

## MINUTES OF THE CITY COUNCIL

**SAN JOSE, CALIFORNIA**

**TUESDAY, FEBRUARY 08, 2011**

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, Chu, Constant, Kalra, Liccardo, Nguyen, Oliverio, Pyle, Rocha; Reed.

Absent: Council Members - Herrera. (Excused)

Upon motion unanimously adopted, Council recessed at 9:31 a.m. to a Closed Session in Room W133 (A) to confer with Legal Counsel pursuant to Government Code subsection (b) of Section 54956.9 with respect to anticipated litigation (Claim Not Filed) of significant exposure in one (1) matter. (B) to confer with Labor Negotiator pursuant to Government Code Section 54957.6: City Negotiator: City Manager Designee Alex Gurza; Employee Organizations: (1) 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. (2) 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. (3) 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. (4) 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. (5) 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. (6) International Association of Firefighters, Local 230 (IAFF); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and International Association of Firefighters. (7) International Brotherhood of Electrical Workers (IBEW); Nature of Negotiations:

## **CLOSED SESSION (Cont'd.)**

Wages/Salaries, Hours, Working Conditions; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and IBEW. (8) 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; (9) International Union of Operating Engineers, Local No. 3 (OE#3); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and International Union of Operating Engineers, Local No. 3. (10) San José Police Officers' Association (SJPOA); 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. (11) Association of Legal Professionals of San José (ALP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc. 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 11:37 a.m. and reconvened to Regular Session at 1:29 p.m. in the Council Chambers.

Present: Council Members - Campos, Chu, Constant, Kalra, Liccardo, Nguyen, Oliverio, Pyle, Rocha; Reed.

Absent: Council Members - Herrera. (Excused)

## **INVOCATION**

Dr. Vineet Sharma, Hindu-American Foundation presented the Invocation. (District 2)

## **PLEDGE OF ALLEGIANCE**

Mayor Reed, accompanied by the Third Grade students from De Vargas Elementary School, led the Pledge of Allegiance.

## **ORDERS OF THE DAY**

Upon motion by Council Member Constant, seconded by Council Member Pyle and carried unanimously, the Orders of the Day and the Amended Agenda were approved, with the Redevelopment Agency meeting heard after the Consent Calendar. (10-0-1. Absent: Herrera.)

## CEREMONIAL ITEMS

- 1.1 Presentation of a commendation to the San José Downtown Association in celebration of its 25 years of work to enhance Downtown’s vitality and livability. (Liccardo)**

Action: Mayor Reed and Council Member Liccardo recognized and commended the San José Downtown Association.

- 1.2 Presentation of a proclamation celebrating Lunar New Year in the City of San José. (Chu/Nguyen)**

Action: Mayor Reed, Vice Mayor Nguyen and Council Member Chu recognized “Lunar New Year” in the City of San José.

- 1.3 Presentation of a commendation to SMTC Corporation for providing high-quality, comprehensive manufacturing and assembly solutions for San José companies. (Mayor/ Chu/Economic Development)**

Action: Mayor Reed, Council Member Chu and Chief Strategist/Acting Chief Development Officer Kim Welsh recognized and commended SMTC Corporation.

- 1.4 Presentation of a commendation to Marina Moustakas in recognition of receiving the Hellenic American Professional Society of California’s 2011 Axion Award. (Constant)**

Action: Mayor Reed and Council Member Constant recognized and commended Marina Moustakas.

## CONSENT CALENDAR

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

- 2.1 Approval of Minutes.**

Action: There were none.

- 2.2 Final adoption of ordinances.**

(a) **ORD. NO. 28878 – Amending Section 4.80.3015 of Chapter 4.80 of Title 4 of the San José Municipal Code to allow administrative expenditures for personal services and nonpersonal expenses under the Housing Trust Fund.**

2.2 (a) (Cont'd.)

Documents Filed: Proof of Publication of the Title of Ordinance No. 28878 executed on February 1, 2011, submitted by the City Clerk.

Action: Ordinance No. 28878 was adopted. (10-0-1. Absent: Herrera.)

- (b) **ORD. NO. 28881 – Establishing Kirk Park/Community Center Rule 20A Underground Utility District along Foxworthy Avenue, between Yucca Avenue and Briarwood Avenue.**

Documents Filed: Proof of Publication of the Title of Ordinance No. 28881 executed on February 1, 2011, submitted by the City Clerk.

Action: Ordinance No. 28881 was adopted. (10-0-1. Absent: Herrera.)

- (c) **ORD. NO. 28883 – Rezoning certain real property situated at the northwest corner of North 10<sup>th</sup> Street and East Taylor Street from the A(PD) Planned Development Zoning District to the A(PD) Planned Development Zoning District. PDC08-036**

Documents Filed: Proof of Publication of the Title of Ordinance No. 28883 executed on February 1, 2011, submitted by the City Clerk.

Action: Ordinance No. 28883 was adopted. (10-0-1. Absent: Herrera.)

2.3 **Approval of Council Committee Reports.**

- (a) **Rules and Open Government Committee Report of January 19, 2011. (Mayor)**
- (b) **Public Safety, Finance and Strategic Support Committee Report of January 20, 2011. (Constant)**
- (c) **Community and Economic Development Committee Report of January 24, 2011. (Herrera)**

Documents Filed: (1) The Rules and Open Government Committee dated January 19, 2011. (2) The Public Safety, Finance and Strategic Support Committee Report dated January 20, 2011. (3) The Community and Economic Development Committee Report dated January 24, 2011.

Public Comments: David Wall complained that his testimony under (h)(2), the Rules and Open Government Committee Minutes of January 19, 2011 should be listed under “criticisms and comments” and that Staff should provide monthly reports to Council about the Litter Program instead of annual reports to Transportation and Environment Committee.

Action: Upon motion by Council Member Pyle, seconded by Vice Mayor Nguyen and carried unanimously, the Council Committee Reports were approved. (10-0-1. Absent: Herrera.)

## 2.4 Mayor and Council Excused Absence Requests.

Action: There were none.

## 2.5 City Council Travel Reports.

Mayor Reed offered highlights from his recent trip to Japan, which consisted of promoting business opportunities for Japan in the City of San José and discussing direct airplane routes between San José and Tokyo.

- 2.6 (a) **Adopt a resolution to accept grant funds from various funders in the amount of \$85,000 to provide partial funding for a future agreement between the City and EmcArts to allow the City to participate in the New Pathways in the Arts National Initiative.**
- (b) **Adopt the following Appropriation Ordinance and Funding sources resolution amendments in the General Fund for 2010-2011:**
- (1) **Establish an appropriation to the Office of Economic Development in the amount of \$85,000 for New Pathways in the Arts.**
- (2) **Increase the estimate for Revenue from Local Agencies by \$85,000.**

**CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Economic Development/City Manager's Office)**

Documents Filed: Memorandum from Acting Director of Economic Development/Chief Strategist Kim Walesh and Budget Director Jennifer Maguire, dated January 18, 2011, recommending adoption of a resolution and appropriation ordinance and funding sources resolution amendments.

Action: Resolution No. 75719, entitled: "A Resolution of the Council of the City of San José Accepting Grant Funds from Various Funders in the Amount of \$85,000 to Provide Partial Funding for a Future Agreement Between the City and EmcARTS to Allow the City to Participate in the New Pathways in the Arts National Initiative"; Ordinance No. 28887, entitled: "An Ordinance of the City of San José Amending Ordinance No. 28765 to Appropriate Monies in the General Fund for the New Pathways in the Arts Project; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption" and Resolution No. 75720, entitled: "A Resolution of the Council of the City of San José Amending Resolution No. 75447 Setting Forth the Estimated Sources of Funds for the Fiscal Year 2010-2011 to Adjust Revenues in the General Fund", were adopted. (10-0-1. Absent: Herrera.)

- 2.7 **Adopt a resolution authorizing the City Manager to submit an application to the US Bureau of Reclamation for a federal WaterSMART grant through the Title XVI Water Reclamation and Reuse Program (Funding Opportunity Announcement No. R11SF80311), in the amount of \$2,000,000 for the construction of recycled water infrastructure, subject to the concurrence of the Treatment Plant Advisory Committee. CEQA: Not a Project, File No. PP10-068(a) Grant Application (where Council is not obligated to enter into an agreement at the time of application). If the grant application is successful, environmental documentation for the proposed project will be provided. (Environmental Services)**

## 2.7 (Cont'd.)

Documents Filed: Memorandum from Director of Environmental Services John Stufflebean, dated January 18, 2011, recommending adoption of a resolution.

Action: Resolution No. 75721, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Submit an Application to the U.S. Bureau of Reclamation for a Federal Watersmart Grant through the Title XVI Water Reclamation and Reuse Program (Funding Opportunity Announcement No. R11SF80311) in the Amount of \$2,000,000 for the Construction of Recycled Water Infrastructure, Subject to the Concurrence of the Treatment Plant Advisory Committee", was adopted. (10-0-1. Absent: Herrera.)

## 2.8 Adopt a resolution authorizing the Director of Finance to:

(a) **Execute two one-year agreements for the removal of lead and asbestos at citywide facilities with Asbestos Management Group of California, Inc. (Oakland, CA) and Plant Hazardous Services, Inc. (El Sobrante, CA), for a total not-to-exceed amount of \$150,000 and \$100,000, respectively.**

(b) **Exercise options to extend the agreements for three additional one year terms without further Council action other than the appropriation of funds.**

**CEQA: Not a Project, PP10-066 (a) approval of open contracts for remediation services with the determination of the need for subsequent environmental review made on a case by case basis for each individual site selected. (Finance)**

Documents Filed: Memorandum from Director of Finance Scott P. Johnson, dated January 18, 2011, recommending adoption of a resolution.

Action: Resolution No. 75722, entitled: "A Resolution of the Council of the City of San José Authorizing the Director of Finance to Execute Agreements with Asbestos Management Group of California, Inc. and Plant Hazardous Services, Inc. for Lead and Asbestos Removal at Citywide Facilities", was adopted. (10-0-1. Absent: Herrera.)

- 2.9 (a) **Approve travel by Council Member Chu to Modesto, CA on February 10-11, 2011 to attend the regularly scheduled League of California Cities Board of Director's meeting as San José's designated representative. Source of Funds: Mayor & Council Travel Fund. League of California Cities pays for lodging in advance and reimburses the City for other related travel expenses.**
- (b) **Request for an excused absence for Council Member Chu from the Regular Meeting of the Neighborhood Services and Education Committee on February 10, 2011 due to Authorized City Business.**

Documents Filed: Memoranda from Council Member Chu, both dated January 31, 2011, requesting approval of travel and an excused absence.

Action: The travel for Council Member Chu was approved and the absence was excused. (10-0-1. Absent: Herrera.)

- 2.10 (a) Approve travel by Mayor Reed to Narita, Japan on February 2-5, 2011 to meet with executives from Japanese airlines in an effort to advocate on behalf of the City and attract air service to the Mineta San José International Airport. Source of Funds: Mayor & Council Travel Fund.**
- (b) Request for an excused absence for Mayor Reed from the Regular Meeting of the Rules and Open Government Committee on February 2, 2011 due to Authorized City Business.**
- (Mayor)**

Documents Filed: Memorandum from Mayor Reed, dated January 27, 2011, requesting approval of travel and an excused absence.

Action: The travel for Mayor Reed was approved and the absence was excused. (10-0-1. Absent: Herrera.)

- 2.11 As recommended by the Rules and Open Government Committee on February 2, 2011, approve the following appointments to the Neighborhoods Commission:**
- (a) Norma Callender to fill a vacancy in Council District 2, and David Wilkins as the 1<sup>st</sup> Alternate and Jerry Lewis as the 2<sup>nd</sup> Alternate for Council District 2.**
- (b) Theodore Johnson to fill a vacancy in Council District 5.**
- (City Manager's Office)**

Documents Filed: Memorandum from City Clerk Dennis D. Hawkins, CMC, dated February 3, 2011, transmitting the recommendations of the Rules and Open Government Committee.

Action: Norma Callender was appointed to fill a vacancy in Council District 2, and David Wilkins as the 1<sup>st</sup> Alternate; Jerry Lewis was appointed as the 2<sup>nd</sup> Alternate for Council District 2 and Theodore Johnson was appointed to fill a vacancy in Council District 5. (10-0-1. Absent: Herrera.)

- 2.12 As recommended by the Rules and Open Government Committee on February 2, 2011, approve the appointment of Bill Souders, Senior Director of Corporate Affairs for Cisco Systems in San José, to serve as a private-sector representative on the Silicon Valley Workforce Investment Network Board of Directors as required by law. (Mayor)**

Documents Filed: Memorandum from City Clerk Dennis D. Hawkins, CMC, dated February 3, 2011, transmitting the recommendations of the Rules and Open Government Committee.

Action: Bill Souders, Senior Director of Corporate Affairs for Cisco Systems in San José, was appointed to serve as a private-sector representative on the Silicon Valley Workforce Investment Network Board of Directors as required by law. (10-0-1. Absent: Herrera.)

- 2.13 As recommended by the Rules and Open Government Committee on February 2, 2011, accept the Santa Clara Valley Water District's FY 2012 – Joint Advocacy Federal Projects in the City of San José's jurisdiction and approve the City's mutual request for funds through the appropriation process. (City Manager's Office/Environmental Services)**

Documents Filed: Memorandum from City Clerk Dennis D. Hawkins, CMC, dated February 3, 2011, transmitting the recommendations of the Rules and Open Government Committee.

Director of Intergovernmental Relations Betsy Shotwell responded to questions from Council Member Liccardo.

Motion: Council Member Liccardo moved approval of the Staff recommendations and the following addition to the Joint Advocacy Federal Projects list: support for the effort of the pilot project to engage homeless in the creeks as part of the solution in cleaning the creeks and transitioning the homeless into permanent housing. Vice Mayor Nguyen seconded the motion.

Action: On a call for the question, the motion carried unanimously, the Santa Clara Valley Water District's FY 2012 – Joint Advocacy Federal Projects in the City of San José's jurisdiction was accepted and the City's mutual request for funds through the appropriation process was approved, as amended, including the addition to the Joint Advocacy Federal Projects list: support for the effort of the pilot project to engage homeless in the creeks as part of the solution in cleaning the creeks and transitioning the homeless into permanent housing. (10-0-1. Absent: Herrera.)

## **END OF CONSENT CALENDAR**

### **STRATEGIC SUPPORT SERVICES**

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

City Manager Debra Figone reported the Budget Priority Setting Session on Monday, February 14, 2011, Senior Staff will be updating Council on budget planning to address the 2011-2012 General Fund \$110M shortfall, discussing options for addressing projected City retirement contributions/reform and prioritization of workloads concerning ordinance changes and major referrals.

- 3.2 (a) **Approve the 2010-2011 Mid-Year Budget Review Report.**
- (b) **Adopt related Appropriation Ordinance and Funding Sources Resolution amendments in various funds as detailed in Section III (Recommended Budget Adjustments and Clean-Up Actions) in the 2010-2011 Mid-Year Budget Review.**
- (c) **Approve the elimination of a Division Manager position and a Supervising Real Property Agent position in the General Services Department and the addition of two Senior Executive Analyst positions in the Office of Economic Development to support Real Estate operations.**
- (d) **Adopt a resolution amending the FY 2010-2011 Schedule of Fees and Charges (Resolution No. 72737, as amended) to:**
- (1) **Eliminate the Card Table Fee of \$24,413 per table per year.**
  - (2) **Establish a Cardroom Regulation Fee of \$925,837 per Cardroom per year.**

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

Documents Filed: The Mid-Year Budget Review for FY2010-2011 dated January 2011 from the Office of the City Manager.

Budget Director Jennifer Maguire provided an overview of the 2010-2011 Mid-Year Review and responded to Council questions.

Council discussion ensued.

Action: Upon motion by Council Member Constant, seconded by Council Member Pyle and carried unanimously, the 2010-2011 Mid-Year Budget Review Report was approved; Ordinance No. 28888, entitled: “An Ordinance of the City of San José Amending Ordinance No. 28765 to Appropriate Monies in the General Fund and Various Special and Capital Funds; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”; Resolution No. 75724, entitled: “A Resolution of the Council of the City of San José Amending Resolution No. 75447 Setting Forth the Estimated Sources of Funds for the Fiscal Year 2010-2011 to Adjust Revenues in the General Fund and Various Special and Capital Funds”; the elimination of a Division Manager position and a Supervising Real Property Agent position in the General Services Department and the addition of two Senior Executive Analyst positions in the Office of Economic Development to support Real Estate operations was approved and Resolution No. 75725, entitled: “A Resolution of the Council of the City of San José Amending Resolution No. 72737 As Previously Amended by Resolution Numbers 73019, 73056, 73242, 73637, 73831, 73879, 73881, 74035, 74047, 74452, 74839, 74841, 74981, 75135, 75334, 75338, 75442, 75502, 75509, 75600, 75610, 75610, 75639, 75641 and 75684 To Eliminate the Card Table Fees and To Establish the Cardroom Regulation Fee, To Be Effective February 8, 2011”, were adopted. (8-0-3. Absent: Herrera, Kalra, Nguyen.)

- 3.3 (a) Acknowledge receipt of the following:**
- (1) Certification by the City Clerk of results of elections conducted among the retired members of the Police and Fire Department Retirement Plan.**
  - (2) Recommendation from the panel convened to interview candidates for the Retiree Representative on the Police and Fire Retirement Board.**
- (b) At the City Council's discretion:**
- (1) Appoint one retiree member to the Board of Administration of the Police and Fire Department Retirement Plan to a term expiring November 30, 2014.**
  - (2) If an appointment is not made, direct the City Clerk to conduct a new process to recommend the appointment of a retired member as necessary.**

**CEQA: Not a Project. (City Clerk)**

Action: Deferred to February 15, 2011 per City Clerk.

**3.4 Accept the Mayor's Budget Prioritization Survey Results. (Mayor)  
(Rules Committee referral 01/26/11)**

Documents Filed: (1) Memorandum from Mayor Reed, dated January 28, 2011, recommending acceptance of the 2011 Budget Priorities Survey. (2) Supplemental memorandum from Mayor Reed, dated February 2, 2011, providing additional information on the 2011 Budget Priorities Survey.

David Metz, Fairbank, Maslin, Maullin, Metz and Associates presented the City of San José 2011 Budget Priorities Survey.

Council discussion ensued.

Public Comments: Angelica Cortez, Silicon Valley Council of Nonprofits, and Yolanda Cruz, AFSCME MEF, provided comments about the survey.

Action: Upon motion by Vice Mayor Nguyen, seconded by Council Member Constant and carried unanimously, the Mayor's Budget Prioritization Survey Results was accepted. (10-0-1. Absent: Herrera.)

## COMMUNITY & ECONOMIC DEVELOPMENT

- 4.1 Adopt a resolution authorizing the Director of Housing to negotiate and execute an Exclusive Negotiation Agreement between the City and First Community Housing for the development of the Japantown Seniors affordable housing development to be located on the former City Corporation Yard Parking Lot site located at 675 North Sixth Street just South of East Taylor Street. CEQA: Resolution No. 74384, GP07-03-04, PDC08-010. (Housing)**

Documents Filed: Memorandum from Director of Housing Leslye Corsiglia, dated January 20, 2011, recommending adoption of a resolution.

Action: Upon motion by Council Member Pyle, seconded by Vice Mayor Nguyen and carried, Resolution No. 75726, entitled: "A Resolution of the Council of the City of San José Authorizing the Director of Housing to Negotiate and Execute an Exclusive Negotiation Agreement Between the City of San José and First Community Housing for the Development of the Japantown Seniors Affordable Housing Development", was adopted. (9-1-1. Noes: Oliverio. Absent: Herrera.)

- 4.2 (a) Adopt a resolution to:**
- (1) Authorize the Housing Department to accept a Federal Emergency Management Agency (FEMA) grant of \$3,000,000 from the California Emergency Management Agency to assist with the creation of a mobilehome seismic retrofit program.**
  - (2) Authorize the Director of Housing to negotiate and execute agreements to carry out the mobilehome Seismic retrofit work to be performed under this grant.**
  - (3) Make findings that the use of Low- and Moderate-Income Housing Funds to provide match funds for seismic rehabilitation outside a redevelopment project area benefits the Agency's redevelopment project areas.**
- (b) Adopt the following Appropriation Ordinance amendments in the Low/Moderate Income Housing Fund:**
- (1) Establish an appropriation to the Housing Department for the Hazard Mitigation Match project in the amount of \$1,000,000; and**
  - (2) Decrease the appropriation to the Housing Department for the Loans, Grants, and Site Acquisition project by \$1,000,000.**

**CEQA: Not a Project, File No. PP10-067, Non-Project Specific Funding Mechanism. Council Districts 2, 7 and 10. SNI: Edenvale/Great Oaks. (Housing/City Manager's Office)**

Documents Filed: Memorandum from Director of Housing Leslye Corsiglia and Budget Director Jennifer Maguire, dated January 24, 2011, recommending adoption of a resolution and appropriation ordinance amendments.

Housing Policy and Planning Administrator James Stagi and Director of Planning, Building and Code Enforcement Joseph Horwedel responded to Council questions.

## 4.2 (Cont'd.)

Action: Upon motion by Council Member Constant, seconded by Council Member Pyle and carried unanimously, Resolution No. 75727, entitled: “A Resolution of the Council of the City of San José Authorizing the Housing Department to Accept Federal Emergency Management Agency Funds to Provide Mobilehome Seismic Retrofit Upgrades” and Ordinance No. 28889, entitled: “An Ordinance of the City of San José Amending Ordinance No. 28765 to Appropriate Monies in the Low and Moderate Income Housing Fund for the Hazard Mitigation Match; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”, were adopted. (10-0-1. Absent: Herrera.)

## 4.3 **As recommended by the Community and Economic Development Committee on January 24, 2011, accept the status report on progress implementing the Economic Strategy Work Plan for the January 2010 – June 2011 time period. (Economic Development)**

Documents Filed: Replacement memorandum from Acting Director of Economic Development/Chief Strategist Kim Walesh, dated February 3, 2011, providing new information on the Implementation Work Plan Exhibit A that was discussed at the January 25, 2011 Community and Economic Development Committee as well as provide additional clarifying information on revenues to the City and Agency from pipeline projects in Exhibit B.

Mayor Reed acknowledged the hard work from the Office of Economic Development.

Action: Upon motion by Council Member Pyle, seconded by Vice Mayor Nguyen and carried unanimously, the status report on the progress implementing the Economic Strategy Work Plan for the January 2010 through June 2011 was accepted. (9-0-1. Absent: Herrera, Kalra.)

## OPEN FORUM

Documents Filed: Letter from Sara-Jo Larsen, dated February 8, 2011, expressing comments about the Southside Senior Center.

- (1) Norman H. Larsen and Sara-Jo Larsen complained about problems related to the Southside Senior Center.
- (2) Judy Bender expressed concerns about complications arising from an accident she had at Willow Senior Center.
- (3) Eric Bender commented on volunteering opportunities and the removal of pinball machines from pizza establishments.

Mayor Reed referred the speakers to Assistant City Manager Edward K. Shikada.

## **ADJOURNMENT**

The Council of the City of San José was adjourned at 5:15 p.m. in memory of Dorothy Santos for her outstanding dedication of service and volunteerism to the Alviso community and the City of San José. (Campos/Chu)

Minutes Recorded, Prepared and Respectfully Submitted by,

Dennis D. Hawkins, CMC  
City Clerk

smd/02-08-11 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

The Redevelopment Agency Board convened at 2:06 p.m. to consider Items 8.1 and 8.2 in a Joint Session.

- 8.1**
- (a) Approval by the Agency Board of the Agency’s FY 2010-11 Mid-Year Budget Review Report.**
  - (b) Adoption of a resolution by the Agency Board approving an adjustment to the FY 2010-11 Capital Budget for a reduction of \$2.5 million in the Supplemental Assessments line item and a reduction of \$500,000 in the 20% Housing Requirement line item, as detailed in Attachment E of the FY 2010-11 Mid-Year Budget Review Report.**
- CEQA: Not a Project. [MERGED]**

Documents Filed: (1) Memorandum from Redevelopment Agency Executive Director Harry S. Mavrogenes, dated January 31, 2011, recommending approval of the mid-year budget report and adoption of a resolution. (2) Staff presentation dated February 8, 2011 summarizing the Redevelopment Agency’s FY 2010-2011 Mid-Year Budget Review Report.

Executive Director of the Redevelopment Agency Harry Mavrogenes presented highlights of the Redevelopment Agency’s FY 2010-2011 Mid-Year Budget Review Report and responded to Council questions and comments.

Council discussion ensued.

Action: Upon motion by Council Member Pyle, seconded by Vice Mayor Nguyen and carried unanimously, the Redevelopment Agency’s FY 2010-2011 Mid-Year Budget Review Report was approved and Redevelopment Agency Resolution No. 6005, entitled: “A Resolution of the Board of Directors of the Redevelopment Agency of the City of San José Amending the Adopted FY2010-2011 Revised Capital Budget Connection with the Mid-Year Budget Review Report”, was adopted. (9-1-1. Noes: Liccardo. Absent: Herrera.)

- 8.2**
- (a) Approval by the Agency Board of an agreement with ACE Charter School in an amount not to exceed \$950,000 for assistance in constructing public improvements.**
  - (b) Adoption of a resolution by the City Council making certain determinations required by Redevelopment Law, Health and Safety Code Section 33445, for Redevelopment Agency funding of construction of the Project.**
- CEQA: Exempt per CEQA Section 15036: project is for the purpose of information to determine the feasibility of a potential project which has not been approved, adopted or fully funded. [MERGED]**

Documents Filed: Memorandum from Redevelopment Agency Executive Director Harry S. Mavrogenes, dated February 3, 2011, recommending approval of an agreement and adoption of a Council resolution.

## 8.2 (Cont'd.)

Motion: Council Member Campos moved approval of the Staff recommendations. Council Member Pyle seconded the motion.

Council Member Campos provided comments in support to his motion.

Council Member Constant voiced continued objection to this type of funding at this time because the City has failed to fund many of the essential core services and functions that the Redevelopment Agency has historically done in the past.

Public Comments: Speaking in support to the Staff recommendations were Guadalupe Gonzalez, Artexio Calderon, Mayfair NAC, Tamara Alvarado and Guadalupe Caudillo, ACE Charter School.

Council Member Liccardo expressed support to ACE Charter School and the commitments that have been made, but also voiced concern about making future commitments such as this action today.

Action: On a call for the question, the motion carried, an agreement with ACE Charter School in an amount not to exceed \$950,000 for assistance in constructing public improvements was approved and Resolution No. 75723, entitled: "A Resolution of the Council of the City of San José Making Certain Determinations Required by Redevelopment Law, Health and Safety Code Section 33445, for Redevelopment Agency Funding of Public Improvements for the Ace Charter School", was adopted. (9-1-1. Noes: Constant. Absent: Herrera.)

The Council of the City of San José and Redevelopment Agency Board was adjourned at 3:04 p.m.