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>> Mayor Reed: Looks like we've got everyone. [Gavel]

>>> Good afternoon. I'd like to call the San José city council meeting to order for August 10th, 2010. We will start our meeting with an invocation. Councilmember Nguyen will introduce the invocator.

>> Councilmember Nguyen: Thank you, Mayor Reed. Today it is my pleasure to welcome back a good friend and a community member to provide the invocation for today's council meeting, Pastor Jon Talbert, from Westgate Church. In addition to preaching at Westgate Church, Pastor Talbert is also an advocate for the national compassion and justice movement called Beautiful Day. Beautiful Day was formed to get people engaged in the community. Through this movement Pastor Talbert has organized events such as home repairs and restoration, and AIDS walk fundraiser, food drives for the homeless, street sweepings and litter pickups. His tireless efforts to promote public service ensure that our community continues to stay healthy and vibrant. I want to thank him for all the work that he has done to improve the quality of life for our residents. Please join me in welcoming Pastor Jon Talbert.

>> Thank you. [applause]

>> I'm never sure when to walk up about so I was walking. I thought you'd stop and you kept talking. Thank you for being here and those of you that are way up on the top, we see you, hi, good to have you guys, yes, great. Looks like you're on TV. I want to thank you guys for first the city council and the mayor, and just the government offices here for being so supportive of what has happened with our work, with the community. And you think that you're kind of in it, in your own little world, in your own little silo from the faith based community. You realize that everybody is working on the same issues. We all come at it from different angles. I really wanted to give a charge to the council and to the mayor, and to those that are here. And as I think through what I would say at an invocation, three words came to mind. And the first is this, it is word innovation. And when you think of Silicon Valley you think of innovation as you think of technological advancements and high-tech industry. But when I think of innovation I think of thinking differently. Because we recognize that many of the problems we've had we've had for years, not just in our city but in our county and in our state. And when we think

through how to get ourselves out of the problems and address situations we have to begin to think innovatively and begin to collaborate and come together with new ideas, fresh takes on things, new relationships that are forged. And so innovation becomes a new way to begin to address the specific cities, the specific issues within a city. And my call to really the council here and to the chamber at large is to challenge you to think and to ask God to give us innovation as the first word. The second word that comes to mind is collaboration. Innovation is the fresh ideas, but collaboration is the idea and the mindset that none of us individually is greater than collectively all of us. And a collaborative work means that we begin to work together on different fronts, whether it be interfaith movement, whether it be working within the channels of culture, whether it's government, health care, businesses, nonprofits, education, entertainment. Where we begin to collaborate in such a way that we can do something much greater than we can do individually. And against my call to the council, my call to the chamber at large is that we begin to think in a collaborative way and that may God call us to bless, and encourage, our city through collaborative work. The third word that I wanted to bring was, the word compassion. And compassion, when we think of it we think of often the word pity. And pity is the wrong word to me. Compassion is more of a word that says what breaks the heart of God breaks my heart. When I see people that are marginalized and people that are broken, people that are lost, people that are suffering or hurting, that, together with innovation and collaboration we can bring compassion to a city on the highest level. And we can bring hope and joy and we can bring different things that the city would never have guessed that could -- that they could have had we not brought compassion together. And so I think of those three words, innovation, collaboration and compassion. And I wanted to charge the council, the mayor, and the chamber at large, to think through how we can do those things. In such a way that San José and its moniker being the 10th largest city in the United States that changes to San José, the city of compassion, city of innovation and the city of collaboration and it changes who we are. So with that I give the invocation and the blessing from God to be a great city. God bless you, enjoy your day. [applause]

>> Mayor Reed: Thank you, pastor Talbert. We will now do the pledge of allegiance and today we're happy to have a summer book club, students with us here today, help with us the pledge of allegiance, they're in the very back so everybody please stand for the pledge. [pledge of allegiance]

>> Mayor Reed: First item of business is to approve the orders of the day, are there any changes to the orders of the day from the printed agenda? We have a motion to approve orders of the day. All in favor, opposed, none opposed, we will be adjourning this meeting in the memory of Edith Shain, famous for a photo taken of her on August 14, 1945, marking the end of World War II. We know her in San José because she has been here many times as part of our long term support of the spirit of '45 events around World War II. And councilmember Herrera has some additional comments.

>> Councilmember Herrera: Thank you, mayor. And I think we now have her picture up there. Today we acknowledge the passing of Edith Shain on June 20th. A nurse during World War II, Edith was made famous by the iconic Life Magazine photo, VJ day in Times Square. This photo came to symbolize the end of the war and for the rest of her life Edith was linked to that momentous day. Late in life Edith became very involved in the spirit of 45 campaign. This is an effort to digitally record people's memories of the day that World War II ended. And this year we celebrate the 65th anniversary of the war's end. She tirelessly chaired the campaign. I had the honor to be with her at her last public appearance at the CPA pavilion. That night I'll always remember how full of life Edith was, still wearing her nurse's uniform, which she was very proud of, still sharing her own memory of VJ Day with school children, and still supporting our veterans. Today Robert corpus from the spirit of 45 campaign is here on behalf of her family. Robert is very busy preparing for the annual keep the spirit of 45 alive. This event will happen this Saturday afternoon at history park. Edith attended this event annually. And she will be sorely missed. Thank you.

>> Mayor Reed: Thank you, Councilmember Herrera. Thank you, Robert corpus for your work.

>>> Next item is the closed session report. City Attorney.

>> City Attorney Doyle: Mr. Mayor the council met this morning in closed session. There is no report.

>> Mayor Reed: We'll now take up the ceremonial items. Like to start by inviting Councilmembers Chu and Liccardo and Sara Triano of the Silicon Valley Independent Living Center to join me at the podium. We have room

for a few more so if you just come up and get everybody spread out. We're here to recognize the services that are provided to people in our community by the independent living center. Take a minute just to get set up and then ...

>> Councilmember Chu: All right, thank you, mayor and my colleague here to join me and especially Councilmember Liccardo in commendation to the Silicon Valley independent living center. I'd like to thank first of all I'd like to thank Patty Cortese for referring me to Silicon Valley independent living center and also, get me involved in the first annual disability pride parade west of the Mississippi river. The Silicon Valley independent living center was founded in 1976 by a small group of people with disability and is the only independent living center in Santa Clara County. In addition to providing comprehensive services for people with all types of disability, the Silicon Valley independent living center strives to eliminate barriers faced by people with disability as they worked towards independence and full integration in our community. We're all here today to recognize the contribution of Silicon Valley independent living center and commend them today for their much needed service to our community. I'd like to take this opportunity to also congratulate them on this very successful event that took place on July 24th. Councilmember Liccardo and I gathered in North San José with hundreds of other community members to march down North first street to celebrate the 20th anniversary of the Americans with Disabilities Act. I'm really proud to be part of this event, the first one West of the Mississippi. At this time I'd like to invite Councilmember Liccardo to say a few words. But here today to accept the commendation is Sara Triano, the executive director of Silicon Valley independent living center. So councilmember.

>> Councilmember Liccardo: Thank you, Councilmember Chu. I really don't have much more to add other than to say what an extraordinary day it was to see hundreds of our residents out there celebrating this great 20-year anniversary of the Americans with Disabilities Act. The progress that we've made in the last couple decades, not simply because of legislation but because of the incredible hard work and leadership of people on the ground who cared deeply about their communities, about changing the world within their own families and own communities and overcoming the barriers that have been imposed upon them and that we've imposed upon each other. These barriers obviously are increasingly illusory and they are proving that. Thank you for your leadership, Sara, and everything that your organization does. [applause]

>> Thank you so much mayor all the city council members, City Manager. I also want to just recognize and thank all of our incredibly hard working staff. Some of them are here today with us. And also our board member, Cynthia Waddell, who used to be actually the ADA coordinator for the city of San José and John Robinson, who is a member of the disability advisory commission for the city. I just moved here from Chicago about a year and a half ago, and I can honestly say I have never seen the level of support of a city with a community of disabilities than I have seen in San José. All the way from Fauna Ferguson to our councilmembers, it's been incredible. I especially want to thank Councilmember Chu and Liccardo, for breaking their vacation and coming out and spending a very hot but incredible day with us celebrating the 20th anniversary of the Americans with Disabilities Act. We are here for the city, for all of the residents with disability with the city, and we are proud to serve the City of San José. Councilmember Chu asked me if I would end what the councilmembers got to see that the rest of you didn't at the pride parade. I'm actually a crip-hop artist. So he asked me if I would do a little quick piece of one of the raps that I did at the parade. So you all get to hear a little bit of it. So just bear with me because white girls can rap. But just bear with me here. The letter D is for discovery. D to the I-iscovery. Discovery as in recovery. From all the docs schlocks shocks and the hypocrisy. We don't want your tests. We're not like the rest. We're here to criticize. The fight to standardize. We are each unique, no one exactly alike. So you know where you can take your test and also that psych. It's time to take a stand. Start to finally say. You dang ABs best get out of our way. 'cause we are on a roll. And we'll take nothing less than the power, peace, and pride that we all possess. As people and equal human beings. Power to the people! Thank you. [applause]

>> Mayor Reed: Yeah, we're going to form it up for pictures.

>> Mayor Reed: Next I'd like to invite Councilmember Constant and Richard McCoy to join me at the podium. We'd like to recognize Richard for many years of community service.

>> Councilmember Constant: Thank you, mayor. You know, we have a lot of people in all of our neighborhoods across the city that do a lot of community work. Sometimes it's, you know, helping out setting something up. Sometimes it's calling together a neighborhood meeting. We have all these different things that go on. And in

District 1 there's no exception there. We have a lot of neighborhood organizations, 28-plus organizations that get together, on a regular basis. But there's one person that you keep seeing kind of across the board at all the different neighborhood events, whether it be his own neighborhood, or any of the other neighborhoods throughout district 1 and that's Rich McCoy. Rich has lived in District 1 for about 30 years, so long that I think I was in high school at that time, in district 1, he's joined with his wife Valerie and his daughter Jessica. Tomorrow is I hear their wedding anniversary, 26 years, that's incredible, congratulations for that. We're here to commend Rich for what he does. He owns a business, his business is DJ services. He has donated thousands of hours and dollars worth of services. Whenever anybody in the district needs anything for any cause, he's here. He's here at City Hall when I asked him to come, I've seen him in other districts at events. Rich is always there providing whatever it takes, whether it's his business services, rolling up his sleeves and getting dirty, he even brought a camper for me to sleep in when we had the Winchester cook out, he didn't want me out in the cold, he brought me a camper so I had somewhere comfortable to sleep. Is he an asset to District 1. I thought it would be most appropriate for us to bring you here so that all of us together could say thank you to you Rich for all that you do, all that you continue to offer to do. This doesn't mean he gets off the hook and he doesn't have to work anymore. In fact he just got sworn in as a commissioner for the city on the senior commission. We'll be seeing a lot more of him. I just want to say thank you, and make sure that all of us from the Mayor on down to the residents down the street from you and down the street from me and everywhere else appreciate what you do for the community and everyone. Thanks Rich. [applause]

>> Thank you Pete. I'm afraid that even at DJ I can't rap as well as my predecessor. I do play music for a lot of those groups, what I feel my community contribution has been in return for what the City of San José has given me over the past 30 years. And I've done a lot not only as Pete said with District 1 but with several of the other councilmembers and even some things for the mayor here to help him out and it's been work but it's also been fun and I've also enjoyed it and I hope that I have an opportunity in the future to continue to give my services back to the city that's done so much for me. Thank you. [applause]

>> Mayor Reed: I'd like to invite Councilmember Kalra and the members of the Puna sister city to join me down at the podium. Today we're going to do a little bit of recognition leading up to Indian Independence Day, which is coming up soon.

>> Councilmember Kalra: Thank you, mayor. On August 15th, the India will be marking its 63rd Independence Day. And for several years there's been a celebration in Fremont that honors that Independence Day, as well as relationship that India and America have together. And this Friday we'll be marking the second annual Indian flag raising here at City Hall again not only to celebrate the world's oldest democracy and the world's largest democracy, and their partnership together, but also, to recognize the relationship we have with Puna, our sister city in India. It's been 18 years now that the sister city relationship has been there, and I think that those that were involved in the make of it had some foresight because now Puna has now really become one of the technology hubs in India. And I think it's an ideal time in our relationship, as San José is also lead leaves its mark as the capitol of Silicon Valley and global leader of innovation. With me here today I have some members of the San José Puna sister city committee: Ms. Sherva Bora, Mr. Vijai Pensay, Mr. Shayam Rengoli, and Mr. Sunil Kalkar. And I would certainly, I think all of us would love to invite all of you to come to City Hall on Friday at 6:30 p.m. as we have the flag raising out front here, as well as the festival of India over the weekend to enjoy some Indian culture and to celebrate all Indian Americans who are here contributing in Silicon Valley and throughout this country. So with that, Mr. Mayor, I would ask if you could please present a proclamation honoring India's Independence Day to the committee. [applause]

>> I have to apologize. I was a little busy this week. So I didn't get time to prepare my rap. [Laughter]

>> But about three years ago we suggested and worked with the city council to have for the first time an Indian flag fly outside the City of San José alongside with the U.S. flag and I want to thank the city council for starting that tradition and the first year we started to decide about four days in advance on a Thursday evening at 4:00 it was 90° and still about 100 people showed up. Last year there were a few hundred showed up and this year I guess it's getting bigger an bigger. So we want to thank the council, the mayor and everybody for getting this tradition going and we'd like to invite you on behalf of all of us, our well wishers around our donors we would like

to invite you to join our programs where we have building a lot of relationships between the people Puna and the people San José. This is not a government entity. The government doesn't really get involved in any of this. It is mainly to establish better relationships between people and people. And just one good example I would give is our latest project where the boys and girls of St. Francis high school have set up with our help, pen pal relationships with the girls in the slums of Puna, where these are boys and girls who are sons and daughters of maybe rickshaw drivers and people who are literally living without water, without links to the city, et cetera. And these people are helping. They are saving \$1 per month of their money, and they have donated more than \$5,000 for this project, where these girls do not even have one good dress to wear to go to school. And we talk about kids should be in school. But it is hard to go to school without clothes, without food. So we also arrange for lunch for these kids for 9th and 10th grade, where they do not get free food from the government, and we are managing to try to keep 100 girls in school. The other alternative would be where their father takes them out of school and puts them to work as a maid. So think, this is all about changing lives. And even if you change one life with the donation of \$100, that's a lot. So that's what we are work on between many projects similar to this between people of Puna and people San José. So we invite all of you to join us any time. We'll have our booth on August 14th at the rotunda, okay. So welcome to the land, once again, thanks, everyone. Next time I'll come prepared with a rap, okay? [applause]

>> Mayor Reed: Next we'll take up the consent calendar. There are items that the council would like to pull for discussion? I'd like to pull 2.6, donations of airport art and technology program. I have the request from the public for 2.8 and 2.11. Others, Councilmember Chu.

>> Councilmember Chu: Thank you, mayor like to pull 2.10, the proposed maintenance district 23. I live right in that district so I'd like to pull it and then recuse myself for discussion and voting.

>> Mayor Reed: Okay. Any other requests? Okay so we have 2, 6, 8, 10 and 11 off the consent calendar, is there a motion on the rest? Motion is to approve the balance of the consent calendar. All in favor opposed, none opposed, those are approved. We will then take up item 2.6, the art and technology program at the airport. I just wanted to pull that off to congratulate the staff for a lot of great success. We're recognizing today contributions

from Adobe and Microsoft to that program. But there are others that have been done and I want to encourage the members of the public. If you haven't been to the airport, book a flight. What are you waiting for? Make sure you get there in time and if you do, you'll be able to look around and see some really tremendous art. We started working on this program when I was first on the city council trying to decide what the art ought to look like at the new airport and this art and technology theme I think at the time very few of us understood what it would look like or what it would be about. So now it's great to go out there and see what it happens at the intersection of art and technology. We're getting great support from the community and I just wanted to thank the staff for their hard work. Any others? Sam.

>> Councilmember Liccardo: Mr. Mayor, I want to join in the praise for Barbara Goldstein and her team. It has been a challenge for us the city to actually find a way to pay and clean public artwork that's been create by virtue of various funding streams from our 1% and 2% sources. We get great artwork and don't have the means to maintain them. Obviously at the airport you've got very sophisticated artwork where we need those resources. I think it's incredible to leverage public support like this, I want to thank Adobe and Microsoft for their support and for Barbara and her team.

>> Mayor Reed: Thank you. Councilmember Campos.

>> Councilmember Campos: Barbara, I know this is an area you're really passionate about. It's exciting. As the mayor stated earlier I've been on the council as he has for over ten years and when we started working on this we all were in a room and came up with some ideas of what we would have liked to see and the theme. But I have say when you look at the work it has surpassed our expectations of what we could imagine. And it's great to know that there are artists that can take a small concept and really make it come to life. So kudos to the companies that continue to step up and support the innovation of the City of San José, and continue to want to make San José a destination place, starting with our airport.

>> Mayor Reed: I think that's the commentary. I have no cards from the public on this one. Is there a motion? We have a motion to approve. All in favor, opposed none opposed, that's proved. Our next item is 2.8 regarding fire truck donations. Mr. Wall.

>> David Wall: Good afternoon. This is an outstanding donation. The reason here I'm speaking today is the fact that it has taken too long. These gentlemen that are receiving these fire trucks have been, and their organization have been to Rules at least twice, if not three times. And I think that the staff time alone on this issue far exceeds the value of these fire trucks. So that must be taken into account. And to save further money and to bring back public confidence, reinstate the 49 firefighters at their current pay levels. I have ways to save money to pay for it and if you're interested I'll tell you but in the meantime please reinstate them. Thank you.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: Thanks mayor. I had just a question for staff and I know -- thank you, Scott. I know this is coming without any heads-up. I only had a brief conversation with John McMillan on the way over to council about this issue. And for me the question was I certainly understand the donation of the 1981 truck to the fireman's union I want to laud John and his group of volunteers for their energy and all their efforts to preserve San José's history. My only question was the 1999 pumper. I know we routinely outreach to at least a couple of dozen volunteer departments. There was a volunteer department that wanted this particular piece of apparatus. And the question is if there's some more useful life in this apparatus, if it could be used to save some lives, why wouldn't we donate it to them for five years, I know the organizations are hurting at this point, why couldn't it then come to the museum?

>> Scott Johnson: Thank you, Councilmember Liccardo. The recommendation that is brought to the council, it is consistent to the council policy that council revised in 2008. So the primary objective per the council policy is that any potential donations would benefit city residents through donations of the surplus property. So in the -- within the policy it doesn't provide some type of framework or priorities in regards to outside agencies, outside of benefiting from the City of San José residents. So that -- however, I could -- should say that it's up to the council,

you know, to determine whether or not they want to donate any property to other municipalities or nonprofits outside of the City of San José that the City of San José residents would not benefit. One other thing I would like to point out to the council, is that we current -- we just recently placed an order for six new fire apparatus pieces of equipment. And in the future, we'd anticipate within the next year there'd be six additional vehicles that would probably be in better condition than this vehicle is. Because this would require some repairs in order for it to be operational.

>> Councilmember Liccardo: Okay. And John did mention that there was some specific historical value to this pumper. I recognize it was in station 1. The part I'm confused with though is on the policy, on page 3 it reads, preference should be given to governmental agencies and volunteer fire departments over nonprofit organizations.

>> Scott Johnson: That's correct, however in the staff report it doesn't indicate the specific policy language that states that the potential benefits received by city residents. So it's within the city limits per the -- that 2008 revision to the policy that the council made.

>> Councilmember Liccardo: Do we have any volunteer fire departments in the city limits?

>> Scott Johnson: I believe they are within the city limits, yes. Maybe the fire chief could respond to that.

>> Councilmember Liccardo: I don't want to belabor the point. I'm just trying to understand, it seems like there's conflicting language here.

>> Well, that's a good point, because they don't need to be in the city limits to provide mutual aid and benefits to the city. And there's a list of other organizations that may not be within the city limits that do provide benefit to us. And they're listed in this memo. Those include spring valley volunteer fire department, Loma Prieta, two rocks, Felton, bay district bass lake and La Honda. One of the things we wereons benefit to the city. If they received this pumper.

>> Councilmember Liccardo: Okay. And I can appreciate if you're saying there are five more trucks coming down the pike that we're going to be releasing soon and we can help them with that, fantastic. I understand there's no point in belaboring this issue. But I think we ought to have a little broader notion of -- we're all on this together here, and I know we rely on self help, and even an agency that is beyond our self help or mutual aid, rather. We all rely on mutual aid. Even if it's beyond our mutual aid boundary, many of us sit on regional boards all the time, and really the measure of our leadership isn't the size of the city, but by its actions. And we know there are municipalities out there that are hurting. If they can save a few lives it is not really a lot of skin off our chin steeples me we ought to make that effort. In any event, I understand you have a -- we have other opportunities in the next few months. I hope we can take advantage of those to help out some of these other organizations.

>> Scott Johnson: So Councilmember Liccardo, maybe I could make a suggestion. If council would like to direct us to further refine this policy to broaden it, if that's what the council would like us to do, it would like I said in 2008 we did make the revisions, we brought it to the Rules Committee and then it was approved by the council. But if the council desires us to expand and broaden the policy we can certainly draft something up and bring it back to rules for consideration.

>> Councilmember Liccardo: I appreciate the sentiments, Scott. I know it's not agendized so it's probably an issue we'd need to take up separately. But I think you know my feelings on the matter. Thank you.

>> City Attorney Doyle: You can take action to direct staff to come back with proposed revisions. That's permissible.

>> Mayor Reed: This is a policy. If the council today wants to give this fire truck to any one of these organizations we could probably direct staff to do that. I don't know that we have a problem with the policy. And if it weren't five more trucks coming down the pike that would be in better condition for these guys instead of this what appears to be a pile of junk worth \$1500 I'd have a different point of view of doing what Sam does, put it in

service and bring it back. But I don't think there's an issue with the policy, is had here? Because we're not conby the policy in the final decision.

>> City Attorney Doyle: No you aren't. But I think what I heard the director saying is there appears to be at least some confusion over some priority given to if it benefits San José residents versus volunteer fire departments versus other nonprofits. It is a council policy and you make the decision yourself.

>> Mayor Reed: City Manager.

>> City Manager Figone: I think since we do have five more apparatus coming down the line in the next year we'll just take a look at the policy in that context to make sure we aren't constrained by proceeding with a recommendation in that spirit.

>> Councilmember Liccardo: Great, thank you.

>> Mayor Reed: Some other councilmembers have some more comments. Councilmember Campos.

>> Councilmember Campos: Thank you, maybe I can bring a little history. From what I understand the policy and you started to allude to an avenue that council could go is that if a councilmember were to put a memo attached to your memo saying X, Y and Z, should be donated to this particular organization, because the findings are that they will be able to service the greater community and which will benefit the City of San José, that's also another way of being able to move in order without having to craft a whole new policy. Is that correct?

>> Scott Johnson: Sorry, councilmember. I think that's partially correct. So I guess what I'm saying is, per the policy, the director of finance has to take primary priority with city residents, benefiting city residents. So to your point, if council wrote a memo requesting a donation to another organization that did not benefit city residents that would be part of the memo. But I just feel I'm somewhat restricted based on the policy.

>> Councilmember Campos: No, I understand. But I think that goes to what the councilmember was talking about, if you can justify the bigger reason why it would be beneficial to donate to a particular volunteer fire organization. And then I think that goes to what the mayor was talking about, the policy's fine. There are ways to be able to get the end goal without having to send staff back to craft new, whole new policy. I don't know how much time that would take.

>> Scott Johnson: I think based on our City Manager's suggestion when we're ready to look at further donations you know that's something we can look at and we'll go ahead and get with other city council members along with other potential organizations.

>> Councilmember Campos: I think that would be helpful what you just said too, to alert the councilmembers when those fire trucks come in or engines. And if a councilmember wants to take it upon themselves to direct that to the full council. I think that would be helpful.

>> Mayor Reed: Vice Mayor Chirco.

>> Councilmember Chirco: Mayor, (inaudible) memo and equipment was given wherever they want to (inaudible) so that's what the policy was predated (inaudible) understand wanting to (inaudible) that part of our (inaudible) policy is not that old and I remember when memos were written by council, equipment was -- it was surplus equipment that had been declared outdated. But a memo from a councilmember, not to be gender specific, and the equipment was gone. So I want us to think very carefully about how we structure this. That policy was put in place for cause.

>> Mayor Reed: Councilmember Pyle.

>> Councilmember Pyle: Thank you, mayor. I just wanted to see if I actually saw this, this weekend. At the history park, there was a magnificent looking engine. Is that by any chance the one that we're referring to? Just a beautiful piece of equipment.

>> I don't think so.

>> Councilmember Pyle: It's a different one. Oh, okay. And I was just wondering about the housing. The conversation that we're having does portend to storage problems if we don't start thinking in terms of other uses as well I should think. I mean, how many do we need in the museum that are similar?

>> Right.

>> Councilmember Pyle: Thank you.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: Yeah, just I know we beat this horse to death. My concern though, is -- and I very much heard Vice Mayor Chirco's comment because nobody was more concerned than I was about some of the process that was going on before several of us got here around how trucks were distributed. But we're notifying volunteer fire departments that are well beyond our mutual aid region, I mean? Weed fire department is hours away and they're not going to come running if we've got a fire downtown. And so it seems to me it can't be the policy that we're not going to help anybody who can't possibly serve residents of the San José because the one organization that we're talking about in this case, San Juan Bautista is on the list that's notified routinely. So it seems to me that at the very least staff needs to at least reconcile that conflict. Either we're going to allow ourselves in the city to help organizations beyond our mutual aid region, or we're not. But then we shouldn't be notifying all these agencies that are hours and hours away.

>> Mayor Reed: Enough. What do you think? Is there a motion on this particular item? Okay, we have a motion to approve the recommendation with comments from the City Manager noted about the policy. All in favor, opposed, none opposed, that's approved. Item 2.10 Councilmember Chu wanted to abstain on that due to the geographic location relative to his residence. Does anybody want to speak on 2.10? Is there a motion?

>> Move approval.

>> Mayor Reed: That's the maintenance districts on Berryessa. All in favor, opposed one abstention Councilmember Chu, that's approved. 2.11, Mr. Wall you want to speak on that one? It's regarding my trip to Washington, D.C.

>> David Wall: Personally I think Your Honor does an outstanding job at Washington, D.C. My comments today, though, are in reference to the free trade zone permit for lack of a better word that San José has had I think since the 30's. Was concerned of me is the fact there is no integrated plan with the use of this free trade zone status with this import export bank. I think the two should be linked and I think that that would be a very good holding card for you for your success in Washington. Thank you.

>> Mayor Reed: That concludes public testimony on this. Motion is to approve. All in favor, opposed, none opposed, that's approved. That concludes the consent calendar. Had a note on item 2.3, approval of council committee reports. Did we have a deferral that we needed to do or was that done under orders of the day? Okay, orders of the day took care of nap next is 3.1, report of the City Manager.

>> City Manager Figone: Thank you, Mr. Mayor and members of the council. I have one report today, and that's comments on the police chief recruitment. As you know, Chief Davis announced his retirement two weeks ago, and last Friday I distributed an information memo detailing my plans for recruiting his replacement. I did want to take a moment to highlight some of the key elements of this recruitment effort. As noted in the memo, first of all, the executive recruiter for the search will be Terry Black. She has extensive experience in public sector recruitments including public safety and she's also managed the recent fire chief recruitment for the city. I do want to ensure that within the resources available that we have a broad community and stakeholder -- that we have broad community and stakeholder input opportunities to inform this process so in that regard we have a three-prong outreach strategy which focuses on the general community, targeted associations and groups, and then finally labor and our workforce. So in the first category, the general community outreach between now and Labor

Day we will hold five public meetings that will be publicized in multiple languages, and will have interpretation services available. In the second category, it is important to note that in addition to these community meetings, we'll be reaching out to multiple stakeholders who are interested in the work of the police department, the next police chief, and this selection process. That list includes neighborhood and downtown leaders, businesses, faith based community, schools nonprofits, social justice associations and many, many more. And we are also inviting certainly any critics of the department. In addition to these in-person meetings we are establishing a mechanism for the recruiter to receive direct feedback via e-mail. Under the workforce and labor outreach I've already met with POA president George Beatty to gain his insight to how best engage with our police workforce and I will be sending a memo to the department very soon initiating a process which will likely include confidential survey format for our employees. Now I have received some initial feedback but this may not be enough outreach. Very clearly, I will consider and weigh these concerns against the practical rates of the time available and resources. All of the input received through this extensive outreach effort will be used to develop a profile of the ideal police chief, that is that man or woman who can provide the leadership of our great police department and that this community expects. In closing I just want to ensure the council and the community that this will be a thorough, inclusive and complete process that also protects the confidentiality of those candidates who are interested in applying for the job, and I would appreciate you directing any concerns that you may receive to me so that we can evaluate them in the context of the total outreach strategy. That concludes my report.

>> Mayor Reed: Thank you, City Manager. Our next item is 4.1, the 2009 Development Services customer satisfaction survey results. I think we will have a presentation from Joe Horwedel.

>> City Manager Figone: As Joe is coming forward, what I did want to say is that in this item Joe will be reporting on some decline in customer satisfaction levels in the development services area for 2009. And I did want to note that with the reductions made across the board throughout the organizations and the just-approved budget, we can unfortunately expect to see similar declines in other service areas. Even though there's been a lot of public discussion about these impacts, and there are a lot of them, I do expect that as our residents discover that we no longer provide the same levels of service that they've grown accustomed to, we will see customer satisfaction levels decline in other areas, as well. We will do our very best within the resources that we have to deliver

services competently and professionally, and I would like to thank Joe and all the Development Services partners for the transitions that they've had to navigate through really from the early beginnings of the economic downturn that we experienced two years ago. Now I'll turn it over to Joe.

>> Joe Horwedel: Thank you.

>> Mayor Reed: Joe, before you start, just in case anybody's wondering, I did accidentally skip 3.2. So we'll come right back to it when we are done with this one.

>> Joe Horwedel: Oh, yes. I was a bit surprised it popped up so quick, but we'll work with it. So thank you very much for the opportunity to walk through with council our results of the customer survey from last year. As the City Manager noted, we did see a downturn in the activity, how our customers perceived our service. It really was not a surprise. As we went into the survey, we knew we had a tough year last year. Just a little bit of recap about it, that it really occurred across the board, there was no specific area overall that our customers identified, where they were happier or more disappointed. It was just kind of overall that we really rolled back to our 2006 levels of satisfaction. We had made a lot of progress over the last several years of improving our service delivery. I think you're customers recognized that as we saw our previous year's report but as our business community that we serve have gone through challenging years we went through the same thing. We also saw the intensity of how people thought about that, that that also was changing. So that is one of the things we look at is do people look the service or do not like the service and how significant do they perceive that. So it was a sobering reminder that we are a service business. As we like to remind all of us that we are a \$20 million business, we used to be a \$30 million business. We are still here providing that service. Over 2009 we did go through three rounds of layoffs as the City Manager noted. That significantly affected how we deliver service not only the people that delivered that service, the staff that went through layoffs and bumping but it affected our customers because the people that they were dealing with were changing. We were asking the staff to do new things and certainly we scaled back the capacity we were working on. You've heard me talk about this before. That the types of projects we work in were also scaled back. We weren't working on major office projects, major commercial or residential projects. It was a lot of projects that were in your neighborhood. A lot of hand-holding goes on those and it was really a

challenging year to try to deliver on that and we're continuing to try to work through that. Through budget process this year we do want to thank the council for your support on this. The addition of General Fund dollars to help with our special tenant improvement program and our industrial tool program, we are often running on that. It is an important part of our business we think of growing the City's economy back out and filling vacant space. We did back in January when we started to see an uptick of activity go on start to bring back some staff and create more service lines in our building counter. We've added a third and fourth line. We're just putting in the last couple of positions on that now, we are doing recruitment for fire position in hazardous materials and electrical. We think it will get back some of the service impacts we've heard in the past. What we hear about is how far out the inspections are, we really prided ourselves in being able to do inspection next day in all of our different parts of our business. Over the last six months, nine months, we were starting to feel like DMV. And that was not a comfortable place to be. We were five days out on inspections. As of this week, we are back down to one and two days for our inspections other than our electrical. We are working through that one right now to fix that part of our puzzle. So there are optimistic signs that are going on. We're working with those, and our commitment is still back to our service. Even though we've shrunk in how our business is operating, we are still investing about how to improve our service delivery. We just kicked off with this fiscal year two big initiatives, those were both talked about in the budget process this year. One is about how we do our back of house administrative function to bring those together, and we think we're seeing some benefits from consolidation that we'll be able to show next year as we go through the budget process that will actually allow us to invest in some things that we've had to cut from our customers about our marketing and web services that those -- as we've seen the survey you'll see when people had their unsolicited input, those are the kinds of things that we're talking about, is that we need to do a better job in helping our customers navigate and understand what's required of them to help educate on that. And those are the things that got cut over the last couple of years, and we want to bring some of those back. We're also bringing in a project management capability. We did this in the past on an ad hoc basis, so we're actually interviewing right now for a staff person to go and help work with our high-profile projects that are going through, FTI, ITI some of the other large developments through large retail. We want to make sure our customers get the hand holding they need to get through quickly and under construction. We're picking a staff person that will go through and that will be their full time job is just work with our customers that they are immersed in our teams and we think that will help with the experience our customers are seeing. And in the last piece we are working on is

what we call gaps and overlaps. We started this year looking at how we might consolidate ourselves better recognizing there are a lot of legs resources. One of those areas that has become evident there are places where work is departments we were really not working as our customers needed. So we are making some major efforts there to go through and make sure that we are providing that true seamless service. So you see some of the ideas or projects we are working on about how we deal with some of our fire and building functions, the map-back process utility permitting. On that one, it is actually an ordinance that will be coming to the council in September, some work we've already done where Public Works is going to take the forefront on how we deal with our utility companies, rather than the private and public sites we are going to consolidate that together. Breaking through some of the silos of department centric views of the world and more of a service delivery side of what we do. Going forward we are still a \$20 million business. We hope to be back being a \$30 million business but we are still focused on service delivery. We depend a great deal on our staff and how we deliver that service to our customers. We are still investing on how we do our business being sure we do it better, cheaper, faster, as the mayor is proud to say, moving at the speed of business, that is our goal. We do want to stand up to that. Measuring our targets we haven't backed away to the service targets that we have to our customers. We've not hit those marks as well as we'd like, we're still committed to those, and we're kind of working our back out, but it is one that we want to make sure we are seeing as a value-add in our service delivery to our customers. We are meeting with the chamber of commerce development group next week to go through the gaps and overlaps and get their buy-in and help as a part of bringing some of those over the line. It's one that has been a tough year but I think the several hundred people that work in development services in the city are still committed around delivering a quality service to our customers, so thank you.

>> Mayor Reed: Thank you, Joe, for the report. I would have been shocked if we had good news. Knowing what's happened, and with our development services partners in the budget over the last couple of years I don't think anybody would assume that we would be able to maintain the same level of proficiency, even if the work is right-sized for the people you have a lot of new people and a lot of different positions with the bumping and seniority issues. There's just no way to expect that we'll be able to maintain the level that we have had at the level that we want. But I think this survey is really important, because it is a statistically reliable survey. It's not done by the building department or the Planning Department. It's done by outside folks who are able to maintain

the confidentiality of what people say. And I don't know that there are many building services departments in the country that are doing statistically valid survey work. And we get a lot of great information out of it. Unfortunately when things turn bad, well, the data tells you that. But when things turn good the data also tells you that. And it's been very useful to me trying to deal with what I know councilmembers have to deal with which are the anecdotes of the good and the bad in the process. And it's always helpful to know that on aggregate, what the numbers are compared to the person you're talking to at any given moment. But I have high hopes of being able to rebuild those numbers as the people that are in their jobs, we can keep them in those jobs, and build their expertise, we're going to rebuild the customer service level. But we do still have a lot of successes we can point to, I just want to point those out. Notwithstanding all the difficulties since January of this year, our special tenant improvement and our industrial tools program team have facilitated 10 R&D office tenant improvement projects. Some of those names may be recognized like Harmonics, Align Technology, Spectrum Semiconductors and Western Digital, and that's generated over \$1 million in tax revenues to the city in a variety of ways and over 400 new jobs. And there are more coming, because I'm still talking to CEOs and venture capitalists. And they are very interested in moving to San José, expanding in San José, and I'm confident that we will be able to handle it with the additional staff that we put in place and the new structure that you are talking about to deal with it. Because the real key question is not what happens that's bad, it's how we respond to it. And certainly there's no doubt, the budget has been bad. I want to compliment you and your staff for struggling through these budget issues and still managing the department and getting the work done and the improvements that you've identified, you didn't have to wait for the survey. You figured that out, some of it, I think will make the public understand and perceive the level of service is improving. So thanks for that. And we'll call on Councilmember Liccardo.

>> Councilmember Liccardo: Thanks mayor. Joe I agree with what the mayor said. I understand you're under real real estate constraints. The question I had related to what you said earlier about some merging of some sorts. Could you help me understand --

>> Joe Horwedel: Sure.

>> Councilmember Liccardo: -- do line inspectors in different departments do they still report to different supervisors or can -- is there actually some melding of departments where they have similar inspection functions?

>> Joe Horwedel: So today we have in the building function, so that's building, plumbing, mechanical, electrical, we run combination inspections. For a single family house we send one inspector instead of sending three out. For commercial jobs we'll still send three as well as a fire inspector, depending on specialty. One of the things up there gaps and overlaps, talking about gaps we have in fire and building, where there's architectural items that are addressed in both the fire code and the building code that we do think there's overlaps there, that we have got two staffs that are looking at the same thing, and we really don't need to do that. We're working through that, of kind of who is the right inspector, who is the right plan checker to look at that, is that a fire or a building staff to do that. So it is an ongoing piece. Some of the challenge is about how we do service delivery also, it's fire and public works staff, the same person that's inspecting, it's also plan-checking. So there's a lot of benefits from that, because you have familiarity with the project. We do it differently within the building side just as the volume that we deal with, so there's two differently groups that are doing it. But we are looking at the same. I put up there the storm water and grading review, we do have a number of different city staff that are responsible for dealing with the storm water and water quality provisions where we have staff from Public Works, building, planning and environmental services that are involved, and we think we can reduce that substantially. So we're working through that effort right now. Public Works is taking the lead on that to kind of coalesce that back together.

>> Councilmember Liccardo: I know we've talked about this privately and it is probably not something that goes over very well necessarily in the other departments but I think ultimately we need to have just a single boss for Public Works, building fire and environmental services for those personnel that are involved in the inspecting function and it seems to me having all these -- I know you're working very hard to overcome the silo effect but fundamentally it is going to be difficult as long as people are reporting to different people with sort of different mandates of different kinds. And I know again this isn't your decision to make, but I'm hopeful that we'll look more seriously at creating sort of a single silo rather than having separate silos for this inspection function. I know you don't want to supervise, you know, a firefighter but to have a fire inspector out there who's reporting to a different

boss on a different time line for our customers it's -- I know you've heard the horror story so I don't need to tell you. It's challenging bouncing one way or another, not getting information about the total cost, which is what they really care about, tell me what I have to pay and tell me how I can get through it quickly. And no amount of silo-busting on your part or anybody else's I think is going to overcome the fact that we've just got too many people reporting in differently directions.

>> Joe Horwedel: We started with that premise about six months ago of, is that the best solution? And the tack that we took was, why would that be the best solution? And so that's where we started looking at where are the services that we were delivering, and if you were one department how would that operate? And think of it more in a virtual world, so why do we have to operate differently if we're still different departments? And so one of the things that's going to happen here later this month is we're going to do a first time development services meeting. We've never brought them together in council chambers and say hi, this is what we're about. So we're going to do that in August and part of that is to go through and actually start breaking away from the labels of department but resonating around development services. Regardless of where you exist in the ORG chart or in the budget, is that you're here to do development services, and that is first and foremost what your job is.

>> Paul Krutko: Joe -- can I add -- Paul Krutko, chief development officer. One of the things that Joe and I and Katy Allen have been focused on is in the next cycle on the budget our intent is to be preparing in this area a development services budget for the council to consider, rather than -- and associated fees with that rather than distinct slices. So Joe already alluded to the fact that we're doing the administrative back-of-the-house consolidation, that's ongoing now. The thing we begin -- that meeting he's talking about in August is to drive towards a budget that is reflective of a development services department rather than a separate breakdown. So I just wanted to add that in.

>> Joe Horwedel: Our goal is that there is a lot of a finny around the department, people like rallying around us so our goal is to go through and rally around development services and maybe take a little less brain damage way to try to achieve the same goal. So that's this year's project so the administrative pieces around that, the budgeting pieces, to go through and build a budget so you will see us talking just development services, that you'll

start seeing business cards labeled there, you won't see Planning, Building, and Code Enforcement, or fire department or Public Works, you'll see development services, haz-mat or, you know, plan check, as how we identify ourselves.

>> Councilmember Liccardo: I certainly support that direction and I hope we keep going that direction. Ultimately the point where because I think you know our intuition, what ultimately matters is were there criterion by which own is being judged by their supervisor, that might have tremendous impact in terms of how well they collaborate with other inspectors, so obviously we want to avoid the pinball problem with our customers. We also want a -- you know the typical complaint that we get that we pass on to you and I know you've heard this before, the guy just got his bill and his jaw dropped because he thought he was paying this much and in fact he was paying that much and had there been this sort of collaboration from the get-go, people thinking we're in the same silo, that information would have come very easily right up front.

>> Joe Horwedel: Understood.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: Thank you mayor. I just want to thank Joe, I really like the creative thinking I'm hearing. I think Sam brought up some very good questions. And it sounds a lot like what I used to see in industry, when we'd put together cross-functional teams, so that people are working in various departments, but this work process that they're all collaborating on, if you have that structure put together, then everyone knows that they have ownership of that, and they may have a hard line back to their original department, but they know that this is a function that they all have to work on. So I think that is the way to go. And it sounds like you're getting the back end done too at the same time, so whatever data information or whatever has to happen in the background I think that's really good. So I guess I still remain concerned and I know I brought it up I think in economic development, about -- it sounds like we're doing great with the large development project as the mayor pointed out this is a program wonderful. What about the average person coming in for remodels and all that sort of thing because I think people are taking advantage of the fact that this may be a good time to do that project. Right? Unfortunately

the economy is bad but that also provides opportunities for some folks out there. So are we capturing -- are we making an update, I guess, on the automation of that process which you had talked about? So that we can get a lot of these small projects that I think a lot of times small projects end up costing you as much as the big ones.

And they don't net that much revenue to the city. So how are we moving through getting those going much more quickly and more kind of an automated fashion, I guess is my question?

>> Joe Horwedel: Well, I think I've used this number before in the budget process. Right now in building division about 70% of our business is single-family remodel work. That is a reality of a city that has a lot of homes that were built 40 and 50 years ago. So that is an ongoing business, so one of the things we're looking at is do we go through and try to keep that mixed in with everything else or does it actually make sense to treat it as its own separate business unit and focus on single family remodel, is part of the cost the sensitivity, that is a real challenge we're working right now based on the fee changes we did in our permit center to actually go make it cheaper for people to do an online permit rather than come visit us. We want to build incentive on there so we're working on that piece right now. One of the challenge is we cut our web stuff a year and a half ago as one of the first waves of cuts. We want to bring that back and we want to focus on the single family residential, highway do we get more people to go through and do that work online so they don't have to come into the permit center they don't have to talk to someone necessarily if they don't need to in scheduling their inspections we're pushing more of our business that way. Our goal is to make sure we're cost effective in the community. At the end of the day, if our cost is as much as the work going on you know or it takes four hours to pull that permit for a job that you know the contractor is going to charge \$600 for the contractor cabinet make any money so we put him in a really tough spot about not wanting a permit so we're going back to see what it takes to pull a permit not just from our cost but from the customer's side to make sure we account for that in how we deliver that service. And you know really crunch hard on what our total costs are, to make sure we're as responsible on that as possible. And then the next-day inspections. So those are kinds of -- and small jobs, you got to be able to offer those next-day inspections, because they don't have the flexibility to come back three days from now, you know, to do the water heater, they need to be able to do it then.

>> Councilmember Herrera: I think things like water heaters and things that are pretty much cookie-cutter kind of stuff, I think -- I'm not in your business, so I may be exaggerating that -- but I think as much as we can get these things streamlined, automated, lowest cost, so it's just incremental business we continue to get, so that we can focus and also hopefully, lower-cost talent from our departments working on that. Because we should save the high-powered expensive folks for those difficult kinds of projects. I think the more we can do that, then -- some people will just hold off on doing the remodel, so you lose business, or they do it illegally, which we don't want to happen either. One last question. Places like Home Depot, Home Depot is becoming like just huge in remodeling. I mean, I think we're going to go through Home Depot. It's a -- I'm not trying to advertise them, but I mean, they just seem to have a one-stop shop. Do we have an arrangement with companies like that so, you know, sort of a, you know, relationship where we can, you know, sort of like aggregate all that stuff and it's like a big relationship? Because I think a lot of people are starting to go through centers like that just to save the cost.

>> Joe Horwedel: Well, it's easier for the homeowner to hire the contractor that Home Depot has dealt with, so the homeowner doesn't have to deal with the selection process. We have had conversations with Home Depot about them actually selling a permit when they sell a water heater, that they would be able to do that. And that's partly why we're going back to look at our cost structure, that if I can come up with a really kind of inexpensive water heater permit.

>> Councilmember Herrera: There you go.

>> Joe Horwedel: Then it doesn't become price-prohibitive at the cash register to go and pay for that at the same time you're pulling -- you know, buying the water heater. And we had some discussions with them that kind of fell by the wayside as we got busy in other things. But we're coming back to that question because it really would save us time, it would save the customer time, it would save the contractor time to be able to offer that.

>> Councilmember Herrera: and give us revenue, and I think Home Depot would be a good test bench, it would be great company to do that with because they do so many, and they are dealing with all these different contractors. So we could see how that could work in remodeling. Thank you.

>> Mayor Reed: That concludes the discussion. We just need to have a motion to accept the report. We have a motion to accept the report by Councilmember Herrera with a second by Councilmember Liccardo. All in favor, opposed, none opposed, that's accepted. Now take up item 3.2 regarding our retirement board governance. Councilmember Herrera.

>> Councilmember Herrera: Thank you, mayor. I'd like to make a motion to approve the ordinance with changes I outlined in my memo that came out today that amends the proposed ordinance back to what was originally passed by council in February. But I have a language change on my memo. I was informed by City Attorney that in -- in number 2 under recommendation, the word "selected" needs to be changed to "recommended" because using the word "selected" would require a charter change. I would like to change that to "recommended by the retiree at large" if I could.

>> Mayor Reed: There is a motion and second.

>> Councilmember Herrera: I'd like to speak to the motion.

>> Mayor Reed: All right.

>> Councilmember Herrera: First, the residency for the public member shall be 50 miles from the City of San José. Second, the selection of the Police and Fire representatives will be selected by the retirees at large, as opposed to elected from within police members and from within fire members separately. As a member of the Police and Fire retirement board, I know we have a tremendous responsibility. I take this responsibility very seriously and believe the intent of the council in February should be contained in the final ordinance. I believe we have made significant progress in bringing a renewed sense of balance and professionalism to the board and we're going in the right direction by expanding the expertise of the retirement boards and have ensured a majority of the boards are going to be independent members. I continue to believe that the recommendations included in the February 3rd memo were the best for employees, retirees and taxpayers, and I believe now San José will

meet the expectations of the new economy on how we handle our retirement funds. I'm glad we're making these changes, and my thanks to Mayor Reed for his leadership on this issue.

>> Mayor Reed: All right so we have a motion on the floor based on the two changes as outlined by Councilmember Herrera. And I just want to make sure on your changed wording, selection appears in the memo twice. So the selection is done by the council based on the recommendation from the retirees at large.

>> Councilmember Herrera: That's correct. Just change that to recommendation.

>> Mayor Reed: We do have request from the public to speak on this. I think I'll take that now. Jay Wendling.

>> Honorable Mayor Reed, members of the city council and city staff. My name is Jay Wendling and I'm with the retired Police and Fire association. With the exception of what Rose Herrera said we are in favor of the changes as long as those two changes are included.

>> Mayor Reed: Thank you. And we did get a letter to that effect.

>> Yes. With that, that's all I have to say, so I won't take up any more of your time. Thank you gentlemen and ladies.

>> Mayor Reed: Thank you. Councilmember Liccardo.

>> Councilmember Liccardo: Just couple of issues. One is I know this came before the retirement board last week and was deferred. And I don't know if there was any concern about timing with regard to retirement board, the Police and Fire retirement board weighing in prior to council consideration. I just raise that as an issue. Second issue I raise is, I've gone -- undergone some evolution of thinking about this residency requirement. I think it's not helpful. We've got billions of dollars of pension assets to manage for retirees. We need to have the best and the brightest managing those assets. And it's both for the retiree's good as well as for the

public because every dime of shortfall is picked up 100% by the taxpayers. It seems to me that this 50-mile residency requirement is arbitrary. The staff recommendation at least removes some of the arbitrariness with regard to the fact that you could identify counties that were whole counties that are within the region, here you're going to be, you know, whether or not somebody lives on one side of the street or a different side is going to determine whether or not they're eligible to participate. The truth is that an awful lot of financial expertise in this country is located very close to San Francisco and around San Francisco suburbs because of the nature of that city as a financial center as well as our own valley. And I just think we are going to be excluding a lot of very talented people from service on this board and it's going to be very difficult for us to get qualified people to serve as members of the public because we're really not compensating them much at all for their service. I think it's \$150 a meeting if I'm not mistaken. We're going to have difficulty getting qualified people and that's why I would not support the change.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: I think my staff drew the radius of the map and it looked like it covered San Francisco. My point is when we negotiated this there was a lot of discussion and the folks on the memo and I can understand that Councilmember Liccardo has had a change of heart on it but I think that some agreements were made. If we're not able to find someone within the 50 miles, if that becomes an issue, I think then we would need to take that up at that time. But we made that agreement to do that. I think it is possible to include, if not all of San Francisco, pretty much all of it in that. I think where staff may have gone a little bit awry in terms of looking at the 50 versus the 90 is they started connecting the counties instead of the city, within the city, 50 miles that's in San José. So it just kind of got -- it kind of spiraled to a different kind of argument. So I think 50 miles covers it. And again, I think if we have any issue with not being able to find qualified people I think then we take it up then.

>> Mayor Reed: City Attorney.

>> City Attorney Doyle: The question was raised by staff. I've got a mapquest and the question comes up I've not done it by the way the crow flies. San Francisco it's 48 and over, if you go to North Beach it's over 50 miles. It's by the way the crow flies. If we have an issue we can come back. I just want to get that on the record.

>> Mayor Reed: I'm going to support the motion. I think we just need to move ahead on this. This may be an issue. If it becomes one, we can fix it at some time in the future. Councilmember Constant.

>> Councilmember Constant: Thanks. I did look at it, as the crow flies. I pulled up Google earth and did the measurement tool. And 50 miles goes a lot further that way. It actually reaches across the bridge a bit. So I think we'll -- I think we will reach all of San Francisco, all of Oakland, all of that kind of greater area. I do think that if it becomes a problem we should be prepared to bring it back and revisit it. I think that right now, this is something we need to continue to move forward. It is something that's been a long time coming. Something that all of us agree needs to be done and I'll be supporting the motion.

>> Mayor Reed: Councilmember Pyle.

>> Councilmember Pyle: Thank you. I just wanted to say that I share Councilmember Liccardo's concerns. And I would hate for us to have to keep going back to correct something. I was hoping that there would be something that we could put in there that would make it for a quick correction. Is there -- is there a sense that there is anybody that would be excluded because of 50 miles? Has it been a problem -- well, 90 hasn't been a problem but --

>> Councilmember Liccardo: I could respond.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: For instance if you're looking at the homes people who work in the financial district of San Francisco, I think you're going to find a lot of those homes are in places like Marin. I don't know why we

have the residential restriction. We don't require those of firefighters, we require them to be there in state of emergency. I don't think we should use it as a board member.

>> Councilmember Pyle: Could we use it for business or residence?

>> City Attorney Doyle: You could, right now it's a residency requirement but you could say business or residence.

>> Councilmember Pyle: It would seem that would prevent the coming back on any kind of a basis.

>> Mayor Reed: Anything else Councilmember Herrera?

>> Councilmember Herrera: I don't have any problem with that adding that into the motion to accept businesses as residences. But there is a genuine disagreement. I think it does cover as Pete said Oakland and San Francisco.

>> Mayor Reed: Okay so are you amending your motion by friendly amendment?

>> Councilmember Herrera: I will amend it by including businesses. I think that's a good suggestion.

>> Mayor Reed: And I don't know who had the second. The seconder was Councilmember Nguyen. That's okay with her. Councilmember Kalra.

>> Councilmember Pyle: Thank you.

>> Councilmember Kalra: Thank you, mayor. I would just like to note that the 50 mile radius would include the financial districts of Oakland, San Francisco, would U.C. Berkeley, Stanford, San José State, obviously, and that we have academics, we have academia, as well as the finance industry that is squarely within that 50-mile

radius. I question adding businesses or business address only because then that opens up -- it could -- it opens up the question is that if someone is working for a firm that Hayes has an address in San José or in the Bay Area but they actually live in L.A. Now is that close enough? There's a reason why the stakeholders were asking for residency and to just here on the fly say okay, or business. I think we have plenty of financial experts within 50 miles of where we're sitting now. And to make it arbitrary, the members of the board are arbitrary as well. A lot of the decisions are arbitrary, we do it based on our own knowledge and based upon stakeholder knowledge, making sure those who certain on the board represent the retirees well.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: I think Councilmember Kalra raises a really good point. So in terms of a business address, could we say it's headquarters address within the same region? I think what you're saying Councilmember Kalra, you could have a company located in L.A., you could expand it --

>> Councilmember Kalra: The individual, I'd hesitate to even add business because I don't think it's necessary. I think the intent was residence so you know the person has some stake, they live close enough to San José there's some connection with our region at least with the Bay Area. If you're intent in keeping business in there, at the very least I think the individual that's actually going to be serving on the board has to work in an office that's within 50 miles as their regular office.

>> Councilmember Herrera: Then let's do that because I am concerned about opening up wider as your point was made.

>> Councilmember Kalra: Thank you.

>> Mayor Reed: Councilmember Nguyen. I think was that another -- a modification --

>> Councilmember Herrera: Yeah, modification of the business address issue. It has to be working within 50 miles.

>> Mayor Reed: It's the place where you work or the place where you sleep, basically.

>> Councilmember Nguyen: That's fine with me.

>> Mayor Reed: Okay, so we have a motion based on the memorandum with a couple of modifications. Further discussion on the motion? All in favor? Opposed, one opposed Councilmember Liccardo, so that motion is approved. Our next item is 4.3, actions related to the Nummi employment project, formerly known as the new United motors, something like that, Nummi.

>> City Manager Figone: Staff is here to respond to questions, no presentation.

>> Mayor Reed: I just had a couple of comments. It's good that we're able to help the people who lost their jobs with some grants or the Work2Future program. But it certainly was a sad day in California to see that plant close with 4700 jobs being displaced, and I regret that the State of California was not able to do much in the way of trying to prevent that from happening. So it's good that we can go help. But it was a pretty huge loss for the region, not just the City of Fremont. I have one request from the public to speak on this item. Susan Bailey, take the testimony at this time.

>> Yes, in regards to Tesla motors, building a battery powered sedan or electric car, and a \$6.3 million bailout for the NUMMI workers, to me, this shows a preference for one group of workers over another. And the government does not have a right to do this, especially with all the unemployed people in the State of California. If the demand rises for electric cars then the free market should take over and we don't need another government motors. Federal money, state money, city money, it all comes out of our pockets. That's our money. And I cannot see the government backing one group of workers over another. Thank you.

>> Mayor Reed: That concludes the public testimony. Is there a motion? We have a motion to approve. And no additional comments from council. On the motion, all in favor, opposed, none opposed, that's approved. Item 4.4 is our next item, the begin program grants. We have a motion to approve. That's the building equity and growth in neighborhoods housing program. For those of you at home. We have a request to speak, Jerry Mungai, Susan Bailey, David Wall.

>> Thank you, mayor. This state grant is just another taxpayer corporate bailout. It will most importantly benefit the owners of these luxury condo projects, keep property values artificially high for property tax purposes, keeps or expands government jobs like those in the housing authority and allows low and moderate income earners to live in upscale market-rate developments at state taxpayer expense. The 8.4 million in these grants means an average of over 80K per housing lottery winner in financing assistance. So while the hardworking person has to come up with the same 80K for a down payment out of his or her pockets to buy a unit, the next door low or moderate income buyer gets those, the same people -- gets to get those same people to pay for their down payments. Also, these same lottery winners no doubt will qualify for other taxpayer largesse like subsidised school lunches and health care. Yes, Property 1C is the law, but it is not right. Heretofore affordable housing meant one would live in a house that one could afford. And by the way, every house is affordable, even the mansions in Los Altos Hills or Beverly Hills. Hopefully, if one worked hard, he could move up to a better house, however the owners defined the word better. In other words, we strove for equal opportunity to achieve the American dream. Today, thanks to social engineering and social justice concepts, we are promoting equal results. Let's stop raiding the taxpayer's wallet. Let the free market dictate the price of these units. Thank you.

>> Mayor Reed: Susan Bailey and then David Wall.

>> The grant program, I think, represents government illogic. If you can't afford a down payment, the chances are that you won't be able to make monthly payments. These people develop a welfare mentality that the government will come to my rescue. And why four buildings? I could see starting with one and, when that gets filled, then they could start on another one, and then you wouldn't have this problem. I can remember seeing these places built. My husband and I going downtown, and saying well, who on earth is going to fill all of these places? There

are certain people that may like to live downtown. But the majority of people don't want to live in the midst of hubbub. They want to have their home away from all of that where they can relax. And I'd also like to know what happens to the builders if this passes or doesn't pass? What are the implications there? We are well informed of the City's deficits, and you have an obligation to tell us and we the tax paying resident citizens of San José want to know all of the aspects of the city finances. For instance, recently there was a lot sold for \$20 million. Where does that money go? How much total money do we have in reserve? Essentially since core services are being cut, for instance the firefighters, give us the total picture. What's the total budget? The operating budget? There are a lot of cities and states that have hidden reserves, and the people don't know about it. How about San José? Does San José have reserves? We would like to know. Because I have spoken before regarding the baseball stadium and that's --

>> Mayor Reed: Sorry your time is up.

>> Oh, okay. Thank you.

>> Mayor Reed: David Wall.

>> David Wall: Personally, I would like to see the word "grant" translated into its true meaning, is "debt." Of all you folks, Mr. Mayor, that have complained about the state of California taking money was in reference to the redevelopment agency money, getting back roughly about 10% to give away. Again, President Obama said, one of the things he said was, of greater importance, Americans should pick themselves up and dust themselves off. All you are is following the same course of events that led to the economic collapse in the housing market. You're just borrowing money and giving it to people that can't afford it. Then you have another side issue of unjust enrichment. Who stands to gain from this? How do you guarantee the person's a first time home buyer over another home buyer, is it a lottery system? I don't like this program at all because it's debt. It's not sustainable. And if these five projects are economically viable, let them stand on their own. Other than that board them up. These projects were a mistake. They should never have been permitted to be built.

>> Mayor Reed: That concludes the public testimony on this item. Councilmember Pyle.

>> Councilmember Pyle: Thank you, mayor. I just wanted to clarify a couple of things. First of all when these grants are given, are they not paid back at such time that the homeowner decides to move to another premise, to another place?

>> City Manager Figone: Leslye Krutko will be responding, Councilmember.

>> Leslye Krutko: Thank you, councilmember, Leslye Krutko, director of housing. Yes, these are grants to the city. They will be loaned to individuals, they will need to pay back the loans at the time that they move and then the money comes back to the city to be lent out to a new household.

>> Councilmember Pyle: And if we don't do this, we're going to have buildings that -- unfortunately were severely affected by the recession that will be black eyes in downtown. This way, we have a fighting chance of filling those buildings and creating a more vibrant lively downtown.

>> Leslye Krutko: That's correct. This has several benefits to it. One is that we do want to fill those buildings. This is an opportunity to do that. As well as the opportunity to provide home ownership for our residents who cannot afford to live in these units without that assistance. The other thing I should point out is that the voters of the state of California approved proposition 1C and they approved these funds. The City of San José has applied for those funds. Were we not to apply for them and were you not to accept them, some other city in the state of California would get those moneys. Their residents would benefit. Their neighborhoods would benefit and San José wouldn't. So the voters already approved this. This is just money we're taking advantage of and apply to for benefit to our city.

>> Councilmember Pyle: If the people come and move into the city comes more commerce for the downtown area and more -- more uprising economic situation. So I think this could create a lot of goodwill all the way around. I would just like to bring up one other thing. For a first time home buyer to purchase a property now it's

almost impossible, isn't it? Very often they have to come one 30%. In fact I've been talking to developers about some of their problems regarding getting money to build developments. And the rates that are being charged are pretty impressive, in a negative way. So it puts a prohibition on that. In fact we are feeling congresswoman Zoe Lofgren to help out with this problem. But I was absolutely shocked at how much the banks have not come back. I mean we have helped the banks but the banks are not helping the economy, in particular the new homeowners and the developers. So this is a critical, critical problem and this is a potential solution. Thank you.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: Leslye, I just want to congratulate you and your team for your work since was it 2002, you received almost \$20 million in begin funds, which is more than any other city in this state. Obviously, I know that takes a lot of sophistication and a lot of perseverance. And those are all resources we are able to use both to help homeowners here, as well as builders who are suffering badly right now. And we've got 30% unemployment in construction, so this is, I think, a really positive development. I appreciate all your hard work.

>> Leslye Krutko: Thank you.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: Thank you. I also just wanted to congratulate I Leslye. I think it's good for our economy. As you said somebody else will get it if we don't. These homes if they're not sold potentially are vacant, they're not producing. These folks that move in they have jobs they're contributing to the economy. I assume they are paying these loans back and they can't just walk away from it. They have to stay there, there's lots of requirements around making sure that they do pay that back. I know there's some equity sharing in a lot of cases so I think it's a great program and thank you for making us competitive to get it.

>> Mayor Reed: Councilmember Kalra.

>> Councilmember Kalra: Thank you, mayor. And Leslye, also I want to thank you for all the work that you and your team have done. I have a question regarding the qualifications and the background that discusses a little bit about what kinds of projects that the begin funds can go towards. And I'm guessing that the reason why these are these downtown residents, these are some of the ones that got exemptions when they were first built in terms of the waiver of the otherwise required fees, is that part of the reason?

>> Leslye Krutko: Yeah. One of the requirements is that you've streamlined things and some of the City's policies that have allowed for the exemption of park land fees or the exemption of other taxes and fees are those that we put in our application as one of the reasons why there would be competitive.

>> Councilmember Kalra: Well I think you know I'm fully supportive of the motion, of gaining these funds to help people get into these homes, you know, the banks were bailed out, but the developers who built these projects and are sitting there waiting for people to come in and the residences, or the folks that are sitting in escalated rental property right now oftentimes can't have a down payment particularly because it's going towards down payment assistance and helping them get into these homes. I think it will be good as Councilmember Pyle indicated, it's a jump-start to the downtown economy. But I think the overall economy in San José, we certainly have the opportunity to bring in people that otherwise may not have the opportunity to live in San José. So I think it's a good program here and did we already have a motion on the table, mayor? We did, okay, well I'll be supporting the motion, thank you.

>> Mayor Reed: We have a motion to approve. All in favor, opposed, none opposed, that's approved. Item 4.5 is the next item, that is amendment to title 20 zoning ordinance regarding downtown districts and uses in historic landmarks. I have a motion to approve. I have no requests from the public to speak on this item, correct, none? All in favor, opposed, none opposed, that's approved. 5.1, a grant application for the Los Gatos creek trail project.

>> Move approval.

>> Mayor Reed: We have a motion to approve. Councilmember Liccardo.

>> Councilmember Liccardo: Thanks. Just a quick question about the 20% match. Is the expectation that this is coming from C&C or PDO, or do we have some other source identified?

>> Thank you, Matt Cano, acting deputy director of Parks, Recreation and Neighborhood Services. We have not identified the source yet. It could be a combination of construction and conveyance tax, park trust funds, and possibly other grant sources that we can find between now and the next six months when we need to make that decision.

>> Councilmember Liccardo: Okay, and then on the 24-7 requirement, I know that's creating a lot of chance for us and my understanding that's a requirement that comes through the VTA and the CMAC grants. What's the origin of that grant, is that coming from the board or if MTC or the original source of the money?

>> It's currently the MTC, Metropolitan Transportation Commission, is requiring that if we use these federal grants, we need to keep the trail open 24/7. So we are committing to that at this time, but we're also committing to continuing to work with MTC to see if we can get that requirement waived, and we're working with the technical advisory committee internal to the city and with the Santa Clara Valley Water District and other stakeholders to talk about methods to safely keep it open moving forward.

>> Councilmember Liccardo: Okay, final question. I appreciate your answers. The proposed trail here is this reach 5B, not a particularly long segment, I'm guessing a half-mile, maybe a little bit more, I'm not sure. I'm sure it says somewhere in this report but I wasn't able to catch it.

>> I'm not sure of the length, but it's pretty short, probably a quarter-mile from San Carlos just past the fire training center to Montgomery Street.

>> Councilmember Liccardo: I guess that really highlights my point, which is, are we spending all \$1.6 million just on planning, or is there actually some land acquisition we're getting out of it?

>> This is entirely for design and construction documents, this is a trail that actually dives under the tracks. This is a complicated design project.

>> Councilmember Liccardo: This is for architects and designers and such?

>> To get it shovel-ready, yes.

>> Councilmember Liccardo: Does that seem high to you 1.6 million for a trail?

>> Not especially, Julie Edmonds Matta is here, it is a very complicated design.

>> Councilmember Liccardo: Okay, I'll swallow hard.

>> Mayor Reed: I've been learning to swallow hard ever since we did the first creek trail project when I first got on the council. They are very expensive. All the easy stuff has been done by and large. And we have these really complicated projects, and they take a lot of time and money. But we're making progress, right? 55 miles now, is that what we're counting?

>> Almost, yes.

>> Mayor Reed: Almost 55 miles, against our goal of 100. So that's good. This will be another little important segment to get completed. Any further discussion on this? I have no requests from the public to speak. I think we have a motion to approve ton table here. Is it on the table or on the floor. I think it's on the floor. We have a motion anyway no matter where it is. All in favor, opposed, none opposed, that's approved. Before we move to the redevelopment agency board agenda we're going to do open forum and then we'll take up the agency

agenda. While staff is changing places I have no cards under open forum so that completes open forum. Staff. Not quick enough. It was a trick. We'll just take a minute to do the staff change. Change the name plates too. The first item on the agency agenda is the consent calendar. Are there any items on the consent calendar that staff would like to -- or the council would like to pull and my electronics might be on the blink. I have temp member number 4 requests to speak.

>> Councilmember Liccardo: I think I'm temp 4 today, 2.3. Thank you.

>> Mayor Reed: Anything else on the consent calendar? Just wave at me when we get back to the electronics. Okay.

>> Move approval.

>> Mayor Reed: We have a motion to approve the balance of the consent calendar. All in favor, opposed, none opposed, that's approved. 2.3. Councilmember Liccardo.

>> Councilmember Liccardo: I have a question on 2.3D as in dog. A question for Harry, is that having the executive director the ability to alter the terms of the retirement plan?

>> City Attorney Doyle: No, unless it is necessary to maintain the tax qualifications. I think anything significant, and I'll let Harry speak for himself, but I would have envisioned that would come back to the board. But the idea here is, a lot of this is technical cleanup. The internal revenue code changes from time to time, and we just want to be able to move a little bit faster.

>> Councilmember Liccardo: Okay, great.

>> Harry Mavrogenes: And I'll definitely vet this, no intent to bring anything major this way.

>> Councilmember Liccardo: Okay, move to approve.

>> Harry Mavrogenes: Bring it back to the board.

>> Mayor Reed: Okay, we have a motion to approve. And I would like to note that the language specifically authorizes the director to do things as maybe necessary to maintain a qualified status of the plan. I mean, that's a very limited grant of authority, and I think we've just discussed here there's a reason why it's limited. On the motion, all in favor, opposed, none opposed, that's approved. That concludes the consent calendar. Item 3.1 is a quarterly project status report.

>> Harry Mavrogenes: We're going to have Bill Ekern make a presentation, Mr. Mayor, members of the board.

>> Bill Ekern: Good afternoon, Mr. Mayor, members of the board. It's always hard when we come back in August to try to reorient ourselves back three or four months, but this really is a report on the end of the last fiscal year, May through June, April, May, and June of 2010. You'll see a range of things kind of in my mind, a sneak preview also of some things that are still coming forward over the next couple of months. Okay, we started at the end of it. That's interesting. Excuse me.

>> Mayor Reed: That's what I call a brief staff report. Thank you.

>> Bill Ekern: I was much briefer than I thought I would be.

>> Mayor Reed: Each picture is worth a thousand words. We had about 20 words, very good.

>> Bill Ekern: And thank you for your attention. Again, for the public more than the board, an understanding of a lot of these things take place in the downtown and in the neighborhoods as well as the industrial areas that we're trying to report on. So kind of the first thing is a project that we're quite proud of completing this last spring, it's the Edenvale community center. It's a LEED gold building. We're in the process now of completing the LEED

certification efforts and getting that paperwork back to Washington, D.C. Just a couple because we really do like the project in with the goal, we thought we'd try to get the project in with people in it as well. It is important know that the Boys and Girls Club has actually been using the gym over the next couple of months. I believe it's later this month or maybe in September that we'll have an official grand opening of the facility in the Edenvale area. Another project was completed and this was a collaborative project we did with the Public Works department, we entered into a project with them to help them rebuild some failed section of the transit mall, some potentially hazardous situations around the Fairmont Hotel, and that work is now complete. Important project in the downtown, we continue to get development and private investment in the downtown. BCA Architects coming into downtown, 36 architects, new businesses, new people to eat and drink in the downtown, also the rehabilitation of a building, a very nice job that they did on former carpet store. We're still at work on the first church of Christ science, the developer has been securing the building over the last couple of months. They have actually onsite security now so that we do believe the project is protected adequately, we anticipate that in September, they will actually begin, the more physical parts of the restoration and the stabilization of this project. And this church is then in preparation for the long term development of a housing project. On San Pedro square, the project continues. They've completed all the demolition. We're ready to begin the actual construction and renovation of the spaces. There will be a new building that occupies the corner of San Pedro and St. James. I think that will be very beneficial -- St. John pardon me. Anyway, there to secure that corner and progress should really begin to be visible in the fall. Little self-gratification, a picture of myself and a couple of councilmembers taking out the last of the orange plastic seats in the theater. We have acquired the new seats. They are very nice, that will be a very nice touch. We just approved the paint colors today, so that the contractor will begin painting and begin to see, especially in the hallways of the auditorium the painting take place. Almost all of the structural work in the auditorium is complete. They have begun to move into the Montgomery theater over this last week to begin work on the elevator that connects the multiple floors in the buildings. The project that we're doing out on the Eastside, a little sidewalk addition piece, this is to connect to a future park in the neighborhood. As you can see construction has begun. As with all underground projects, there's surprises. We found a high pressure gas line that we're trying to work our way around over the next week or so, but the project is moving forward. We have a very good contractor on board, and the neighborhood's very excited about this project. This is a piece of property, again, by Tully road and highway 101 that the redevelopment agency acquired some years back,

provided to the city, the city has put up roughly 1.4, \$1.5 million in the redevelopment, \$480,000, to begin construction of this project and construction has just begun in June. Expected to be completed in this fall, October-November time frame. So one of the final facades we have working in the downtown is orchestra palm court talking with property owners they're looking to develop a cafe down south of first street, hopefully that will come online later this year first part of next year. This is kind of our hopeful picture, kind of to remind people that we're still interested, recognizing the actions the council has taken in the last couple of weeks. Very important project in the downtown, we've shown this before. My understanding is we finally have all the grant papers in hand. We're ready to move forward. We're finishing a few of the final pieces with the developers, anticipating getting our ducks in a row, and anticipate beginning construction on this roadway improvements setting the stage for housing in the central part of downtown. In the neighborhoods and strong neighborhoods I think one of the really great projects that redevelopment is able to do is to help provide assistance to private property owners to bring their houses up and bring the neighborhoods up overall through just very simple things like painting and roofing. In the last quarter we did six projects. This is an example, and every time I look at this project, I'm proud that we got the bougainvillea to bloom as quickly as we did for the picture. But I think those are the kinds of things that are really important for us to do. In the downtown, again, they are very active, our office and retail development people continue to meet with the industry. SOI systems has gone into river park towers which is very nice to begin occupying more class A space in the downtown. Downtown retail openings I think probably the highlight in this list among many is panda express. This is their 10th San José establishment, and I was advised by our retail staff today that they would like to open another ten in San José. So it is very good news, they're very confident in the market, says a lot, I think, for San José. And then the neighborhoods, the thing I liked the most about this particular slide is the diversity that we have taking going into the neighborhoods, it's not just restaurants, there are actually services that are important services going into the neighborhood. So we're very happy about those sorts of things moving forward. Downtown retail and retail in general, we're beginning to see with Ross coming down, a movement with more than restaurants and bars and eateries coming into the area. The salon tea company is open in the San Pedro square area so we're getting a diversity of location as well in the downtown. I can't say more for the Ross dress for less in its impact to Downtown San José. You're all familiar with its impact. What I found important is that it's not just restaurants but there's an apparel store and a market and a game place. There's actually two apparel stores that are in the process of expanding or bringing new

commerce. Innovation center, we've shown this before. The grand opening was in this last quarter. This provides a venue for 50 start-up companies to work together in the downtown. And North San José, in June the council and the board helped change -- amend some of the policies and accept the design guidelines for this area so that when the market's ready we're ready to move forward in North San José. The redevelopment agency role in much of this has been really the community organizing to keep the process moving forward. And Edenvale technology park, this was a business appreciation event. 30 companies were represented by 60 of their employees. I think it was a great gesture on their part to show companies, and again, it's part of our collaboration with you and with the business community to let people know that they are appreciated in San José. Some of the things that the redevelopment agency does provide are capital grants and capital loans to the businesses. This is an example of two projects where we've provided funding, and you can see the number of jobs that are related to these business development efforts. Every time I see this slide, it overawes me with all the labels and everything trying to sort out what the story is. One of the best key pieces in this is the Hospera, is a company of 125 people we attracted up from Morgan Hill. That says a lot for the opportunities in San José and the outreach efforts of the city and agency staff to bring these companies in to San José. So with that, that looks like the end slide, so I'd be glad to answer any questions.

>> Mayor Reed: Councilmember Kalra.

>> Councilmember Kalra: Thank you, mayor. I just wanted to thank the RDA staff and all the work that's been done. Edenvale community center which I look forward to all of us being at, in September, just met with staff yesterday for some of the arrangements of the opening. But I think that just the cooperation between the city staff, RDA staff, Boys and Girls Club, Oak Grove school district has been remarkable, and I think that we're hoping that this could be a model going into the future of the type of community centers we have where it doesn't rely solely on the City of San José General Fund to operate it but rather we can find partnerships that allow the neighborhood to have access and enjoyment of the facility and at the same time get maximum use. And so we'll see how it turns out. And that's the plan, and it looks like so far with the Boys and Girls Club already in there, that it's a really terrific facility, that so far so good. And so I look forward to having full, beneficial use of the property and the community having the opportunity to take advantage of it. I also wanted to thank the redevelopment

agency staff for their work with the -- just in general, I mean, the business appreciation lunch was one event. But I think just in general, in the outreach that is done to the companies, I know they go tremendous outreach in North San José and in downtown. But I can speak certainly to Edenvale as well, in terms of the outreach that's done, the continual efforts to assist in retention of the companies in addition to trying to bring companies in has been tremendous. And so I really enjoyed the relationship with the staff and trying to learn more about the companies there, what we can do to really keep these jobs in San José. Thank you.

>> Mayor Reed: I don't have any requests from the public to speak on this. I think that concludes the council discussion. We just need a motion to accept the report. We have a motion to accept the report. All in favor, opposed, none opposed, that's approved.

>>> Our next item is 3.2, continuation and third amendment to the agreement with Orrick Herrington and Sutcliff LLP for legal services. We have a motion to approve, all in favor, opposed, none opposed, that's approved. We'll now take up the strong neighborhoods business plan update, we have a report on that, that is item 8.1. I know there will be a presentation, and I have a couple of cards from the public to speak. Turn it over to Harry.

>> Harry Mavrogenes: Mr. Mayor, members of the board, we are going to do a brief presentation for you this afternoon on the -- working with the community. They have been a wonderful group to work with, and this will show you the progress we're making with fewer dollars and fewer staff in this very important effort that's revitalized a lot of our neighborhoods. So I'll ask Abi Magamfar to begin the presentation.

>> Abi Magamfar: Good afternoon, Abi Magamfar, deputy executive director. This is truly a teamwork between the city, agency and the community. It has taken us since October of last year to update the strong neighborhoods business plan. And it has taken numerous meetings with the community, hundreds of stakeholders and community leaders, a few of whom are present here today, I believe they're going to speak. And with that as Harry said, we have a short presentation. Kip Harkness is going to lead us through it.

>> Good afternoon, Kip Harkness, director of Strong Neighborhoods. As you know, over the last ten years, strong neighborhoods has invested over \$130 million in these communities. We have parks where before there were weeds. We have sewers that used to back up into people's homes and bathtubs that are flowing properly. We have lights where before there were dark neighborhoods. It has been a privilege to work over at the last decade with these communities in thigs changes. The economic recession and the fiscal crisis that we're facing however have changed the context of that work and I just want to very briefly lay out that context as it relates to strong neighborhoods. We've had to defer over \$30 million in redevelopment funds because of the change in the fiscal status and the take from the city, and that leaves us with just \$4.5 million available in redevelopment funding now. Most of that is already committed to completing projects of the like that Bill just mentioned, such as the Nisich Park, completing the Edenvale Community Center, and the sidewalk work in West Evergreen. So there's very little new funds within that 4.5 million. Similarly on the staffing side we've had to let go over 10 full time equivalent to staff members from the team and at the same time our partners that we count upon code enforcement housing rehab traffic calming have also undergone similar reductions. Next slide. So our response to that was to convene a community conversation and to ask us, ourselves and the community the question, what's most important now in building strong neighborhoods. We spent six months listening and talking. We engaged over 140 community leaders directly in the process. Over 600 ideas were raised and the response that came out over the city and the redevelopment agency is four key policies. First the neighborhood leaders told us it was important to continue to remove barriers that we the city and the agency often put in their way in order to keep the parks cleaner, to remove median strips and to have access to community centers after hours. Second, they asked us to focus on those neighborhoods of high need. Those are areas that are doubly or triply hit by the economic recession and many of the neighborhood leaders recognized it was important to focus on those neighborhoods. Third they asked us to continue to support them in taking action in their own neighborhoods being able to do things like trim street trees, hold dumpster days and activate and clean their community are important things for them but they continue to need support in terms of training, grants and access to resources. And that's the last one is that where possible they continue to have resources to do the job of improving the neighborhoods. Focusing very briefly on two of these goals, stabilizing neighborhoods in crisis and mobilizing neighborhood action. Stabilizing neighborhoods in crisis, the concept is to create a neighborhood solutions team that will be working with each of these neighborhoods. The neighborhood solutions team is a cross functional

team which would involve strong neighborhoods staff, police, Parks, Recreation, and Neighborhood Services, code enforcement, housing and others, in making sure that those neighborhoods of highest need are dealt with well with a strong, engaged team. It builds on the logic and the work of the mayor's gang prevention task force and provides a broader platform for the work of B.E.S.T. and other funding sources. Our desired outcome in those neighborhoods are that they are cleaner safer and more engaged than they are today. Similarly, citywide we've strengthened our capacity to provide citywide services by shifting more personnel into that category, and our hope is that we have a similar outcome citywide. We have more trained, connected and engaged leaders who are capable of taking acts in their own community. So the recommendations that you have before you we believe will give us a stronger citywide presence than we would otherwise be able to have. We would be able to focus on those neighborhoods in need. And we would be able to realign to the community goals in a time of scarcity around capital projects and capital funding. Picture of success what we hope to achieve over the coming year are two, with this approach is again more leaders taking directly action in their neighborhoods. And here you see some pictures illustrating the kinds of actions that we're hoping to continue to support and foster, those where the community is able to get actively involved in everything from art to providing very needed services like a food bank to in the middle there, a kaboom project, where the community is actively involved in building a tot lot with their own hands. And that's the end of my presentation. I'd be happy to take any questions from the board.

>> Mayor Reed: Vice Mayor Chirco.

>> Councilmember Chirco: Yes, thank you Kip. That was a good presentation. Do I have several questions, as you know, of -- you did a presentation at NS & E. This business plan is a departure from our previous SNI work. How will you communicate both internally and to our neighborhood partners citywide that we have a new and different approach?

>> That's an excellent question. A couple of different steps that we're taking. One is that we're making sure that our internal staff is trained and that they understand what the approach is. Part of that will involve reorganizing how they're structured and getting them reconnected with their job. Specifically what we'd like to do in terms of the outreach to the rest of the city staff is convening teams around both the neighborhoods in crisis and the citywide

support effort so that a broad number of people are active stakeholders in this change. We know that if this is just a strong neighborhoods piece, and that's understood to be just the staff to report to me, that we won't be successful. We're most successful with collaborative models like the mayor's gang prevention task force where we pulled together a broad array of stakeholders. We'll be coordinating our work with the mayor's gang prevention task force, and then also on the citywide component, we want to be gathering sort of a brain trust, if you will, of both city staff and then neighborhood leaders, to be part of that conversation. And on the neighborhood citywide piece, that would include working very closely with the neighborhood commission which is part of our mandate of starting things in these neighborhoods.

>> Councilmember Chirco: I have been concerned because there has been huge resources both economically and resource wise, and building a community in the SNIs and now we're doing a citywide vision and this very limited resource time. Do we have the personnel to even do a virtual task force to a community that's in crisis? So my next question is do you have any specific strategies to reach out to neighborhoods that vice president be a strong history of engagement with the city? You did mention the neighborhood commission. I'll just use my district as an example. We have no SNI. We have no organized groups that can even model behavior based on the work that has gone into the strong neighborhood initiative over the last ten, 12 plus years?

>> One of the collaborations we're exploring right now is with American leadership forum. And one of the strategies that we're thinking about is the item of working to select resident leaders from across the city, who show the capacity of being able to recruit others. One of the issues and barriers that we run up against, and I'm sure you're familiar with, is that we often find a short list of residents who are involved in sort of a hyperactive way but who feel that they are unable to bring others into the process. So they end up doing -- being at every single meeting and in some case burning themselves out. What we'd like to do is work to find a relatively short list of neighborhood leaders who have talent to over the course of a year and do what the sociologists refer to a snowball sampling, is picking up two or three other leaders, four or five, ten or 12. And the idea is, that rather than just letting them go and do that we would provide them coaching and support over the course of a year, so that we would check in with them, how are you doing, who have you reached out, who are new leaders that you've

talked to, and we can be intentional about that. Because we've found that if we are not intentional about that, then we end up talking to the same people over and over again, and the capacity isn't built.

>> Councilmember Chirco: I absolutely agree, and your leaders become tired. And I was seeing that in the SNI. And so do you have a core group, you can begin the modeling, you can begin the outreach, the transition. My concern is in this era of no resources, not even limited resources. Doing the educating and the training of people who have not had previous experience. And I realize, it is what -- it is what it is and we have to deal with that. But if this is going to be a citywide neighborhood in crisis response I'm very, very interested in that and how we unfold it and how do we create a model? And most of what we do in San José quite often is a model, it is untried territory. My next question is, the success of this new approach will depend in part on our ability to pull staff together from different city departments to solve problems. Are we prepared to give this effort the level of priority and leadership internally needed to make it succeed?

>> Councilmember, if I could hop back to a little bit of your last question and keep going with this one, or would you like me to hit this one first, because there was something in the last one --

>> Councilmember Chirco: Answer any way you choose to.

>> Okay. In terms of the communication piece, it is important that what we do truly become a model in my mind, because we have a few unique challenges. I just had an electronic conversation with some folks in the Knight Foundation today and there are sort of two ways you can go with this. One is, you can end up raising expectations that simply can't be met. You can generate a series of questions that don't have an answer. Engaging in a network that, I think you've framed it very well, that's exactly what we're going to have to hit.

>> You hit half of it which is the community. My other half is city staff which would be the virtually team that I know you've talked about or I've heard reference before, it would be like D.O.T. code enforcement, police around all -- what few resources we have left at this time.

>> And I'll actually refer to Norberto Duenas deputy City Manager to answer that question.

>> Norberto Duenas: Vice Mayor Chirco, thank you for that question. As you can see, this is a joint effort between the redevelopment agency and the city. We are certainly committed and will stay committed and engage as we have through this process. And one of the ways that we will address the issue that you're raising is, to reengage what used to be a strong neighborhoods steering committee which was composed of key departments meeting on a regular basis on issues surrounding neighborhoods. We don't do -- we haven't done that in years, and in order for us to increase the level of coordination and collaboration which is going to be necessary inform this effort to be successful, we are committed to bringing the right people around the table to engage in those discussions. We feel that by doing that it puts us in a much better position to leverage resources and at the same time, take the best practices that we've experienced over the last ten years, whether out in the neighborhoods or within our city staff, and put them into play, once again. But again, it's a business plan, and I do stress it's a plan with a capital P, and we will be entering new territory and, through the neighborhood services and education committee we will be coming to you on a regular basis to let you know how things are going. We are creating the space to engage in this exercise but we also know that we need to be flexible and understanding because the organization continues to change significantly every year.

>> Councilmember Chirco: And I certainly respect the answer. And part of my pointed questioning is, I want it to succeed like no other plan we've ever had. In the eight years I've been on council one of my questions has been we've done so much work in our SNI neighborhoods. How are we going to replicate, duplicate, what succeeds, what fails, what can we do with fewer resources in the rest of our city? For the other two-thirds of the city that have not been included in the SNI, and appropriately so, there were additional resources that went into the SNIs but there should have been -- you know and I know there was a lot of learning that went on. So just a couple of final comments. Is you answered one of my questions or actually you said what I was hoping you would say is that this would be coming back to the committee, neighborhood services and education, on a regular basis. I want tremendous success. I think this is really exciting and I would also, one last comment, is to contemplate is a strong neighborhoods as a title. How close is that to previous language and how close is that to previous

thought? Maybe to transition over time. I submit it for thoughtful consideration. Again, I say rightfully so, the SNI initiative had connotations of large resources that came with it. This does not have large resources but it is a great strategy to assist neighborhoods that are struggling and need to be refined. And I see Ernest out there and looking at the neighborhood development center and revitalizing it as a key resource for our communities. So thank you for your presentation. You have refined it greatly and I thank you for that. And I would like to make a motion to approve the report and look forward to the SNI report-outs.

>> Second.

>> Mayor Reed: A motion and I have a second from Councilmember Campos so we have a motion on the floor. Any additional comments? Vice Mayor, okay, Councilmember Campos.

>> Councilmember Campos: Vice Mayor, I think your comments are well taken. As someone who has also been here for a long time, I'm going on ten years when I leave, to see the progress of a concept that we adopted more than ten years ago and to actually see what we've been able to accomplish, and really change the dynamics of not only what a community looks and feels like, but also, the ability to be able to empower people, so that they feel and have felt that they have ownership of what their future in their neighborhoods looks like. And that's very exciting. And I know Kip that you have been a part of this since its beginning and see you grow in this capacity and still have the passion that you have for making sure that the neighborhoods continue to thrive, and building leadership, and sometimes as the economy changes, we need to change how we look at building neighborhoods and leadership. So I have just a few questions regarding this proposal. And the first one is, I think that as we look at the city, we know that certain neighborhoods, and other neighborhoods, have stronger way of communicating. I was listening to your conversation and thinking about a couple of my neighborhood leaders and how few of them just barely came online a couple of years ago, and now we communicate with you, before they would pick up the phone and have a meeting with you face to face and the staff. And we still haven't closed that gap where everyone has access to the Internet or has access to e-mail. And I know that Norberto mentioned that other ways that we're going to continue to communicate is grass roots which is walking, knocking on doors. I would encourage us, I know with the limited resources we have, to figure out how we're make sure that future

leaders or leaders that can emerge, that they don't get left out in the communication process because they don't have the latest technology. And so I don't know if you have any thoughts about that but that's something that I know that I've been advocating for, for the past nine years. Because we still haven't been able to close that gap.

>> Yes, councilmember, just briefly. There are two pieces to that as you mentioned. One, and again I'll allude to my conversation with the knight foundation, their recently adopted focus is on transformation through community engagement. And so we're in some very close discussions with them, saying well, we're doing what you're talking about. And one of the things that we've realized is that if you are using virtual tools, if you're using social media, that you've got to make sure that the people that you're working with actually have access to that. And so one direction is to provide direct access to those kinds of tools, to folks in neighborhoods who for whom online is a fairly recent concept or fairly recent idea. The other is that we want to continue to maintain a very solid word-of-mouth grassroots organizing capacity. Because even with the success of getting those tools in the hands of key neighborhood leaders, many people will still do that kind of organizing and will still communicate in that way. So we're trying to strengthen both sides of that tool.

>> Councilmember Campos: Thank you. One of the other things that I wanted to talk about that you mentioned is developing leaders and developing new leaders. I know that as I look at my districts, we have some great leaders. We also have some leaders that we haven't been able to create the space because they're not as forthcoming. And maybe have not had the opportunity and the space to be able to take a leadership position. So I'd like to understand where does that fall in your priority with your limited resources? Because as we move forward, I think that we need to put an emphasis on creating space for new leadership and continuing to embrace the leadership that has been in existence. But it has been mentioned that people get burned out, they may be a little frustrated with the system. So giving them a break or allowing new leadership so that we have a balance as we continue to move forward. Because as we move forward we have to remember that some of the leaders that have been around for as long as I've been around, know that at one time we had all this money. As we bring new leaders they may come with a different perspective saying I wasn't here in those times but let's think of how we can continue to do the exciting things but in a different way. So I would hope that we would really spend a lot of

time searching for new leaders so that they can balance out the existing leaders and create that new synergy as we hopefully take this across the City of San José.

>> Thank you, councilmember. We certainly will. And interestingly, I feel that the lack of capital resources actually is helpful in creating that space. But when you're convening meetings on planning, capital dollars, the type of neighborhood leader who has what I call meeting endurance to make it through those processes is a fairly select group, self-select group. If we focus more on neighborhood action and actually getting things done in the neighborhood which requires maybe getting a little bit dirty and rolling up your sleeves, there is a much wider array of possible leaders out there. And so we will certainly pay that time and attention that you have suggested is so important.

>> Councilmember Campos: Thank you. And I have just a few more questions. My community is very, very engaged and keeps me informed of things that come their way, and I try my best to be able to meet all their demands and their requests. But one of them that I know that we've all continued to try, and I'll put it out on the table because it's something that we should think about, is some neighborhood associations, some communities have a little bit more wealth and are able to pay for facilities to hold meetings or gatherings of sorts. And that seems to be a challenge within my district. An I've done everything I possibly can with the limited funding that I have within my council office but I think that's something that we're going to have to think about how do we create space for people to gather and hold meetings so that they can conduct the business of the public.

>> That is perhaps the top issue that has come up over these series of conversations, not only in your district, but across the city, is getting access to space at either very low cost or no cost for community groups to meet and to take action that improve their own neighborhood. And we've had some good conversation Parks, Recreation, and Neighborhood Services and our colleagues at the library who are actually -- the way they've set up the branch libraries actually works very well for this now, about what we need to change both in terms of policy and procedure to allow community groups to have access to the facilities they need not only to meet but to do the work that they do.

>> Councilmember Campos: And I know that in each district, some of us have small portables that are considered community centers and I know that there has been resources that have been given so some of the leaders chem where they have access to those after hours. You don't have to give me that now but an info memo would be great for us to understand how that resource works and how there is equity across the board so that every NAC or neighborhood has access, and is there a key person that they go to get access to that? Is it a staff person, is it a community leader? Those are things that would be helpful to know. You don't have to go into that right now. I'll just wait for the info memo. And then the last question I have is regarding the neighborhood center that no longer exists, I mean, that's been around forever. What happens to their resources, their equipment, is that something that's going to be recycled that can go into some of the neighborhood associations, or the NACs so that they have access to those services, and then the last question I'm just going to put it all out there you need to answer it, what support will be given to the NACs as well as community groups as far as -- this goes to the dollar amount that I was talking about, if they need to create copies of information, because they don't have the technology, and they have to do community outreach in a grass roots effort?

>> Councilmember, I'll answer as best I'm able. We'll also follow up with more details and information as you have requested.

>> Councilmember Campos: Thank you.

>> We will be able to continue to operate six of these neighborhood action centers which provides a home base both for our organizing staff and the leaders in the community to do things that they need, like many of them having a place to access the computer or to make copies of their agenda. So those neighborhood action centers will continue operating under this model. And we will also look to expand where parks and recreation is perhaps looking to move out of facilities expands the capacity of the neighborhood to perhaps put the community back in the community center. As far as the neighborhood development center, we are able to retain many of the key personnel of the neighborhood development center. We are still having an internal debate whether we keep the name or not, but the functions of the neighborhood development center we actually want to strengthen. So the equipment and the staff that we've been able to retain and augment will continue to support neighborhood leaders

citywide through training, coaching, and providing access to small grants and tools. So that's actually an enhanced effort under this strategy. And then the final question is, supporting of the individual NACs or the neighborhood action coalitions, each neighborhood action coalition will continue to have a member of our staffer with a single point of contact for them who will be able to coach them support them and be present with them when they need to problem-solve through items. We won't be there for many of the NACs on the same day-to-day basis that we were before. It's both not possible nor is it necessarily desirable. But they will have a single point of contact who can help them problem-solve and make sure that they can move forward in the way that they need to.

>> Councilmember Campos: Well, thank you for answering all those questions and I'll look forward to seeing the info memo. This is exciting great work. I know that you've been working very hard as a team to bring this forward and I'm excited bit and I think that we may not see results within the first year, but I think about this vision that we had almost ten years ago, and I think that we may not have to wait ten years to see all of the benefits. So this is exciting.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: Thanks mayor. Kip, thanks for all your hard work and your leadership on this issue and Norberto as well. I had a quick follow-up on the space access issue, because I know I've fought these battles and we've all discussed them at great length when we -- when fees and charges come before us in past years and I can remember a couple years ago take on there issue pretty squarely. And my understanding with the council vote is that we had substantially reduced not eliminated fees for neighborhood groups to be able to ask access to centers and parks and so forth for basic meetings, gatherings, et cetera. Where are the remaining barriers that we're missing?

>> They have the fees and charges have been substantially reduced, some of the issues that remain are two told I would say. One is in terms of who still needs to be in the building. And that relates to after hours or weekend access when those are not normally staffed. And the other piece is some of it is actual physical access to the

building and making sure they are secure. Just to go into the weeds for a moment, when the library system designed their branch library, they designed it that you could go into the community center without going into the main library. Many of our older facilities run by parks and rec were not designed with that in mind, and so while it would be perfectly safe and reasonable for a community member to have access to a library community room, it would be some entirely different to open up a community center where you might have personal files available or staff computers that are open. So what remains to be worked out with park and rec is how do we deal systematically with those issues and how do we deal with the issue of getting that community's access when the center isn't otherwise functioning. And we believe we have models like the McKinley neighborhood center in your district that demonstrate that we can follow the rules, get everybody fingerprinted, go to security checks, and not have any issues happen. And we just need to take the direction that you've given us at parks and rec and redevelopment agency and put that into practice.

>> Councilmember Liccardo: Thanks, Kip. I appreciate the real difficulty of this task. I am kind of looking out in the audience, I see Sandra Soldner and Pete Colstead. I know they've been at the forefront of this, neighborhood leaders who are very understanding, though very regretful of the fallout with regard to the loss of resources that we've got now. And we see a real transition now I think out of necessity from an emphasis on physical assets to an emphasis on human assets. I think some of that is good. I think obviously a lot of it is regretful because we all had big plans for major improvements in the neighborhood. But I think if we're in an era of diminished expectations to some extent, I think there are still great possibilities. And as I think about often the demands that come from many of our neighborhoods, very often seemingly very small amounts of money to do very basic things, if it's the neighborhood festival, if it's the dumpster day if it's facility rental or something like that, where it seems like grant writing and fundraising really seems to be one of those really key skills if we could help to generate those skills in a Broadway, could have really widespread benefit because we're not talking often about a whole lot of money but usually just enough that it's a barrier for a lot of folks who have consistently given so much of their time and energy, but don't necessarily have a lot of resources to be able to throw at problems. So anyway, I appreciate the -- I think the very productive and constructive direction this has gone. I think this is great and I just want to thank the neighborhood leaders. Sandra and Pete, you're here, and I know other folks have been out there pushing as well but for their perseverance their passion their pragmatism, those are difficult times and to put

together something like this it really offers us a real opportunity to still move forward in difficult times, is quite an accomplishment.

>> Mayor Reed: Councilmember Oliverio.

>> Councilmember Oliverio: Thank you, mayor Reed for hear, how many total employees are there right now of the agency?

>> Harry Mavrogenes: Currently we have 84 FTE and minus the vacancies probably about 75.

>> Councilmember Oliverio: Okay and of the 75 you have 24 in SNI is that what is correct? Manufacture the --

>> Abi Magamfar: Council, the 24 is the combination of SNI staff on both the agency and the city side.

>> Councilmember Oliverio: And if you peeled it out how much would it be just RDA staff that is committed to SNI?

>> Abi Magamfar: Seven or eight.

>> Councilmember Oliverio: Seven or eight. That's where I thought the number was more like. When I heard the 24 I was like wow, so that was a larger number. And then on the areas, and this came to NSE committee, we're here now. I see a lot more of the citywide comments on the PowerPoint, which was the comments that Vice Mayor Chirco had made. Can you tell me one or two things that you would envision this program doing concretely, that will provide something for a nonSNI neighborhood since there are plenty of areas that are not in SNI that have need?

>> Abi Magamfar: One item that comes right to the top of the list is developing leadership, to be able to get to those communities and enable them to be able to do their own things which does not exist today.

>> Councilmember Oliverio: I got that part. Anything else?

>> One of the things we heard from neighborhood leaders is the need for tools. And of course being a good bureaucrat, we thought of this abstractly and metaphorically. And they said, no, literally tools, we want to be able to have shovels and rakes and vests that we can check out for neighborhood cleanup, that are of the quality that you need to do that, not necessarily have to depend on everybody bringing their own, though that can work. So one of the things that we are looking into is can we create a mobile tool kit that neighborhoods that are doing cleanups on other action days can have access to, to provide safety vests and other things that they may not need to have on a regular basis. That's one, and that would be something citywide. Related to that is we're really looking at how can we develop peer to peer neighborhoods in person and virtual so that when community members have a question or an issue, I'll use street tree trimming as one that they can get immediate access, this is a great example from the neighborhoods commission. The folks in Naglee park have realized that while street tree trimming is an individual responsibility of the homeowner and continues to be so, that you can save a great deal of money if you get your block together, you organize them, and you do a competitive bid. And you have one contractor come in and treat the whole block or two blocks or three blocks at once. They are talking about putting together a training module and training kit on how to do that and them coming together as coaches. You could go to the Website, you could -- and then you would not necessarily get connected up with me but you might get connected directly with a neighborhood leader who knew how to do it who had done it with experience and who can come out and coach your neighborhood on how to save hundreds of dollars up and down the street. Those are two examples we're trying to play with.

>> Councilmember Oliverio: I appreciate the two examples. Thank you very much.

>> Mayor Reed: I have a couple of requests in the public to speak. Take that at this time. Pete Colstead and Sandra Solner.

>> Thank you. My name is Pete Colstead from the market Almaden neighborhood which is south of the convention center. I've been involved with the SNI program for about four years, getting heavier and heavier as it goes along. And about two years ago we realized that the piece that was missing is the lateral communication, the ability for us to talk with each other. One neighborhood leader to another neighborhood leader. The example that Kip just gave about the street tree trimming is a great example of that. There's a lot of knowledge in each individual place that isn't shared to other places. We have created another organization, which that's what we need, to facilitate that communication called the CNAC. We'll be meeting in about two weeks to set up the bylaws and that type of thing. I think the most important piece out of that are the job descriptions, though. And the job description is when you're in the CNAC, although you bring to the meetings the biases, the experience, the knowledge that you have within your NAC or your neighborhood association, you're not allowed to advocate for your own needs. So what we want to be able to do is coach, help everybody else, with the knowledge that we each have. That's all I have to say. I think your questions are really good and you've really gotten into the core of what we're trying to do here. I'd like to thank the City Manager's office, Norberto and especially Kip organizing this whole thing. It's been a really good experience.

>> Mayor Reed: Sandra Solner.

>> My name is Sandra Solner. I live in the South university neighborhood which is an SNI neighborhood. A few years back when I was president of our NAC Pete Colstead was president of the marked Almaden NAC and he came over for a walk through my neighborhood. And he said I thought my neighborhood had problems until I saw yours. Well, recently, I went out to a custom other NACs. And I thought my neighborhood had problems until I saw theirs. I was shocked. I was saddened and I was concerned that in our beautiful, beautiful city, so many of our citizens live in the conditions that they do. Where they live daily with the fear of gangs, they live with the fear of their children, with their children being involved with gangs or becoming involved with gangs. With the negligent landlords who own property and live someplace else, and just see their property as a cash cow and let it just fall into disrepair. So as someone who feels that their neighborhood was saved by SNI, I'm asking you to please continue with -- let SNI continue their work to save other neighborhoods, and to allow them to go on, so that these other people can have hope that they will be able to enjoy the city as much as I do. Thank you.

>> Mayor Reed: Thank you both for your engagement in this. That concludes the public testimony. Any additional council questions or comments? We need a motion to accept the report. We have a motion to accept the report. I remember it. Sorry. On the motion? All in favor, opposed, none opposed, that report is accepted. Staff, good work. That concludes our agenda, I believe unless the clerk's going to tell me to keep going, I didn't miss anything so we've already had the open forum, we are adjourned.