1) matter. (B) to confer with Legal Counsel with respect to existing litigation pursuant to Government Code subsection (a) of Section 54956.9; (1) City v. Housing and Development Software; Names of Parties Involved: City of San José, Housing and Development Software, LLL and DOES 1-20; Court: U.S. District Court, Northern District of California; Case No: C04-05140JF; Amount of Money or Other Relief Sought: Damages according to proof; (C) to confer with Legal Counsel with respect to existing litigation pursuant to Government Code Subsection (a) of Section 54956.9: (2) City v. Association of Building, Mechanical and Electrical Inspectors (ABMEI); Names of Parties Involved: City of San José, Association of Building, Mechanical and Electrical Inspectors; Court: State of California, Public Employment Relations Board; Case No: Unfair Practice Charge No: SF-CO-168-M; Amount of Money or other Relief Sought: Declaratory Relief; (D) to confer with Labor Negotiator pursuant to Government Code Section 54957.6: City Negotiator: City Manager Designee Alex Gurza; Employee Organizations: (1) San José Police Officers' Association; Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and San José Police Officers' Association. (2) Association of Building, Mechanical and Electrical Inspectors (ABMEI); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and ABMEI; (3) International Brotherhood of Electrical Workers (IBEW); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of

CLOSED SESSION (Cont'd.)

San José and IBEW; (4) Confidential Employees' Organization, AFSCME Local 101 (CEO); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and CEO; (5) City Association of Management Personnel Agreement (CAMP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and CAMP; (6) Municipal Employees' Federation, AFSCME Local 101, AFL-CIO (MEF); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and MEF; (7) Association of Maintenance Supervisory Personnel (AMSP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and AMSP; (8) Association of Engineers & Architects (AEA); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and AEA. How to obtain a copy of existing contract or MOA: web: <http://www.sanjoseca.gov/employeerelations/moa.asp>; Telephone for Employee Relations: 408-535-8150.

By unanimous consent, Council recessed from the Closed Session at 11:30 a.m. and reconvened at 1:33 p.m. in the Council Chambers.

Present: Council Members - Campos, Chirco, Chu, Constant, Cortese, Liccardo, Nguyen, Oliverio, Pyle, Williams; Reed.

Absent: Council Members - None.

INVOCATION

Rich Henderson, Executive Director, Love Inc., presented a prayer. (Mayor)

PLEDGE OF ALLEGIANCE

Mayor Reed and the Third Grade Students from Country Lane Elementary School led the Pledge of Allegiance.

ORDERS OF THE DAY

Upon motion by Council Member Pyle, seconded by Vice Mayor Cortese and carried unanimously, the Orders of the Day and the Amended Agenda were approved and Items 2.1, 3.2 and 3.3 were deferred to December 16, 2008. (11-0.)

CEREMONIAL ITEMS

- 1.1 Presentation of a commendation to Joni Edmonds, Realtime Captioner, for her excellent service to the residents, staff and Council of the City of San José whereby providing greater access to information, openness in government and citizen participation in the democratic process. (Mayor/City Manager's Office/City Clerk)**

Action: Mayor Reed, City Manager Debra Figone, City Clerk Lee Price, Director of Communications Tom Manheim, Video Communications Manager Ross Braver recognized and commended Joni Edmonds, Realtime Captioner, for her excellent service to the residents, Staff, Mayor and Council of the City of San José by providing greater access to information, openness in government and citizen participation in the democratic process.

- 1.2 Presentation of commendation to the Zero Emissions Vehicle Team from San José State University College of Engineering for the design and fabrication of an environmentally sustainable vehicle for urban transportation. (Mayor/Liccardo/Public Works)**

Action: Mayor Reed and Council Member Liccardo recognized and commended the Zero Emissions Vehicle Team from San José State University College of Engineering for the design and fabrication of an environmentally sustainable vehicle for urban transportation.

CONSENT CALENDAR

Upon motion by Council Member Pyle, seconded by Council Member Oliverio, and carried unanimously, the Consent Calendar was approved and the below listed actions were taken as indicated. (10-0-1. Absent: Constant.)

- 2.1**
- (a) Regular Minutes of September 23, 2008**
 - (b) Regular Minutes of September 30, 2008**
 - (c) Regular Minutes of September 9, 2008**
 - (d) Special Meeting Minutes of the Joint City Council/County/Redevelopment Agency Board Meeting of September 15, 2008**
 - (e) Regular Minutes of September 16, 2008**

Action: Deferred to December 16, 2008 per Orders of the Day.

- 2.3 Adopt a resolution declaring the results of the November 4, 2008 Municipal Election pursuant to Elections Code Section 15400. (City Clerk)**

Documents Filed: Memorandum from City Clerk Lee Price, dated December 4, 2008, recommending adoption of a resolution.

2.3 (Cont'd.)

Action: [Resolution No. 74698](#), entitled: "A Resolution of the Council of the City of San José Reciting that a Regular Municipal Election was Held in the City of San José on Tuesday, November 4, 2008; Stating the Offices to be Filled at the Election and Confirming the Passage of Measures J, K, L and M; Finding and Declaring that the Registrar of Voters of the County of Santa Clara has Canvassed the Returns of the Election and Confirming the Results of the Canvass; Stating the Whole Number of Votes Cast, the Names of the Persons and Offices Voted for, the Names of the Measures Voted For, the Number of Votes Given to at Each Precinct to Each Person and Measure; and Finding and Declaring Who Received the Highest Number of Votes of the Votes Cast and Which Measures Received a Majority Vote of the Votes Cast", was adopted. (10-0-1. Absent: Constant.)

2.4 **As recommended by the Parks and Recreation Commission, name three park sites located on the Hitachi Transit Village site as "RAMAC Park" (10.6-acre community park), "Raleigh Linear Green" (5.37-acre linear park site) and "Charlotte Commons" (one-acre neighborhood park site). (City Clerk)**

Documents Filed: Memorandum from City Clerk Lee Price, dated November 21, 2008, transmitting the recommendations of the Parks and Recreation Commission.

Council Member Williams pulled Item 2.4 from the Consent Calendar to thank the Staff for their hard work and dedication.

Action: Upon motion by Council Member Williams, seconded by Council Member Oliverio and carried unanimously, the names of the three parks located on the Hitachi Transit Village site as "RAMAC Park", "Raleigh Linear Green" and "Charlotte Commons", were approved. (10-0-1. Absent: Constant.)

2.5 (a) **Adopt the following appropriation ordinance and funding sources resolution amendments in the General Fund:**

- (1) **Establish a city-wide appropriation to the Office of Emergency Services (OES) for the 2007 Metropolitan Medical Response System (MMRS) grant in the amount of \$258,145.**
- (2) **Establish a city-wide appropriation to the Office of Emergency Services (OES) for the 2007 Community Emergency Response Training (CERT) grant in the amount of 52,922.**
- (3) **Increase the estimate for Revenue from the Federal Government by \$311,067.**

(b) **Adopt a resolution authorizing the City Manager to accept the grants and to execute an agreement with the County of Santa Clara to accept program funds from the County for the 2007 MMRS and CERT grants in the amounts identified above.**

CEQA: Not a Project. (Emergency Services/City Manager's Office)

2.5 (Cont'd.)

Documents Filed: Memorandum from Director of Office of Emergency Services Kimberly Shunk and Budget Director Jennifer Maguire, dated November 17, 2008, recommending adoption of appropriation ordinance and funding sources resolution amendments and a resolution.

Action: [Ordinance No. 28462](#), entitled: “An Ordinance of the City of San José Amending Ordinance No. 28349 to Appropriate Monies in the General Fund for the 2007 Metropolitan Medical Response System and the 2007 Community Emergency Response Training; and Providing that This Ordinance Shall Become Effective Immediately Upon Adoption”; [Resolution No. 74699](#), entitled: “A Resolution of the Council of the City of San José Amending Resolution No. 74461 Setting Forth the Estimated Sources of Funds for the Fiscal Year 2008-2009 to Adjust Revenues in the General Fund” and [Resolution No. 74700](#), entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Accept Grants for the 2007 Metropolitan Medical Response System and the 2007 Community Emergency Response Training from the County of Santa Clara in the Amounts Not to Exceed \$258,145 and \$52,922, Respectively and to Execute an Agreement with the County of Santa Clara to Accept Program Funds”, were adopted. (10-0-1. Absent: Constant.)

2.6 Adopt a resolution authorizing the City Manager to negotiate and execute:

- (a) A Fiscal Sponsorship Agreement between the City of San José, the County of Santa Clara, and the United Way Silicon Valley (United Way) which designates the United Way as the fiscal sponsor of Destination: Home and sets forth the parameters of this relationship.
- (b) A grant agreement for up to \$200,000 to the United Way to pay for the initial 18 months of salary and related benefits for an Executive Director of Destination: Home.
- (c) A grant agreement for up to \$152,520 to the Emergency Housing Consortium (EHC) - Lifebuilders for staffing, client assistance, and furniture for the One-Stop Homeless Prevention and Service Center to be located at the Boccardo Reception Center, located at 2011 Little Orchard Street, San José.
- (d) A grant of up to \$291,000 to InnVision the Way Home for staffing and operating costs for the One-Stop Homeless Prevention and Service Center to be located at the Georgia Travis Center, located at 297 Commercial Street, San José.

CEQA: Not a Project. (Housing)

Action: Item 2.6 was renumbered to Item 5.3.

2.7 Adopt a resolution reclassifying \$500,000 of the project’s existing funding commitment to a predevelopment loan, to CORE Affordable Housing, LLC, or its designated affiliate, for the 180-unit Belovida at Newbury Park project located northeasterly of the intersection on King Road and Dobbin Drive, to be made available to extremely low-income, very low-income and low-income households. CEQA: Resolution No. 74196, File No. PDC07-015. Council District 3. (Housing)

2.7 (Cont'd.)

Documents Filed: Memorandum from Director of Housing Leslye Krutko, dated November 17, 2008, recommending adoption of a resolution.

Action: [Resolution No. 74701](#), entitled: "A Resolution of the Council of the City of San José Approving Reclassifying \$500,000 of the Existing Fund Commitment to a Predevelopment Loan for the Belovida at Newbury Park Project", was adopted. (10-0-1. Absent: Constant.)

2.8 Adopt a resolution reclassifying \$200,000 of the project's existing funding commitment to a predevelopment loan to Cornerstone at Japantown, L.P., or its designated affiliate, to finance predevelopment costs for the 53-unit Cornerstone at Japantown townhomes located at 851 and 899 North 10th Street, to be made available to extremely low, very low and low income households. CEQA: Mitigated Negative Declaration (PDC07-025). Council District 3. SNI: 13th Street. (Housing)

Documents Filed: Memorandum from Director of Housing Leslye Krutko, dated November 17, 2008, recommending adoption of a resolution.

Action: [Resolution No. 74702](#), entitled: "A Resolution of the Council of the City of San José Reclassifying \$200,000 of the Existing Loan Commitment to a Predevelopment Loan for the Cornerstone at Japantown Project, Formerly Known as 10th and Hedding", was adopted. (10-0-1. Absent: Constant.)

2.9 (a) Adopt a resolution:

- (1) Authorizing the Director of Housing to accept a \$1,500,000 CalHome Program grant from the California Department of Housing and Community Development. This grant will fund the rehabilitation of homes owned by low-income residents within existing SNI areas (\$1,000,000) and fund Welcome Home, a second mortgage program for low-income, first-time homebuyers (\$500,000).**
 - (2) Authorizing the Director of Housing to execute all documents necessary to implement the two programs.**
- (b) Adopt the following amendments to the FY 2008-2009 Appropriation Ordinance and Funding Sources Resolution in the Multi-Source Housing Fund (Fund 448):**
- (1) Increase the CalHome (Rehabilitation) Program appropriation by \$1,000,000.**
 - (2) Increase the CalHome (Homebuyer) Program appropriation by \$500,000.**
 - (3) Increase the estimate for Grant Revenue in the amount of \$1,500,000.**
- CEQA: Not a Project. (Housing/City Manager's Office)**

Documents Filed: Memorandum from Director of Housing Leslye Krutko and Budget Director Jennifer Maguire, dated November 17, 2008, recommending adoption of a resolution and appropriation ordinance and funding sources resolution amendments.

2.9 (Cont'd.)

Action: [Resolution No. 74703](#), entitled: “A Resolution of the Council of the City of San José Authorizing the Director of Housing to Accept a CalHome Program Grant from the California Department of Housing and Community Development and to Execute Documents that May Be Necessary to Implement the Grant Programs”; [Ordinance No. 28463](#), entitled: “An Ordinance of the City of San José Amending Ordinance No. 28349 to Appropriate Monies in the Multi-Source Housing Fund for the CalHome Rehabilitation Program and the CalHome Homebuyer Program; and Providing that This Ordinance Shall Become Effective Immediately Upon Adoption” and [Resolution No. 74704](#), entitled: “A Resolution of the Council of the City of San José Amending Resolution No. 74461 Setting Forth the Estimated Sources of Funds for the Fiscal Year 2008-2009 to Adjust Revenues in the Multi-Source Housing Fund”, were adopted. (10-0-1. Absent: Constant.)

2.10 Adopt a resolution authorizing the City Manager to execute any grant-related documents that may be necessary to:

- (a) **Assist San José State University School of Library and Information Sciences with a grant application to the Institute of Museum and Library Services in an amount not to exceed \$350,000 for a study of the impact of digital booktalks on teen reading.**
- (b) **In the event the grant is awarded, authorize the City Manager to enter into a Memorandum of Understanding with San José State University for implementation of the study, with City’s portion of grant proceeds not to exceed \$150,000.**

CEQA: Not a Project. (Library)

Documents Filed: Memorandum from Director of Library Department Jane Light, dated November 17, 2008, recommending adoption of a resolution.

Action: [Resolution No. 74705](#), entitled: “A Resolution of the Council of the City of San José authorizing the City Manager to Execute Grant Related Documents to Assist San José State University School of Library and Information Sciences with a Grant Application for the Study of the Impact of Digital Booktalks on Teen Reading and in the Event the Grant is Awarded, to Enter into a Memorandum of Understanding for Implementation of the Study”, was adopted. (10-0-1. Absent: Constant.)

2.11 Accept the report on the status of the reconciliation of the Park Trust Fund for Fiscal Year 2006-2007, ending June 30, 2007 and Fiscal Year 2007-2008, ending June 30, 2008. CEQA: Not a Project. (Parks, Recreation and Neighborhood Services)

Documents Filed: Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated November 17, 2008, recommending acceptance of the report.

2.11 (Cont'd.)

Action: The report on the status of the reconciliation of the Park Trust Fund for Fiscal Year 2006-2007, ending June 30, 2007 and Fiscal Year 2007-2008, ending June 30, 2008 were accepted. (10-0-1. Absent: Constant.)

- 2.12 (a) Approve a Turnkey Agreement with Summerhill Homes, LLC to construct recreation and landscape improvements on the Dairy Hill Detention Basin site and to reimburse Summerhill Homes, LLC from the Subdivision Park Trust Fund (Communications Hill Reserve) in an amount not to exceed \$896,283 for recreation and landscape improvements associated with Tentative Map No. PT03-007.**
- (b) Adopt the following Appropriation Ordinance amendments in the Subdivision Park Trust Fund (Fund 375):**
- (1) Establish an appropriation to the Parks, Recreation and Neighborhood Services Department in the amount of \$896,283 for Dairy Hill Detention Basin.**
 - (2) Decrease the Reserve: Communications Hill by \$896,283.**

CEQA: Addendum to Negative Declaration for PDC02-042. Council District 7. (Parks, Recreation and Neighborhood Services/City Manager's Office)

Documents Filed: (1) Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso and Budget Director Jennifer Maguire, dated November 17, 2008, recommending approval of the agreement and adoption of appropriation ordinance amendments. (2) Statement and Declaration of Conflict of Interest Form from Council Member Nguyen, dated December 9, 2008, regarding real property owned.

Action: A turnkey Agreement with Summerhill Homes, LLC to construct recreation and landscape improvements on the Dairy Hill Detention Basin site and to reimburse Summerhill Homes, LLC from the Subdivision Park Trust Fund in an amount not to exceed \$896,283 for recreation and landscape improvements associated with Tentative Map No. PT03-007 was approved and [Ordinance No. 28464](#), entitled: "An Ordinance of the City of San José Amending Ordinance No. 28349 to Appropriate Monies in the Subdivision Park Trust Fund for the Dairy Hill Detention Basin; and Providing that This Ordinance Shall Become Effective Immediately Upon Adoption", was adopted. Council Member Nguyen abstained due to a potential conflict of interest regarding real property ownership. (9-0-1-1. Absent: Constant. Disqualified: Nguyen.)

- 2.13 (a) Adopt a resolution authorizing the City Manager to accept the 2008-2009 Sobriety Checkpoint Mini-Grant in an amount not to exceed \$107,247, and authorize the City Manager to execute the Grant Agreement and all related documents.**

- 2.13 (b) **Adopt the following amendments to the annual Appropriation Ordinance and the Funding Sources Resolution in the General Fund as follows:**
- (1) **Establish a City-Wide appropriation to the Police Department for the 2008-2009 Sobriety Checkpoint Mini-Grant in the amount of \$107,247.**
 - (2) **Increase the estimate for Earned Revenue Estimate from the State of California by \$107,247.**

CEQA: Not a Project. (Police/City Manager's Office)

Documents Filed: Memorandum from Police Chief Robert Davis and Budget Director Jennifer Maguire, dated November 17, 2008, recommending adoption of a resolution and appropriation ordinance and funding sources resolution amendments.

Action: [Resolution No. 74706](#), entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Accept a 2008-2009 Sobriety Checkpoint Mini Grant from the University of California Berkeley, Traffic Safety Center in an Amount Not To Exceed \$107,247 and to Execute All Related Documents"; [Ordinance No. 28465](#), entitled: "An Ordinance of the City of San José Amending Ordinance No. 28349 to Appropriate Monies in the General Fund for 2008-2009 Sobriety Checkpoint Mini Grant; and Providing that This Ordinance Shall Become Effective Immediately Upon Adoption" and [Resolution No. 74707](#), entitled: "A Resolution of the Council of the City of San José Amending Resolution No. 74461 Setting Forth the Estimated Sources of Funds for the Fiscal Year 2008-2009 to Adjust Revenues in the General Fund", were adopted. (10-0-1. Absent: Constant.)

- 2.14 **Approve an agreement with the San José Water Company for installation of water facilities to serve the new Bascom Library and Community Center project, in the amount of \$135,682. CEQA: Exempt, PP07-081. Council District 6. SNI Area: Burbank/Del Monte. (Public Works)**

Documents Filed: Memorandum from Director of Public Works Katy Allen, dated November 17, 2008, recommending approval of the agreement.

Action: The agreement with San José Water Company was approved. (10-0-1. Absent: Constant.)

- 2.15 **Request for an excused absence for Council Member Constant from the Closed Session and City Council Meeting on December 16, 2008 due to authorized city business: Federated City Employees' Retirement Services Educational Training in San Francisco, CA. (Constant)
(Rules in-Lieu referral 11/25/08)**

Documents Filed: Memorandum from Council Member Constant, dated November 19, 2008, requesting an excused absence due to authorized City business.

Action: Item 2.15 was dropped.

- 2.16 Adopt a resolution authorizing the City Manager to:**
- (a) Submit applications to the Federal Department of Labor for the Local Young Offender Planning Grant and to the California Department of Corrections for the Juvenile Accountability Block Grant up to a total amount of \$700,000 (up to \$400,000 for JABG and \$300,000 for the LYOPG) to support the efforts of the Mayor’s Gang Prevention Task Force.**
 - (b) Execute a grant agreement accepting the grant and any collateral documents.**
 - (c) Execute amendments to the grant agreements to extend or modify the grant period or to accept additional grant funds up to twice the original amount under this grant.**

CEQA: Not a Project. (Parks, Recreation and Neighborhood Services)

(Rules Committee referral 12/3/08)

Documents Filed: Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated December 3, 2008, recommending adoption of a resolution.

Action: [Resolution No. 74708](#), entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Submit Applications to the Federal Department of Labor for the Local Young Offender Planning Grant and to the California Department of Correction for the Juvenile Accountability Block Grant to Support the Efforts of the Mayor’s Gang Prevention Task Force, to Execute a Grant Agreement Accepting the Grant and any Collateral Documents and to Execute Amendments to the Grant Agreements”, was adopted. (10-0-1. Absent: Constant.)

- 2.17 As recommended by the Rules and Open Government Committee of December 3, 2008, consider the following appointments and re-appointments:**

- (a) Appoint Vincent Edward Cantore and Gloria Jabaut to the Housing and Community Development Commission. (Nguyen)**
- (b) Re-appoint Paula Merola (Resident Representative) and appoint Michael Graves (Landlord Representative) to the Mobile Home Advisory Commission. (Nguyen)**
- (c) Appoint Mary Egondu Uzoh to the Small Business Development Commission. (Nguyen)**
- (d) Appoint Daniel Ray Newell, Paiman Komeilizadeh, and Christine Wright to the Disability Advisory Commission. (Pyle)**
- (e) Appoint Larry Cope to serve on the work2future Board of Directors. (Mayor)**

[Rules Committee referral 12/2/08 – Items f(1)–(5)]

Documents Filed: Memorandum from City Clerk Lee Price, dated December 4, 2008, transmitting the recommendations of the Rules and Open Government Committee.

Action: The appointments and reappointments as indicated above were approved. (10-0-1. Absent: Constant.)

END OF CONSENT CALENDAR

STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules and Open Government Committee – November 12, 2008 Mayor Reed, Chair

Action: Deferred to December 16, 2008 per Orders of the Day.

3.3 Report of the Rules and Open Government Committee – November 19, 2008 Mayor Reed, Chair

Action: Deferred to December 16, 2008 per Orders of the Day.

3.4 Report of the Public Safety, Finance and Strategic Support Committee November 20, 2008 Council Member Nguyen, Chair

Documents Filed: The Report of the Public Safety, Finance and Strategic Support Committee, dated November 20, 2008.

Action: Upon motion by Council Member Nguyen, seconded by Council Member Pyle and carried unanimously, the Public Safety, Finance and Strategic Support Committee Report and the actions of November 20, 2008, were accepted, with Item (d) to be heard on December 9, 2008 (Item 3.5) in lieu of December 16, 2008, per the request of Council Member Oliverio. (10-0-1. Absent: Constant.)

3.5 Approve the Community-Based Organization Audit and Administration's Response. (City Auditor) [Public Safety, Finance and Strategic Support Committee referral 11/20/08 – Item 3.4(d)]

Documents Filed: Memorandum from Senior Executive Analyst Vilcia Rodriguez, dated November 25, 2008, transmitting the recommendations of the Public Safety, Finance and Strategic Support Committee.

Action: Upon motion by Council Member Oliverio, seconded by Council Member Pyle and carried unanimously, the Community-Based Organization Audit and Administration's Response was approved, with Staff requested to look at other less expensive options. (10-0-1. Absent: Constant.)

3.6 Adopt a resolution amending the City's Conflict of Interest Code as it relates to the List of Designated City Filers. (City Clerk/City Attorney's Office)

Documents Filed: (1) Memorandum from City Clerk Lee Price and City Attorney Richard Doyle, dated November 25, 2008, recommending adoption of a resolution. (2) Supplemental memorandum from City Clerk Lee Price and City Attorney Richard Doyle, dated December 5, 2008, recommending that the members of the Downtown Parking Board file the Form 700.

3.6 (Cont'd.)

Action: Upon motion by Council Member Pyle, seconded by Council Member Oliverio and carried unanimously, [Resolution No. 74709](#), entitled: "A Resolution of the Council of the City of San José Amending the Conflict of Interest Code for the City of San José", was adopted. (11-0.)

3.7 **Adopt a resolution authorizing the City Manager to negotiate and execute an agreement with Patton Boggs LLP, for legislative representation services in Washington, D.C. for the period of January 1, 2009 through June 30, 2009, and authorizing the City Manager to execute annual options to renew the agreement for up to four successive one year terms subject to appropriation of funds, commencing July 1, 2009, through June 30, 2013, for a total amount not to exceed \$633,000 for the initial term and any optional renewals. The contract amounts for this term are as follows: FY 2008-09: January 1, 2009 - June 30, 2009 for \$69,000; FY 2009-10: July 1, 2009 - June 30, 2010 for \$138,000; FY 2010-11: July 1, 2010 - June 30, 2011 for \$ 138,000; FY 2011-12: July 1, 2011 - June 30, 2012 for \$144,000; FY 2012-13: July 1, 2012 - June 30, 2013 for \$144,000. CEQA: Not a Project. (City Manager's Office)**

Documents Filed: Memorandum from Director of Intergovernmental Relations Betsy Shotwell, dated November 17, 2008, recommending adoption of a resolution.

Action: Upon motion by Council Member Pyle, seconded by Council Member Oliverio and carried unanimously, [Resolution No. 74710](#), entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute an Agreement with Patton Boggs LLP, for Legislative Representation Services in Washington, D.C. for the Period January 1, 2009 through June 30, 2009 and Authorize the City Manager to Execute Annual Options to Renew the Agreement for Up to Four Successive One Year Terms Subject to Appropriation of Funds, Commencing July 1, 2009, Through June 30, 2013, for a Total Amount Not To Exceed \$633,000 For the Initial Term and Any Optional Renewals", was adopted. (11-0.)

3.8 **Accept the 2007-2008 Annual Report regarding in-lieu fees collected by the City from developers in-lieu of construction of public improvements. CEQA: Not a Project. (Public Works)**

Documents Filed: Memorandum from Director of Public Works Katy Allen, dated November 17, 2008, recommending acceptance of the report.

Action: Upon motion by Council Member Pyle, seconded by Vice Mayor Cortese and carried unanimously, the 2007-2008 Annual Report regarding in-lieu fees collected by the City from developers in-lieu of construction of public improvements was accepted. (11-0.)

COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Report of the Community & Economic Development Committee – November 24, 2008 Council Member Pyle, Chair

Documents Filed: The Community & Economic Development Committee Report dated November 24, 2008.

Action: Upon motion by Council Member Pyle, seconded by Council Member Constant and carried unanimously, The Report of the Community & Economic Development Committee and the actions of November 24, 2008 were accepted. (11-0.)

4.2 Adopt a resolution:

- (a) **Approving the selection of Eden Housing Inc., or its designated affiliate, as the developer of the Ford & Monterey affordable housing development.**
- (b) **Authorizing the Director of Housing to negotiate and execute an Exclusive Negotiations Agreement and to negotiate and execute an Option Agreement for the purchase of the Ford & Monterey affordable housing project.**

CEQA: Exempt. Council District 2. (Housing)

Documents Filed: Memorandum from Director of Housing Leslye Krutko, dated November 21, 2008, recommending adoption of a resolution.

Council Member Oliverio explained that his no vote was based upon no park fees, no ongoing property tax and no building and construction taxes.

Action: Upon motion by Council Member Williams, seconded by Council Member Nguyen and carried unanimously, [Resolution No. 74711](#), entitled: “A Resolution of the Council of the City of San José Approving Eden Housing, Inc. as the Developer of the Ford & Monterey Housing Development and Authorizing the Director of Housing to Negotiate and Execute an Exclusive Negotiations Agreement and an Option Agreement”, was adopted. (10-1. Noes: Oliverio.)

4.3 Adopt a resolution approving a funding commitment of up to \$4,580,000 of 20% Housing Funds to Charities Housing Development Corporation, or its designated affiliate, for a land acquisition/construction/permanent loan for the development of the 42-unit 90 Archer Street Apartments project that is located at 90 Archer Street, to be made available to extremely low-income and very low-income households. CEQA: Resolution No. 72768 and Addendum thereto, File No. PDC06-085. Council District 3. (Housing)

Documents Filed: Memorandum from Director of Housing Leslye Krutko, dated November 19, 2008, recommending adoption of a resolution.

4.3 (Cont'd.)

Council Member Oliverio reiterated that his no vote was based upon no park fees, no ongoing property tax and no building and construction taxes.

Action: Upon motion by Council Member Liccardo, seconded by Council Member Nguyen and carried unanimously, [Resolution No. 74712](#), entitled: “A Resolution of the Council of the City of San José Approving a Funding Commitment to Charities Housing Development Corporation of the Development of 90 Archer Street Apartments Project”, was adopted. (10-1. Noes: Oliverio.)

4.4 **Consideration of an ordinance approving a Second Amendment to a Development Agreement with Cisco Technology, Inc. for certain real property located in an area generally bounded by Highway 237, N. First Street, Grand Boulevard, and Disk Drive to amend Ordinance No. 26136, adopted on June 20, 2000, and amended by Ordinance No. 28339 in June 2008, to allow the acceptance of employee growth of Cisco Technology, Inc. within City to fulfill a certain occupancy requirement set forth in Subsequent Condition 1.(C)(1) in the original Development Agreement, as amended, and to authorize the City Clerk to execute the Second Amendment to Development Agreement (Cisco Technologies, Owner/Applicant). CEQA: EIR Resolution No. 69636. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-0). (Planning, Building and Code Enforcement)**

DA08-003 – District 4

Documents Filed: (1) Memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated November 17, 2008, transmitting the Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. DA08-003, dated October 20, 2008. (2) Memorandum from Planning Commission Secretary Joseph Horwedel, dated December 4, 2008, transmitting the Planning Commission recommendation. (3) Proof of Publication of Notice of Public Hearing, executed on November 21, 2008 submitted by the City Clerk.

Chief Development Officer Paul Krutko provided a Staff Report.

Mayor Reed opened the public hearing.

Public Comments: Larry Burnett representing Cisco Technology, Inc., Owner/Applicant, expressed his full support to the Staff recommendations.

Mayor Reed closed the public hearing.

4.4 (Cont'd.)

Action: Upon motion by Council Member Chu, seconded by Council Member Constant and carried unanimously, the recommendation of the Planning Commission and the Planning Director was approved and [Ordinance No. 28466](#), entitled: “An Ordinance of the City of San José Amending Ordinance No. 26136, Which Ordinance Approved a Development Agreement with Cisco Technology, Inc. Relative to the Development of Real Property in North San José and Amending Ordinance No. 28339, Which Ordinance Amended Said Development Agreement to Extend a Certain Occupancy Deadline Contained in the Original Development Agreement and Ratified the Effectiveness of the Original Development Agreement, in Order to Further Amend the Original Development Agreement, as Amended, to Modify a Certain Occupancy Condition Contained at Section 1.(c)(1) of the Original Development Agreement and Authorizing the City Clerk to Execute the Second Amendment to Development Agreement”, was passed for publication. (11-0.)

4.5 Adopt a resolution to certify:

- (a) **The City Council has read and considered the Final EIR;**
- (b) **The Final EIR has been completed in compliance with the California Environmental Quality Act (CEQA).**
- (c) **The Final EIR reflects the independent judgment and analysis of the City of San José.**
- (d) **The Director of Planning, Building and Code Enforcement shall transmit copies of the Final EIR to the Applicant and to any other decision-making body of the City of San José for the project.**

CEQA: Resolution to be adopted. Council District 3. SNI: 13th Street NAC. (Planning, Building and Code Enforcement)

Action: Deferred to January 13, 2009 per District 3.

4.6 Approve a consultant agreement with David J. Powers and Associates, Inc. for environmental consultant services for the Envision San José 2040 General Plan Update for a term through June 30, 2011 in an amount not-to-exceed \$1,683,201, including authorization for the Director of Planning, Building and Code Enforcement to execute amendments to the agreement to:

- (a) **Add and delete environmental consultant services as required within the \$1,683,201 maximum compensation.**
- (b) **Authorize the expenditure of up to \$115,000 for additional global climate change analysis as required within the \$1,683,201 maximum compensation.**
- (c) **Extend the term of the agreement for one 6 month period.**

CEQA: Not a Project. (Planning, Building and Code Enforcement)

4.6 (Cont'd.)

Documents Filed: Memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated November 19, 2008, recommending approval of a consultant agreement.

Action: Upon motion by Council Member Chirco, seconded by Vice Mayor Cortese and carried unanimously, the consultant agreement with David J. Powers and Associates, Inc. for environmental consultant services for the Envision San José 2040 General Plan Update for a term through June 30, 2011 in an amount not-to-exceed \$1,683,201, including authorization for the Director of Planning, Building and Code Enforcement to execute amendments to the agreement as described previously on Page 15, was approved. (11-0.)

4.7 **Consideration of an ordinance rezoning the real property located on the westerly corner between Charcot Avenue and Junction Avenue from LI(PD) Planned Development Zoning District to LI(PD) Planned Development Zoning District to allow 118,5000 square feet of light industrial uses on a 6.67 gross acre site (521 Charcot Avenue) (Club Auto Sport-Silicon Valley, LLC, Owner). CEQA: North San José EIR Resolution No. 72768 and Addenda thereto. Director of Planning, Building and Code Enforcement recommends approval. No Planning Commission action required.**

PDC08-030 – District 4

(Continued from 11/18/08 – Item 11.6 and 12/2/08 – Item 11.3)

Documents Filed: (1) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC08-030, dated October 29, 2008, recommending approval. (2) Supplemental memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated December 5, 2008, stating the applicant has requested consideration of a modification of the Development Standards for this proposed rezoning to facilitate some limited automotive research and development uses on the subject site. (3) Proof of Publication of Notice of Public Hearing, executed on November 7, 2008 submitted by the City Clerk. (4) Letter from HMM Engineers, dated November 17, 2008, requesting a two week deferral of the subject rezoning.

Public Comment: Mayor Reed opened the public hearing. There was no testimony from the floor. Mayor Reed closed the public hearing.

Action: Upon motion by Council Member Chu, seconded by Council Member Oliverio and carried unanimously, the recommendation of the Planning Director was approved, and [Ordinance No. 28457](#), entitled: “An Ordinance of the City of San José Rezoning Certain Real Property Situated at the Westerly Corner of Junction Avenue and Charcot Avenue (521 Charcot Avenue) to LI (PD) Planned Development Zoning District”, was passed for publication. (11-0.)

NEIGHBORHOOD SERVICES

5.1 Report of the Neighborhood Services and Education Committee – November 25, 2008 Council Member Chirco, Chair

Documents Filed: The Neighborhood Services and Education Committee Report dated November 25, 2008.

Action: Upon motion by Council Member Chirco, seconded by Council Member Oliverio and carried unanimously, the Report of the Neighborhood Services and Education Committee and the actions of November 25, 2008 were accepted. (11-0.)

5.3 Adopt a resolution authorizing the City Manager to negotiate and execute:

- (a) **A Fiscal Sponsorship Agreement between the City of San José, the County of Santa Clara, and the United Way Silicon Valley (United Way) which designates the United Way as the fiscal sponsor of Destination: Home and sets forth the parameters of this relationship.**
- (b) **A grant agreement for up to \$200,000 to the United Way to pay for the initial 18 months of salary and related benefits for an Executive Director of Destination: Home.**
- (c) **A grant agreement for up to \$152,520 to the Emergency Housing Consortium (EHC) - Lifebuilders for staffing, client assistance, and furniture for the One-Stop Homeless Prevention and Service Center to be located at the Boccardo Reception Center, located at 2011 Little Orchard Street, San José.**
- (d) **A grant of up to \$291,000 to InnVision the Way Home for staffing and operating costs for the One-Stop Homeless Prevention and Service Center to be located at the Georgia Travis Center, located at 297 Commercial Street, San José.**

CEQA: Not a Project. (Housing)

Documents Filed: Memorandum from Director of Housing Leslye Krutko, dated November 17, 2008, recommending adoption of a resolution.

Director of Housing Leslye Krutko presented the Staff report and responded to Council questions.

Public Comments: Carole Hutton (United Way Silicon Valley) and Margie Matthews (Office of Affordable Housing) expressed full support to the Staff recommendations.

Action: Upon motion by Council Member Liccardo, seconded by Council Member Nguyen and carried unanimously, [Resolution No. 74713](#), entitled: “A Resolution of the Council of the City of San José Approving Actions Related to Destination: Home, the Countywide Effort to Prevent and End Homelessness in Our Region”, was adopted. (11-0.)

TRANSPORTATION & AVIATION SERVICES

- 6.2 Approve the second amendment to the agreement with URS Corporation for professional services for design and construction administration of the Baggage Handling and Security Screening Systems at the Norman Y. Mineta San José International Airport, to extend the term of the agreement from December 31, 2008 to December 31, 2010, with no change to the total compensation amount of \$2,704,118. CEQA: Resolution Nos. 67380 and 71451, PP08-0252. (Airport/Public Works)**

Documents Filed: Memorandum from Director of Public Works Katy Allen and Director of Aviation William Sherry, dated November 17, 2008, recommending approval of the second amendment to the agreement.

Action: Upon motion by Council Member Pyle, seconded by Council Member Nguyen and carried unanimously, the second amendment to the agreement with URS Corporation for professional services for design and construction administration of the Baggage Handling and Security Screening Systems at the Norman Y. Mineta San José International Airport, to extend the term of the agreement from December 31, 2008 to December 31, 2010, with no change to the total compensation amount of \$2,704,118 was approved. (11-0.)

JOINT COUNCIL/REDEVELOPMENT AGENCY

- 9.1 Council discussion on a development policy that allows projects to move forward on an “as ready” basis for North San José Area. (Planning, Building and Code Enforcement)**

Action: Deferred to December 16, 2008 per Administration.

NEIGHBORHOOD SERVICES

- 5.2 (a) Review the staff memo to Council, including staff recommendations of parameters for drafting a City-wide inclusionary housing ordinance, alternatives that are not recommended by staff, the recommendations of various City committees and commissions, and discussion of any proposed ordinance.**
- (b) Direct staff to prepare a draft City-wide inclusionary housing ordinance consistent with the staff recommendation and any other direction from Council, and to return to Council with the draft ordinance.**

CEQA: Resolution No. 65459 and Addendum thereto, PP08-258. (Housing)

[Community and Economic Development Committee referral 11/24/08 – Item (b)]

[Neighborhood Services and Education Committee referral 11/25/08 – Item (a)]

5.2 (Cont'd.)

Documents Filed: (1) Memorandum from Mayor Reed, dated December 4, 2008, recommending adoption of the Staff recommendations with amendments. (2) Memorandum from Vice Mayor Cortese, Council Member Chu and Council Member Pyle, dated December 5, 2008, recommending that Staff draft an inclusionary housing zoning ordinance based on the Housing Department Staff's proposed requirements as stated in the supplemental memorandum dated November 26, 2008, with modifications. (3) Supplemental memorandum from City Manager Debra Figone and City Attorney Richard Doyle, dated December 5, 2008, recommending that Council direct the City Attorney and the City Manager to return to the Council with an inclusionary housing ordinance, which includes final policy recommendations, at a time to be determined by Council. (4) Supplemental memorandum from Director of Housing Leslye Krutko, dated November 26, 2008, transmitting the Housing Department's revised recommendation and responding to questions raised at the Special Council Meeting. (5) Memorandum from Senior Executive Analyst Vilcia Rodriguez, dated November 25, 2008, transmitting the recommendations of the Community & Economic Development Committee and Neighborhood Services and Education Committee. (6) Staff presentation of the Inclusionary Housing Proposed Policy dated December 9, 2008. (7) Seventeen correspondence and emails from the public, all dated December 9, 2008, regarding the inclusionary housing ordinance.

Mayor Reed provided opening comments.

Director of Housing Leslye Krutko outlined the Inclusionary Housing Proposed Policy.

Mayor Reed invited the group speakers to the podium.

Offering proposals and various ideas to the proposed policy for Inclusionary Housing were Pat Dando, San José Silicon Valley Chamber of Commerce; Pat Sausedo, Coalition for Jobs Now Silicon Valley; Shiloh Ballard, Silicon Valley Leadership Group; A Representative from the Homebuilders Association of Northern California; Charles McKay, Citation Homes and James Zahradka, Law Foundation of Silicon Valley.

Public Comments: Providing favorable comments and suggestions about the Inclusionary Housing Proposed Policy were Jean Marlowe (River Oaks Neighborhood Association), Abbie Warren, Larry Stone, Greg Kepferle (Catholic Charities), Saul Wachter (Affordable Housing Network), Michele Beasley (Greenbelt Alliance, Gabriela Hill, Jeremy Barousse (Students Enacting Change), Kevin Zwick (Housing Trust of Santa Clara County), Anil Babbar (Santa Clara County Realtors), Mark Lazzarini (DAL Properties), Bonnie Mace (Housing Commission), Shawna Reeves Nourzaie (Council on Aging Silicon Valley), Diana Castillo, Melissa Morris (Law Foundation of Silicon Valley), Joe Kirchofer (Mid Peninsula Housing Coalition), Erik Schoennauer (The Schoennauer Company), Joe Head (Summerhill Homes), Helen Chapman, Mark Hirth (San José Transit Village Partners), Cindy Newberry, Barbara Robinson, Dan Hanasaki (Trinity PACT), Kerri Hamilton (CEEJ), Richard Zappelli (Willow Glen Neighborhood Association), Deborah Arant (SHPNA), Mary Creasman (South Bay Labor Council),

5.2 Public Comments (Cont'd.)

Ross Signorino, Bill Leininger (The Interfaith Council), Tom Fink, Michael Dockins (Local 270), Betsy Arroyo (Santa Clara Collaborative), Jean Cohen, Sandy Perry (Community Homeless Alliance Ministry), Tamon Norimoto (Asian Americans for Community Involvement), Poncho Guevara (Sacred Heart Community Service), Ed Rast and Dixie Baus (Core Affordable Housing).

Michael Van Every and Chet Lockwood (FLAG) expressed strong opposition to the proposed policy.

The City Council recessed briefly at 6:45 p.m. and reconvened at 7:12 p.m.

Approximately three hours of extensive Council discussion and dialogue followed with direction as described below in "Action."

Meeting disclosures were provided by Mayor Reed and Council Members Pyle, Nguyen, Liccardo, Chirco, Chu, Campos and Williams.

Action: Upon motion by Council Member Liccardo, seconded by Council Member Chirco and carried, Staff was directed to: (1) Report back to the Rules and Open Government Committee (ROGC) meeting on January 14, 2009 with a recommended date for release of a draft ordinance consistent with the Staff recommendations, as amended, and a recommended date for Council consideration of the ordinance; and further, to develop an implementation work plan and schedule for additional work items requested by the City Council for review by the ROGC on January 14, 2009. (2) Complete administrative guidelines by the end of 2009. (3) Come back with recommended in lieu fee. (4) Come back with a review of the impact of tax exemptions. (5) With the work plan of additional items, Staff should prioritize items 3(a) and 3 (b) as outlined in the Joint Memorandum from Vice Mayor Cortese and Council Members Chu and Pyle, dated December 5, 2008. (9-2. Noes: Constant, Oliverio.)

ADJOURNMENT

The Council of the City of San José adjourned at 10:15 p.m. in memory of Judy Fuller, a beloved City employee of over 17 years service. (Williams)

Minutes Recorded, Prepared and Respectfully Submitted by,

Lee Price, MMC
City Clerk

smd/12-9-08 MIN

Access the video, the agenda and related reports for this meeting by visiting the City's website at <http://www.sanjoseca.gov/clerk/agenda.asp> or <http://www.sanjoseca.gov/clerk/MeetingArchive.asp>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.

JOINT REDEVELOPMENT AGENCY ITEMS

8.1 City Council and Redevelopment Agency Board consideration and approval of the Mayor's Redevelopment Agency Budget Message. (Mayor)

Documents Filed: Memorandum from Mayor Reed, dated November 25, 2008, recommending that the Redevelopment Agency Board (RDA) and the City Council jointly approve the proposed economic stimulus plan and the proposed Redevelopment Agency 2008-2009 Capital Budget and amend the five year capital improvement program to a two year spending plan incorporating the specific recommendations in the Mayor's RDA Budget Message. (2) Memorandum from Council Member Chu, dated December 5, 2008, recommending approval of the Mayor's RDA Budget Message with an amendment. (3) Letter from Affordable Housing Network, dated December 2, 2008, regarding Budget Item 7.

FISCAL YEAR 2008-2009 RDA BUDGET DOCUMENTS: [2] Memorandum from Council Member Nguyen, dated November 19, 2008, requesting funding \$1.5 million of the San José Municipal Stadium for improvements which will provide safety, accessibility and recreational opportunities for residents in the City of San José. [3] Memorandum from Council Member Chu, dated November 19, 2008, requesting the allocation of \$500,000 for the Coyote Trail development to the North San José Area Trail Development reserve. [4] Memorandum from Council Member Campos, dated November 19, 2008, requesting that \$1,500,000 be allocated to hire additional Police Officers in the future. [5] Memorandum from Council Member Campos, dated November 19, 2008, requesting \$1,000,000 additional funding for San José BEST. [6] Memorandum from Council Member Campos, dated November 19, 2008, requesting \$188,052 funding for two full time Inspectors to conduct proactive code enforcement in Strong Neighborhoods Initiative areas and Neighborhood Business Districts. [7] (a) Memorandum from Vice Mayor Cortese, dated November 19, 2008, requesting that RDA earmark a significant percentage of all funds transferred to the City of San José's Housing Department for anticipated outcomes. (b) Supplemental memorandum from Vice Mayor Cortese, dated November 26, 2008, clarifying that the purpose of Budget Document 7 was to propose the earmarking of a "significant" amount of any future funds over and above the 20% for those items listed in the memorandum; it was in no way meant to take away existing uses of these funds. [8] Memorandum from Council Member Oliverio, dated November 19, 2008, requesting \$50,000 funding for the Taylor Street Underpass tree planting streetscape.

Mayor Reed outlined the items of the Mayor's Proposed RDA Budget Message and added the following amendments: (1) The San José Municipal Stadium be allocated \$600,000 for capital improvements. (2) Approve the supplemental addendum for Budget Document 7, from Vice Mayor Cortese, dated November 26, 2008.

Motion: Council Member Pyle moved approval of the Mayor's Proposed RDA Budget Message with the amendments as described by Mayor Reed. Council Member Liccardo seconded the motion.

8.1 (Cont'd.)

Council discussion and comments followed.

Substitute Motion: Council Member Chu requested to amend the motion to allocate \$400,000 for the installation of smart LED lights. Council Member Williams seconded the motion. Council Members Pyle and Liccardo declined to accept the amendment. The Council agreed to vote on the amendment as a substitute motion. The substitute motion failed. (2-9. Noes: Campos, Chirco, Constant, Cortese, Liccardo, Nguyen, Oliverio, Pyle; Reed.)

Public Comments: Ross Signorino suggested that Council devise another plan to bring BART to the Norman Y. Mineta San José International Airport.

Action: On a call for the question, the original motion with amendments carried unanimously, the Mayor's Redevelopment Agency Budget Message was approved, with the following additions: (1) \$600,000 appropriation allocated to the San José Municipal Stadium for capital improvements. (2) Supplemental Budget Document 7 from Vice Mayor Cortese, dated November 26, 2008, was approved, including: the RDA earmark a significant percentage of all funds transferred to the City of San José's Housing Department; and clarified that there is 20% set aside that the City of San José receives from RDA. In addition, based on prospective future budget action by the Agency Board, there may be funding from the RDA over and above the 20% threshold. The purpose of Budget Document 7 was to propose the earmarking of a "significant" amount of any future funds over and above the 20% for those items listed in the memorandum. It was in no way meant to take away the existing uses of these funds. (11-0.)

8.2 Redevelopment Agency Board approval of:

- (a) **The Amended Capital Budget for FY 2008-2009 for the Redevelopment Agency.**
- (b) **The Two-Year Spending Plan ending FY 2009-2010 for the Redevelopment Agency of the City of San José.**

Documents Filed: Memorandum from Redevelopment Agency Executive Director Harry S. Mavrogenes, dated November 26, 2008, recommending approval of the capital budget and two-year spending plan.

Action: Upon motion by Council Member Pyle, seconded by Council Member Nguyen and carried unanimously, the Amended Capital Budget for FY 2008-2009 for the Redevelopment Agency and the Two-Year Spending Plan ending FY 2009-2010 for the Redevelopment Agency of the City of San José were approved. (11-0.)

8.3 **Acceptance by the City Council and Redevelopment Agency Board of the recommended schematic design for the proposed San Jose McEnery Convention Center expansion and direction for the Agency to proceed with design development of the project based on a budget estimate of \$300,000,000. CEQA: Resolution No. 72767. [MERGED]**

8.3 (Cont'd.)

Documents Filed: Memorandum from Redevelopment Agency Executive Director Harry S. Mavrogenes, dated November 26, 2008, recommending acceptance of the schematic design.

Redevelopment Agency Chief Financial Officer David Baum provided the Staff report and responded to Council questions.

Motion: Council Member Constant moved approval of the Staff recommendations. Council Member Williams seconded the motion.

Public Comments: Ross Signorino remarked about the aesthetics of the expansion's design. Brian Grayson (Preservation Action Council of San José) pointed out that a Supplemental Environmental Impact Report may be needed before approval. Tony Miranda expressed support to the Staff recommendations.

Action: On a call for the question, the motion carried unanimously, and the schematic design for the proposed San Jose McEnery Convention Center expansion and direction for the Redevelopment Agency to proceed with design development of the project based on a budget estimate of \$300,000,000 was accepted. (11-0.)