

**MINUTES OF THE  
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE**

**SAN JOSE, CALIFORNIA**

**MONDAY, MARCH 26, 2012**

The Community and Economic Development Committee of the City of San José convened in regular session at 1:35 p.m. in Conference Room 120, Council Wing, City Hall.

**PRESENT:** Council Member Rose Herrera, Chair, Council Member Sam Liccardo, Vice Chair, Council Member Ash Kalra (1:41 p.m.) and Council Member Pierluigi Oliverio.

**ABSENT:** All Present.

**STAFF:** Assistant City Attorney Ed Moran, Redevelopment Agency Director Richard Keit, Mayor's Senior Policy Advisor Ru Weerakoon and Deputy City Clerk Susan M. Davis.

**WORK PLAN**

**(1) Three-Year Housing Investment Plan Update.**

Action: Deferred to May 2012.

**(2) Update on Business Plan for CleanTech Demonstration Center.**

Action: Deferred to May 2012.

**REPORTS TO COMMITTEE**

**(1) Verbal Report on Economic Development Activities. (Office of Economic Development)**

Director of Economic Development/Chief Strategist Kim Walesh presented the report.

Action: The Committee accepted the report.

## REPORTS TO COMMITTEE

### (2) Update on Top Five Priorities of Economic Strategy Work Plan. (Office of Economic Development)

Documents Filed: (1) Memorandum from Council Members Constant, Herrera and Liccardo, dated March 23, 2012, providing recommendations as depicted in "Action". (2) Memorandum from Director of Economic Development/Chief Strategist Kim Walesh, dated March 9, 2012, recommending acceptance of the Staff report.

Director of Economic Development/Chief Strategist Kim Walesh presented the report.

Motion: Council Member Liccardo moved the Staff recommendations and the memorandum he cosigned with Council Members Constant and Herrera, dated March 23, 2012, as described in "Action" on Pages 2 through 4. Council Member Oliverio seconded the motion.

Committee discussion followed.

Director of Economic Development/Chief Strategist Kim Walesh offered to provide the Committee with monthly verbal updates on Staff's progress in April, May and June.

Public Comments: David Wall pointed out that although several housing projects have been put forward, unfortunately there has been a reduction in actual garage space for the vehicles of those housing units.

Blage Zelalich, San José Downtown Association, expressed support to the memorandum from Council Members Liccardo, Constant and Herrera and the Staff recommendations, and also stressed importance of small businesses to the vitality of the City of San José.

Action: The Committee accepted the report. The memorandum from Council Members Liccardo, Herrera and Constant, dated March 23, 2012, was approved, recommending the following: (1) DEVELOPING THE COMMITMENT: The City Manager was directed to engage and empower relevant Staff to formulate a "Commitment of Superior Service" (or any other term that conveys to the private sector an agreement to offer high levels of service) that will be provided in written form to every applicant for development-related permits in the City of San José, and: (a) Vet, prior to release, the proposed Commitment with small groups of stakeholders in the development community, including small businesses, brokers, developers and consultants, to seek views about how the Commitment could be strengthened to distinguish and market the City of San José's superior service delivery. (b) Incorporate helpful feedback to develop a Commitment that will sufficiently demonstrate to external stakeholders that San José can uniquely and boldly advertise its commitment to move at the "speed of business". (c) Identify and implement any changes necessary to ensure the Commitment can be kept. (d) Create a plan for communicating the Commitment, whether in person to every applicant, on the

(2) (Cont'd.)

City's website, through various forms of electronic and public media, and in multiple languages. (2) COMMITMENT TO A SCHEDULE: The "Commitment of Superior Service" should contain, on one side, explicit schedules for the maximum duration within which basic plan review, inspections, permit approvals and similar procedures will be performed. For example, it might commit to performing all building inspections within 36 hours and all initial response letters from Planning within 30 days. (3) REMEDIES: (a) Complaints: The document must provide a means for the applicant to register a complaint with the use of a well displayed phone number and email address if the City fails to meet the schedules or standards set for in the Commitment. (1) The City Manager (or designee) will determine how to ensure that supervisors can be informed and to resolve issues immediately. (2) The City Manager (or designee) will determine how to maintain the anonymity of the complaining customer, unless they consent to be identified. (b) Refunds: For categories of permits that have a high priority with the City's economic development goals, such as tenant improvements for office, R&D and retail, customers shall be assured of partial refunds of fees for failure to meet key timeline goals, analogous to how Planning, Building and Code Enforcement handles STI refunds for missed deadlines. (4) ADDITIONAL EXPLICIT COMMITMENTS: (a) Solving Problems, Not Just Spotting Them: Explicitly recognize that City officials have a professional responsibility to not only identify potential obstacles to fee-paying applicants, but to offer options that are readily apparent to the official to help resolve those problems. The City is committed to facilitate every customer's success. (b) Resolving Conflicts Between Inspectors: Ensure that permit applicants who face conflicting opinions from different City inspectors or officials can call a phone number to report this conflict, so that the applicant will receive a final and definitive resolution of that conflict, for example, within 2 business days. (c) Setting Realistic Expectations for Fees: Endow all permit applicants with the right to obtain an estimate of the aggregate of all City permit fees and taxes to an applicant prior to, or at the time of, the submission of the application. At this same time, the City will identify all the various City Departments likely requiring inspections and fees. The City official may offer an estimate within a reasonable range and may qualify any estimate with language clarifying that any newly discovered or unique conditions could necessitate additional charges, which shall be timely identified and communicated. (d) Responding Timely to Our Customers: Respond to all correspondence with a fee-paying applicant by no later than the following business day. If an answer to a question cannot be offered on that date, the staff member will inform the applicant of a reasonable timely date by which the applicant will receive an answer. (e) Facilitating "Hand-Offs": Notify every applicant by email or mail within a week of the time that a matter has been "handed-off" to a new inspector, planner or other official and also provide appropriate contact information for that person. (f) Consistency of Inspections: Absent a substantial change in factual circumstances, the successor City official will overturn the contrary finding of a predecessor official only where it is incontrovertible that the prior official has abused her or his discretion and altering the City's position is necessary to protect safety or public health. All efforts shall be made to avoid placing customers in the position that they feel they are subjected to "inspector pinball". (5) CUSTOMER RESPONSIBILITIES: The City Manager shall also add to this

**(2) (Cont'd.)**

list any customer responsibilities that every customer should remain mindful of when they approach a permit desk or inspector, such as providing a complete application. (6) **PROCESS IMPROVEMENTS:** The various department-related departments have engaged, for several years, in various efforts to improve the permitting and planning process. The City Manager shall: (a) Report to Council when, precisely the “chess clock” measuring the duration in which an application sits on the desk of any City official will: (1) Be applied to clearly-established standards for process improvement; (2) Produce results that will be reported to Council. (b) Report to Council whether and when “combination inspections” will be authorized for building categories other than single family residential, to enable for accelerated “one-stop inspections” by a single City inspector issues, such as electrical, fire and structural safety. (c) Report to Community and Economic Development Committee regarding the performance measure outcomes of this “Commitment” that are in addition to or different from the performance outcomes currently being reported. The Committee forwarded the item to the full City Council for formal action on April 24, 2012.

**(3) Update on Outdoor Special Events.**

Documents Filed: Memorandum from Director of Cultural Affairs Kerry Adams Hapner, dated March 9, 2012, recommending acceptance of the report with direction to Staff.

Director of Economic Development/Chief Strategist Kim Walesh presented introductory remarks.

Director of Cultural Affairs Kerry Adams Hapner and Special Events Director Tammy Turnipseed presented the report.

Director of Cultural Affairs Kerry Adams Hapner introduced the new Executive Director of Christmas in the Park, Jason Minsky.

Executive Director Jason Minsky noted that the Board is looking at a \$25.00 membership model to join Christmas in the Park and explained that the “Bucket Brigade”, was a set of volunteers that walk around Christmas in the Park to obtain donations.

A short discussion ensued.

Public Comments: Blage Zelalich, San José Downtown Association, urged the Committee to request that Staff, within the three month time period, look at SoFA, San Pedro Square and potential turnkey procedures, private parking lots, reconsider the \$1200.00 fee and asked if Staff could also look at the downtown streets that do not require either Parking Traffic and Control Officers or Police Officers to close them down; and consider allowing capable event producers with good street and traffic equipment to handle the closures.

**(3) (Cont'd.)**

Public Comments: (Cont'd.)

David Wall offered various suggestions including, that Staff create menus of new models of events such as a Blue Grass Festival and a "Memphis in May Event" to bring in revenue to the City of San José.

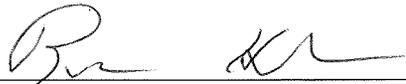
Action: The Committee accepted the report and forwarded the item to the full City Council for formal action on April 24, 2012. Staff was requested to take a look at the questions and comments from Ms. Zelalich, San José Downtown Association, and offer feedback to the Community and Economic Development Committee.

**OPEN FORUM**

David Wall commented that the City should look at ways to create economic opportunities for youth, and ensure that vital food programs for the schools and seniors remain in place.

**ADJOURNMENT**

Council Member Rose Herrera adjourned the meeting at 3:18 p.m.



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Council Member Rose Herrera, Chair  
Community and Economic Development Committee

RH/smd