



## MINUTES OF THE CITY COUNCIL

**SAN JOSE, CALIFORNIA**

**TUESDAY, MARCH 15, 2011**

The Council of the City of San José convened in Regular Session at 9:06 a.m. in the Council Chambers at City Hall.

Present: Council Members - Campos, Chu (9:12 a.m.), Herrera, Liccardo, Nguyen, Oliverio, Pyle, Rocha; Reed.

Absent: Council Members - Constant, Kalra. (Excused)

### STRATEGIC SUPPORT SERVICES

#### 3.2 (a) Accept Labor Negotiations Update.

Documents Filed: (1) Package settlement proposal from the San José Coalition (ABMEI, AEA/CAMP/IPTE Local 21 and IBEW), dated March 14, 2011. (2) OE3 Proposal for Certificates, Safety, dated March 8, 2011, and Documented Oral Counseling, dated March 7, 2011. (3) From AFSCME Local 21/MEF and CEO: (a) Proposed MEF Language for Article 20 Grievance Procedures; (b) Proposed MEF Language for Article 18 Disciplinary Action; (c) Letter to Office of Employee Relations Manager Gina Donnelly from Yolanda Cruz, MEF and LaVerne Washington, CEO, dated March 14, 2011, transmitting a supplemental request for information for eight items; (d) Letter to Office of Employee Relations Manager Gina Donnelly from Yolanda Cruz, President, MEF and LaVerne Washington, President, CEO, dated March 9, 2011, transmitting a request for information for thirteen items; (e) 2011 MEF/CEO Contract Negotiations Ground Rules dated March 14, 2011.

Director of Employee Relations Alex Gurza and Office of Employee Relations Manager Gina Donnelly presented the Labor Negotiations Report.

Public Comments: Nancy Ostrowski, IFPTE Local 21, AEA, CAMP, commented about the package settlement proposal from the San José Coalition to the negotiating team.

## CLOSED SESSION

Upon motion unanimously adopted, Council recessed at 9:13 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 two (2) matters. (B) to confer with Legal Counsel pursuant to Government Code Section 54956.9 subsection (a) with respect to existing litigation: (1) County of Santa Clara v. City, et al; Names of Parties Involved: County of Santa Clara, City of San José, Redevelopment Agency of the City of San José, San José Diridon Development Authority, Does 1-50, Roes 1-50, Real Parties in Interest; Court: Superior Court of California, County of Santa Clara; Case No: 1-11-CV195960; Amount of Money or Other Relief Sought: Damages according to proof; (2) City v. IAFF (Michael Baldwin); Names of Parties Involved: City of San José, International Association of Firefighters, Local 230, Michael Baldwin; Court: Superior Court of California, County of Santa Clara, Court of Appeal of the State of CA, Sixth Appellate District; Case No: 1-09-CV142109, H034726; Amount of Money or Other Relief Sought: Damages according to proof; (3) Watson – Stalker, et al, v. City et al; Names of Parties Involved: Tracy Watson, Renee Stalker, Olivia Stalker, Shafer Watson, Riley Watson, County of Santa Clara, County of Santa Clara Department of Family and Children Services, County of Santa Clara Department of County Counsel, County of Santa Clara District Attorneys Office, Santa Clara Valley Medical Center, Evergreen School District, City of San José, San José Police Department, Norma Sparks, Yazmina Letona, Sharon Burgan, Jewels Ramirez, Vu Tran, Ann Miller Ravel, Rima Singh, Aaron West, George Kennedy, Clifton Black, Rose Real, Robert Pruitt, Cheryl Harms, Claudia Blodgett, Gary Kishimoto, John Hamilton, Anita Noble, Janet Kahle, Mary Ritter, David Kearns, Rajul Kazi, Rob Davis, William Hoyt, Craig Blank; Court: United States District Court, Northern District of California; Case No: C06-04029RMW; Amount of Money or Other Relief Sought: Damages according to proof. (C) to confer with Legal Council pursuant to Government Code subsection (b) of Section 54956.9 with respect to anticipated litigation (Claim Filed) of significant exposure: In re Claim of Uenaka; City Department: Police. (D) 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 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. (7) 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; (8) 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. (9) 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. (10) 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.

Upon motion unanimously adopted, Council recessed at 12:00 p.m. from Closed Session to a Special Closed Session in Room W133 for the San José Diridon Development Authority (A) to confer with Legal Counsel pursuant to Government Code subsection (a) of Section 54956.9 with respect to existing litigation: County of Santa Clara v. City, et al; Names of Parties Involved: County of Santa Clara, City of San José, Redevelopment Agency of the City of San José, San José Diridon Development Authority, Does 1-50, Roes 1-50, Real Parties in Interest; Court: Superior Court of California, County of Santa Clara; Case No: 1-11-CV195960; Amount of Money or Other Relief Sought: Damages according to proof.

By unanimous consent, Council recessed from the Closed Session at 12:15 p.m. and reconvened to Regular Session at 1:32 p.m. in the Council Chambers.

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

Absent: Council Members - Constant, Kalra. (Excused)

## **INVOCATION**

Reverend Daryl L. Lavway, Grace Baptist Church, presented the Invocation. (District 3)

## **PLEDGE OF ALLEGIANCE**

Mayor Reed, accompanied by the 3rd Grade Students from Anderson Elementary, led the Pledge of Allegiance.

## ORDERS OF THE DAY

Upon motion by Council Member Herrera, seconded by Council Member Liccardo and carried unanimously, the Orders of the Day and the Amended Agenda were approved, Item 2.12 was dropped; Redevelopment Agency Item 3.3 and Joint Council/ Redevelopment Item 8.1 were added to the Redevelopment Agency Agenda. (9-0-2. Absent: Constant, Kalra.)

## CEREMONIAL ITEMS

**1.1 Presentation of a commendation to Valley Christian High School and its students for their achievement in putting the first student-designed, automated and self-contained experiment on the International Space Station. (Pyle/Kalra)**

Action: Mayor Reed and Council Members Pyle recognized and commended Valley Christian High School and its students.

**1.2 Presentation of a commendation to IBM in recognition of their 100 years of innovation and contributions to the City of San José and Silicon Valley. (Chu/Liccardo/Kalra)**

Action: Mayor Reed and Council Member Chu, Liccardo and Pyle recognized and commended IBM.

**1.3 Presentation of a proclamation declaring the month of March 2011 as “Peace Corps Month” in the City of San José in honor of the organization’s 50<sup>th</sup> anniversary. (Mayor)**

Action: Mayor Reed recognized the Month of March 2011 as “Peace Corps Month” in the City of San José.

**1.4 Presentation of a commendation to Washington Camina Contigo for empowering parents to unite and make the Guadalupe-Washington neighborhood a safe and beautiful place to live. (Liccardo)**

Action: Mayor Reed and Council Member Liccardo recognized and commended Washington Camina Contigo.

## CONSENT CALENDAR

Upon motion by Council Member Pyle, seconded by Council Member Herrera and carried unanimously, the Consent Calendar was approved and the below listed actions were taken as indicated. (9-0-2. Absent: Constant, Kalra.)

**2.1 Approval of Minutes.**

- (a) **Joint City Council/San José Financing Authority Minutes of October 5, 2010.**

Documents Filed: The Joint City Council/San José Financing Authority Minutes dated October 5, 010.

Action: The Minutes were approved. (9-0-2. Absent: Constant, Kalra.)

**2.2 Final adoption of ordinances.**

Action: There were none.

**2.3 Approval of Council Committee Reports.**

- (a) **Rules and Open Government Committee Report of February 23, 2011. (Mayor)**  
(b) **Community and Economic Development Committee Report of February 28, 2011. (Herrera)**  
(c) **Rules and Open Government Committee Report of February 16, 2011. (Mayor)**  
(d) **Rules and Open Government Committee Report of February 9, 2011. (Mayor)**

Documents Filed: (1) The Rules and Open Government Committee Reports dated February 9, 2011, February 16, 2011 and February 23, 2011. (2) The Community and Economic Development Committee Report dated February 28, 2011.

Action: The Council Committee Reports were approved. (9-0-2. Absent: Constant, Kalra.)

**2.4 Mayor and Council Excused Absence Requests.**

Action: There were none.

**2.5 City Council Travel Reports.**

Action: There were none.

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

Action: There were none.

**2.7 Adopt a resolution that:**

- (a) **Authorizes the City Manager, or designee, to submit a grant application in an amount not to exceed \$200,000 to the State of California under the Community Based Transportation Planning grant program for the feasibility study of Edenvale Trail (“Project”).**

- 2.7
- (b) Certifies that the City will have available the required local match of \$75,000 and any additional funds necessary to complete the Project prior to commencement of any work on the Project included in the application.
  - (c) Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines for the Project.
  - (d) Delegates the authority to the City Manager, or designee, to conduct all negotiations, execute and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the Project.
  - (e) Authorizes the City Manager, or designee, to resubmit the grant application in subsequent years for the same amount and grant requirements described in this memorandum if the City is unsuccessful with the initial grant application.

**CEQA: Statutorily Exempt, CEQA Guidelines Section 15262, Planning and Feasibility Studies; File No. PP10-066(d). (Parks, Recreation and Neighborhood Services)**

Documents Filed: Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated February 22, 2011, recommending adoption of a resolution.

Action: Resolution No. 75754, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Submit an Application to the State of California Under the Community Based Transportation Planning Grant Program for the Feasibility Study of Edenvale Trail in an Amount Not To Exceed \$200,000, To Accept the Grant if Awarded and To Execute All Related Documents", were adopted. (9-0-2. Absent: Constant, Kalra.)

2.8 **Adopt a resolution that:**

- (a) Authorizes the City Manager, or designee, to submit a grant application in an amount not to exceed \$300,000 to the State of California under the Community Based Transportation Planning grant program for the preparation of a Master Plan for the Three Creeks Trail ("Project");
- (b) Certifies that the City will provide \$340,000 towards the Project;
- (c) Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines for the Project;
- (d) Delegates the authority to the City Manager, or designee, to conduct all negotiations, execute and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the Project; and
- (e) Authorizes the City Manager, or designee, to resubmit the grant application in subsequent years for the same amount and grant requirements described in this memorandum if the City is unsuccessful in receiving a grant award with the initial grant application and to negotiate and execute any necessary documents to effectuate the grant.

**CEQA: Statutorily Exempt, CEQA Guidelines Section 15262, Planning and Feasibility Studies; File No. PP10-066(d). (Parks, Recreation and Neighborhood Services)**

## 2.8 (Cont'd.)

Documents Filed: Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated February 22, 2011, recommending adoption of a resolution.

Action: Resolution No. 75755, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager or Designee To Submit a Grant Application in An Amount Not To Exceed \$300,000 to the State of California Under the Community Based Transportation Planning Grant Program for the Preparation of a Master Plan for the Three Creeks Trail, With a Local Contribution of \$340,000, to Accept the Grant if Awarded and To Negotiate and Execute All Related Documents", was adopted. (9-0-2. Absent: Constant, Kalra.)

- 2.9 (a) **Support application to Caltrans for its Community-Based Transportation Planning Grant.**
- (b) **Adopt a resolution authorizing all of the following actions:**
- (1) **The Director of Planning, Building and Code Enforcement to file an application on behalf of the City of San Jose to compete for the Caltrans Community-Based Transportation Planning Grant in an amount not to exceed \$300,000 to develop an urban corridor plan for South Bascom Avenue and West San Carlos Street.**
  - (2) **The City Manager to negotiate and execute all contracts and related documents required for the acceptance of the grant by the City of San Jose, and as may be required by Caltrans for the completion of the grant funded project.**

**CEQA: Categorical Exemption, File No. PP10-066, Planning and feasibility studies per CEQA guidelines Section 15262. Council District 6. SNI: Burbank/Del Monte. (Planning, Building and Code Enforcement)**

Documents Filed: Memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated February 22, 2011, recommending support to the application to Caltrans for its Community-Based Transportation Planning Grant and adoption of a resolution.

Action: Support to the application to Caltrans for its Community-Based Transportation Planning Grant was expressed and Resolution No. 75756, entitled: "A Resolution of the Council of the City of San José Authorizing the Director of Planning, Building and Code Enforcement to Execute and Submit an Application to the State of California (Caltrans) Under the Community Based Transportation Planning Grant Program for a Grant to Develop an Urban Corridor Plan for South Bascom Avenue and West San Carlos Street in An Amount Not To Exceed \$300,000 and Authorizing the City Manager to Accept the Grant if Awarded and to Negotiate and Execute All Related Documents", was adopted. (9-0-2. Absent: Constant, Kalra.)

**2.10 Approve an increase in the construction contingency for the 2010 Proposition 1B Street Resurfacing Project from five percent to ten percent, for an increase of \$141,935 to \$283,970. CEQA: Exempt, File No PP06-066. (Transportation)**

Documents Filed: Memorandum from Acting Director of Transportation Hans F. Larsen, dated February 22, 2011, recommending approval of an increase in construction contingency.

Action: The increase in the construction contingency for the 2010 Proposition 1B Street Resurfacing Project from five percent to ten percent, for an increase of \$141,935 to \$283,970, was approved. (9-0-2. Absent: Constant, Kalra.)

**2.11 Approve a First Amendment to the Agreement for audit services with Macias, Gini, & O'Connell LLP to provide additional audit services to the Airport for CONRAC Facility Project Expenditures as of June 30, 2010, CFC Program Expenditures through June 30, 2011, and CFC Projected Revenue and Costs as of February 28, 2011, for a total one-time fee not to exceed \$69,230, and authorization for future years' audits for an annual fee not to exceed \$7,500, subject to annual compensation adjustments as stipulated in the agreement, and subject to annual appropriation of funds by the City Council for a total contract amount not to exceed \$2,725,511. (City Auditor)**

Documents Filed: Memorandum from City Auditor Sharon W. Erickson, dated March 7, 2011, recommending approval of a first amendment to the agreement.

Action: The first amendment to the agreement for audit services with Macias, Gini, & O'Connell LLP to provide additional audit services to the Airport for CONRAC Facility Project Expenditures as of June 30, 2010, CFC Program Expenditures through June 30, 2011, and CFC Projected Revenue and Costs as of February 28, 2011, for a total one-time fee not to exceed \$69,230, and authorization for future years' audits for an annual fee not to exceed \$7,500, subject to annual compensation adjustments as stipulated in the agreement, and subject to annual appropriation of funds by the City Council for a total contract amount not to exceed \$2,725,511, was approved. (9-0-2. Absent: Constant, Kalra.)

**2.12 (a) Accept the invitation of the City of Osaka, Japan to send a City representative to the Osaka New Energy Forum in Osaka, Japan from March 20, 2011 to March 27, 2011.**  
**(b) Approve Scott Green as the City's official representative to the Forum.**  
**Source of Funds: The City of Osaka and Japan External Trade Organization. CEQA: Not a Project, File No. PP10-069, Administrative Activities. (Economic Development)**

Documents Filed: Memorandum from Director of Economic Development/Chief Strategist Kim Walesh, dated March 9, 2011, noting that this item was added to the agenda outside of the normal process and recommending acceptance of the invitation.

Action: Item 2.12 was dropped per Orders of the Day.

- 2.13 Adopt a resolution in support of an Overlay Approach (Alternative 1) for the creation of a new area code within the current 408 area code. CEQA: Not a project, File Number PP10-069 (a), Staff Reports/Assessments. (City Manager's Office/Information Technology Department)**

Documents Filed: Memorandum from Director of Communications Tom Manheim and Chief Information Officer Stephen R. Ferguson, dated March 10, 2011, recommending adoption of a resolution.

Action: Resolution No. 75757, entitled: "A Resolution of the Council of the City of San José Supporting the Overlay Approach in the Creation of a New Area Code Within the Existing 408 Area Code Region", was adopted. (9-0-2. Absent: Constant, Kalra.)

- 2.14 As recommended by the Rules and Open Government Committee on March 9, 2011:**

- (a) Retroactively approve the Fourth Annual Westfield Oakridge Winter Walk and Resource Fair for Seniors as a City Council sponsored special event.**
- (b) Approve and accept donations from various individuals, businesses, or community groups to support the event.**

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

Documents Filed: Memorandum from City Clerk Dennis D. Hawkins, CMC, dated March 9, 2011, transmitting the recommendations of the Rules and Open Government Committee.

Action: The Fourth Annual Westfield Oakridge Winter Walk and Resource Fair for Seniors as a City Council sponsored special event was approved and acceptance of donations from various individuals, businesses, or community groups to support the event was authorized. (9-0-2. Absent: Constant, Kalra.)

## **END OF CONSENT CALENDAR**

### **STRATEGIC SUPPORT SERVICES**

- 3.3 Adopt a Statement of Policy and City Council Questions related to the selection of a new Director of Department of Transportation as described in the memorandum to Council, in compliance with City Charter Section 411.1. CEQA: Not a Project, File No. PP10-069(b), Personnel Related Decisions. (City Manager's Office)**

Documents Filed: Memorandum from City Manager Debra Figone, dated March 3, 2011, recommending adoption of a Statement of Policy and City Council questions related to the selection of a new Director of Department of Transportation.

Motion: Vice Mayor Nguyen moved approval of the Staff recommendations. Council Member Herrera seconded the motion.

### 3.3 (Cont'd.)

Council Member Liccardo requested to amend the motion to add one additional question regarding the City's ambitious goals for mode share shift in the General Plan: How will the City push forward policies that will make the mode share goals a reality? The amendment was accepted by Vice Mayor Nguyen and Council Member Herrera.

Action: On a call for the question, the motion carried unanimously, the Statement of Policy and City Council Questions related to the selection of a new Director of Department of Transportation as described in the memorandum to Council, in compliance with City Charter Section 411.1 was adopted, with one additional question: with regard to the City's ambitious goals for mode share shift in the General Plan (i.e. moving people from 4 wheel vehicles to two wheels, walking or transit): How will the City push forward policies that will make the mode share goals a reality? (9-0-2. Absent: Constant, Kalra.)

## COMMUNITY & ECONOMIC DEVELOPMENT

### 4.1 **Accept the Annual Progress Report on the Implementation of the San Jose 2020 General Plan Housing Element covering the period from January 2010 through December 2010. (Housing/Planning, Building and Code Enforcement)**

Documents Filed: Memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel and Director of Housing Leslye Corsiglia, dated February 22, 2011, recommending acceptance of the report.

Vice Mayor Nguyen asked the Director of Housing to address the issues of homelessness and the encampments along the creek, including the area surrounding Communications Hill. Director of Housing Leslye Corsiglia responded that her office has a new program and was collaborating with Council Member Liccardo, the Downtown Streets Team and a number of partners, including Destination: Home to lead that effort. She pointed out that currently the intent was to clean up those areas, move people out and into permanent housing situations and to help them find jobs.

Action: Upon motion by Council Member Herrera, seconded by Council Member Pyle and carried unanimously, the Annual Progress Report on the Implementation of the San Jose 2020 General Plan Housing Element covering the period from January 2010 through December 2010, was accepted. (9-0-2. Absent: Constant, Kalra.)

## JOINT COUNCIL/REDEVELOPMENT AGENCY

### 9.1 **Review and discuss the FY 2011-2012 Mayor's March Budget Message. (Mayor)**

Mayor Reed opened the public hearing on the Fiscal Year 2011-2012 Mayor's March Budget Message.

## 9.1 (Cont'd.)

Public Comments: Expressing their gratitude for the Council's 10th year of support for the Children's Health Initiative were Kathleen King, Santa Clara Family Health Foundation, Reverend April Lussier, People Acting in Community Together (PACT) and David Brody, First 5 Santa Clara. Angelica Cortez, Silicon Valley of Nonprofits, also expressed support to the Mayor's Budget Message.

Mark Ruffing, Housing Department Inspector, City of San José, urged the Council to look for other solutions besides cutting the employee's salaries.

Mayor Reed continued the public hearing on the FY 2011-2012 Mayor's March Budget Message to the evening Council session at 7:00 p.m.

## STRATEGIC SUPPORT SERVICES

- 3.4 (a) **Interview applicants and appoint up to three members of the Elections Commission for terms of office expiring March 1, 2015.**  
(b) **If less than three applicants are appointed, direct the City Clerk to continue recruitment efforts and bring additional applicants forward for consideration within 90-days.**

(City Clerk)

Documents Filed: (1) Memorandum from City Clerk Dennis D. Hawkins, CMC, dated February 25, 2011, recommending interviewing applicants and appointing up to three members. (2) Memorandum from City Attorney Richard Doyle, dated February 15, 2011, providing background on the Election Commission Applicants.

The applicants were interviewed. Linda Edgeworth and Leon Louie were appointed on the First Ballot. On the Second Ballot the required affirmative eight votes to make an appointment was not received. The City Clerk was directed to continue recruitment efforts and bring additional applicants forward to Council within 90 days.

## OPEN FORUM

Luis Matos, Security Officer, City Hall (representing MEF/AFSCME 101), urged the Council to pursue collaborative and transparent solutions during these tough economic times and to include respect, innovation, integrity, excellence and celebration into the process.

## ADJOURNMENT

The Council of the City of San José adjourned the afternoon session at 4:52 p.m.

## **RECESS/RECONVENE**

The City Council recessed at 4:52 p.m. from the afternoon Council Session and reconvened at 7:09 p.m. in the Council Chambers, City Hall.

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

Absent: Council Members - Constant, Kalra. (Excused)

City Clerk Dennis D. Hawkins read the requests for continuance of the applications. Upon motion by Council Member Liccardo, seconded by Council Member Herrera, and carried unanimously, the below noted continuances and actions were taken as indicated. (9-0-2. Absent: Constant, Kalra.)

## **JOINT COUNCIL/REDEVELOPMENT AGENCY**

### **9.1 Review and discuss the FY 2011-2012 Mayor's March Budget Message. (Mayor)**

Mayor Reed continued the public hearing on the FY 2011-2012 Mayor's March Budget Message.

Public Comments: Speaking in support to the FY 2011-2012 Mayor's March Budget Message, urging Council to keep all the libraries open, including adding more hours, expressing support to the Children's Health Initiatives, Youth and Senior Programs were, Therese Wiese, Susan Abele, Judy Purrington, Vikram Kanth, Tony Nguyen, Norman Collier, Friends of Santa Teresa Branch, Wilma Hashii, Richard McCoy, Gina Gates, Randi Kinman, Caroline Martin and Patricia Martinez-Roach. Mark Trout spoke off topic.

Jerry Mungai expressed support to the Mayor's Budget Message, but urged the Council to address street repairs by reducing social service funding and not funding more affordable housing projects.

Steve Kline and Helen Chapman, Shasta Hanchett Park Neighborhood Association, requested more specific information about how the Council would be restoring community services to the January 1, 2011 level.

Mayor Reed offered comments about his recommendations on Page 2, Item 2, and explained that the City Manager will return to Council on May 2, 2011, with specific recommendations and details based upon on the described fifteen principles.

Mayor Reed closed the public hearing.

Mayor Reed observed that the FY 2011-2012 Mayor's March Budget Message will be agendized for action at the March 22, 2011 Council Meeting.

## PUBLIC HEARINGS

- 11.1 (a) **Consideration of an ordinance conforming prezoning the real property located on the southwest corner of South Bascom Avenue and Maywood Avenue (APNS: 282-10-073 & 074) (945 South Bascom Avenue) from County to CP Commercial Pedestrian Zoning District to allow commercial uses on a 0.44 gross acre site (Farakesh, Ali, Owner). CEQA: San José 2020 General Plan EIR Resolution No. 65459.**  
**C08-046 - District 6**

Action: Item 11.1(a) was continued to March 22, 2011 per Administration.

- (b) **Consideration of an ordinance conforming rezoning the real property located on the east side of South Bascom Avenue, approximately 450 feet northerly of Fruitdale Avenue (840 South Bascom Avenue) from CP Commercial Pedestrian Zoning District to CN Commercial Neighborhood Zoning District to allow commercial uses on a 0.37 gross acre site (Jetco Properties LLC, Owner). SNI: Burbank/Del Monte. CEQA: San José 2020 General Plan EIR Resolution No. 65459.**  
**C10-024 - District 6**

Documents Filed: (1) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. C10-024, dated December 1, 2010. (2) Proof of Publication of the Notice of Public Hearing dated January 28, 2011, submitted by the City Clerk.

Public Comments: 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 Oliverio, seconded by Council Member Pyle and carried, the recommendation of the Planning Director and Planning Commission was approved, Ordinance No. 28898, entitled: “An Ordinance of the City of San José Rezoning Certain Real Property Situated on the East Side of South Bascom Avenue, Approximately 450 Feet Northerly of Fruitvale Avenue, to the CN Commercial Neighborhood Zoning District”, was passed for publication. (8-1-2. Noes: Liccardo. Absent: Constant, Kalra.)

## **OPEN FORUM**

Mark Trout voiced his own observations and opinions relating to various topics.

## **ADJOURNMENT**

The Council of the City of San José was adjourned at 7:44 p.m. in memory of Arya V. Pathria, know affectionately as “Dr. Laugh”, a longtime San José resident and community activist. (Herrera)

Minutes Recorded, Prepared and Respectfully Submitted by,

Dennis D. Hawkins, CMC  
City Clerk

smd/03-15-11 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 ITEM

The Redevelopment Agency Board convened at 3:31 p.m. to consider Item 8.1 in a Joint Session.

- 8.1 (a) Adoption of a resolution by the Redevelopment Agency Board authorizing the Executive Director to negotiate and execute a Capital Equipment and Assistance Agreement with C8 MediSensors, Inc., in which the Agency will provide an amount not to exceed \$400,000 for the acquisition of industrial and manufacturing equipment to be installed at C8 MediSensors' new global headquarters and assembly facility in the Edenvale Redevelopment Project Area; and making certain findings as required by California Redevelopment Law.**
- (b) Adoption of a resolution by the City Council authorizing the City Manager to negotiate and execute a Participation Agreement with C8 MediSensors that will provide funding in an amount equal to 90% of net new sales tax revenue generated in Year 1, 80% of the net new sales tax revenue generated in Year 2 and 50% of the net new sales tax revenue generated in Year 3 by C8 MediSensors' new headquarters facilities for three consecutive years.**

**CEQA: Not a Project. [EDENVALE]**

Documents Filed: Memorandum from Redevelopment Agency Executive Director Harry S. Mavrogenes, dated March 14, 2011, recommending adoption of resolutions.

Redevelopment Agency Executive Director Harry S. Mavrogenes presented introductory remarks.

Motion: Council Member Chu moved approval of the Staff recommendations. Council Member Herrera seconded the motion.

District 2 Chief of Staff Joseph Okpaku presented comments from Council Member Kalra, who was currently in Washington D.C.

Public Comments: Fred Toney, Vice President of Finance, C8 MediSensors, Inc., remarked that the company anticipates 75 new jobs this year and over 400 new jobs next year. Dr. Robert McNamara, Chairman/Chief Operating Officer, C8 MediSensors, Inc. provided a brief history of C8 MediSensors and how the founders set out to develop a new type of glucose monitor.

Mayor Reed congratulated the Redevelopment Agency Staff on their dedicated efforts over the past ten years.

A short Council discussion ensued.

## 8.1 (Cont'd.)

Action: On a call for the question, the motion carried unanimously, Redevelopment Agency Resolution No. 6014, entitled: entitled: “A Resolution of the Board of Directors of the Redevelopment Agency of the City of San José Authorizing the Executive Director to Negotiate and Execute a Capital Equipment and Assistance Agreement with C8 MediSensors, Inc., In Which the Agency Will Provide an Amount Not To Exceed \$400,000 for the Acquisition of Industrial and Manufacturing Equipment To Be Installed at C8 MediSensors’ New Global Headquarters and Assembly Facility in the Edenvale Redevelopment Project Area and Making Certain Findings as Required by California Redevelopment Law” and Resolution No. 75761, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute a Participation Agreement with C8 MediSensors, Inc. That Will Provide Funding in An Amount Equal to 90% of Net New Sales Tax Revenue Generated in Year 1, 80% in Year 2 and 50% of the Net New Sales Tax Revenue Generated in Year 3 by C8 MediSensors”, were adopted. (9-0-2. Absent: Constant, Kalra.)

The Council of the City of San José and Redevelopment Agency Board was adjourned at 3:48 p.m.