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>> Councilmember Campos: We'll call the neighborhood services and education committee to order. And at this point I'm going to ask for roll call.

>> Nora Campos, here. Pierluigi Oliverio. Here. Kansen Chu. Here, and Judy Chirco absent.

>> Councilmember Campos: Thank you. So at this point we're going to review the work plan. And I could we add the deferral or do we have to take had a up separate?

>> Norberto Dueñas: I think we could take the deferral. Items 1, 2 and 3 and at the request of the Vice Mayor, item D-1, the like early care and education status report and all of the rest will be deferred to the June 10th, neighborhood service and education committee.

>> Councilmember Campos: Could we get a motion? All in favor, opposed that passes unanimously. Could we get the consent calendar, motion on that? All in favor, opposed, that passes unanimously. Now we're going to go to the committee reports. The first one is D-2 which is status report on foreclosures. The person is not here.

>> Norberto Dueñas: Do we have staff? Are we waiting for someone James?

>> Waiting for the handout.

>> Councilmember Campos: We can go to item D-3, the homelessness. Do we have people for that?

>> Norberto Dueñas: Jackie, were you doing the homelessness update? Let us know?

>> Councilmember Campos: Antigraffiti is ready to go. Why don't we go to the antigraffiti antilitter semi annual report, Thayer raid to go. Here you thought you were going to be one of the last people for presentation.

>> Well, good afternoon, let me get my notes straight. I wasn't quite ready. I'm Mark Marney, deputy director with the parks division. Also here with me is Brandon Casper. Brandon oversees the intake for graffiti and litter program. Simeon is going to help us out with the technology side of things. He'll be here for the next item. So today we're here to give an update on the status of some actions for the first three quarters in the antigraffiti and litter program. Let's go ahead and go to the first slide there. And in the report today you'll hear about some successes and you'll hear about some challenges. We'll talk a little bit about the status of the annual graffiti count that took place back in February and here's some information about some of our other efforts that are going on. Through all our activities both in graffiti and in litter we continue to depend on our partners, continue to work with Work2Future. We had a great effort with them this year where we were able to get some help from them in the summertime and then again from November through March, both as part of the stimulus package. Their efforts were -- really helped supplement us and helped us actually achieve some good numbers as far as graffiti abatement. We also continue to work with PD with regard to identifying taggers and working on trying to help them build some of their cases so we can bring some of these people to become more accountable for their actions. So first of all, I'd like to talk about the status of basically our citywide survey. Annually we do a survey, we've done it for the last several years where we go out and we physically count tags that are present, visible from the street. And this year, our numbers are fairly significantly, you know, pretty significantly higher than previous years, almost 10,000 additional tags this year that were counted back in February from the prior year. We're in the 29,000 total tags for this year, which is, again, it's one of our significant challenges that we're working to address. We also in that noted that there are two council districts that historically hadn't had significant activity, that have -- that did show up, both District 2 and District 8. We did see decline in District 5 and District 7 where we historically have had fairly consistent high incidence of graffiti. District 4 as well saw a slight decrease. And we think that that's somewhat attributable to the fact that in those districts where there has been some history of graffiti that we have stronger relationships with the community. Those community members know how to contact us. Our staff are familiar with the hot spots in that communities where there might be activity and they're out there being able to do the proactive work. As we look at our overall numbers for abatement this year, one of the efforts where we have made significant progress is in the proactive abatement, where when our crews are out doing other work and they see tags in other areas, they've been able to go ahead and address those issues. So that's a significant increase. In the first three quarters of this year we've abated about 25 -- 24,000 more tags on a proactive basis than we had in the previous year. So the real challenge with looking at the

numbers side of this right now is that tags are up, fairly significantly, in a time when actually we are being more efficient with our resources and actually abating more tags. So the number of tags that we're abating we've actually done more abatement in the first three quarters of this year than we did all of the prior year. So our abatement is up 40%. But even with those extra efforts the number of tags has significantly increased. We've tried to look to see if there are any key indicators that maybe driving those numbers and we really think it's a combination of items. We think it's part of the economy right now. We think that there's a variety of socioeconomic factors that are part of that. It doesn't -- we did talk to PD and there's no direct correlation to crime in other activities that is a huge spike in either these council districts or citywide. So we're continuing to look at it. We did some research with other local jurisdictions, other large cities and found that in general graffiti is up in most of those other large cities. One other thing that we're going to work on going forward to make sure that our numbers are good is that we're going to standardize the methodology by which we collect this data. There's this kind of an informal basis that's been used to collect this data. We think there needs to be a little bit more consistency put into that so that we can assure that we're really comparing apples to apples year to year in this format. So the next slide, the last time when we were here, I think we were here in February or late January or early February, we talked about utility boxes quite a bit and tried to work on moving forward with getting private businesses to be responsible for the utilities, and abating graffiti on those. We've made some progress. It's been a little more tedious than we thought it was going to be. We found out that -- we found out that there are about eight different utility companies that have agreements with the city to have utilities in the right-of-way. In each case they have in their agreement they are responsible to abate those graffiti on their boxes within 48 hours. However, we don't have a great mechanism for knowing whose box is where. We've got a kind of blanket easements that say they have the ability to place utilities in these areas. So one of the things that we're working on is trying to figure out how do we know, when we've got a phone in that says there's graffiti on this box, who do we know to go to, to have them be responsible to abate that graffiti. Along with that, most of the utility providers, we've given them some options as to how we could go forward with this. One is that they could do the abatement themselves within 48 hours as required for the permit, or we could actually have them contract with us, and we could do the abatement as it occurs, or worst case, we end up going through some kind of an enforcement mechanism. Virtually all of them have said, you know, we'll go ahead and try and take care of it ourselves. We think we can do it. Unfortunately, that causes some complications for us on the administrative side. We don't really have a team put together to run this program and track people down and so that's kind of where we're right now, is we're working to try to figure out what the system is to allow us to go ahead and continue to move forward with this abatement or this enforcement issue. I think at this point we're going to turn it over to Brandon who's going to continue with the presentation.

>> Can you hear me?

>> Go ahead.

>> There you go, we'll do that. Okay. Thank you. So moving to the next slide, we're going to talk about greater sanctions. You know, one of the issues that we're looking at in terms of the spike in graffiti is hitting it at the source which is greater sanctions. And trying track down the offenders that are creating the issue. So back in late 2009, Councilmember Madison Nguyen put together a memo to the Rules and Open Government Committee requesting us to study the feasibility of amending the Muni code to create greater sanctions. Subsequently our staff went and convened a meeting with the City Attorney's office and with San José PD to look at reviewing the differences between the muni code and the penal code. In doing that, we learned that the Muni code did not have the teeth needed to kind of really get into the greater sanctions. So what we did is, we focused more on the penal code side of it. San José PD has been using the penal code explicitly for graffiti offenses. We looked at how we could use the penal code to create greater sanctions in catching and prosecuting these vandals. Out of these conversations we noted previously there was a collaborative group that worked together of multiple agencies that would convene and work and communicate and collaborate on multiple jurisdiction items working on graffiti vandalism. So that would include San José with the police department and parks and recreation, the county probation office and also with sentencing alternative program which is a nonprofit group. In working together, what we decided to do was reestablish this collaborative group and try and go back and retrack the steps that they took in being successful and creating a mechanism for creating greater sanctions. So we convened a meeting with this group, worked on creating a work plan and working forward, we took that work plan to the mayor's gang prevention task force sub-- interagency subcommittee to work with them as kind of a vehicle to push us through our process and to also have them provide us with feedback and keep us in traction, keep us moving forward and

going towards our goal. We also presented this work plan and idea to the mayor's gang prevention task force policy team in April. So our next step is actually to move forward and come back and report back to the Rules and Open Government Committee on this item. So I'd like to now move to the antilitter update. I'd like to let you know that we've pleated our 10th annual great American litter pickup event this year. At the request of our Silicon Valley antilitter campaign, we looked for a select date to use every year so we could make sure we're not focusing against other work group and other work days for volunteerism. So we picked the third Saturday of every March which landed on March 20th this year. Happy to tell you we had an increase in volunteerism, although modest it was 21% increase over last year but that 21% increase resulted in the additional four times as much refuse which was removed that day which was more than four times the refuse removed last year. So total, we had 2257 volunteers, and they removed a total of 7.3 tons of refuse. That was a great event, and a great win for the program. Again, as over the past few years, we've been holding a friendly competition between the different council offices, and it works definitely to our advantage and to the advantage of the program. The council offices were very, very involved this year. And I think we made a great headway towards the future in getting more volunteers in and through that. I'd like to say I'm happy to announce that council district 2 this year won our friendly competition and they had 640 volunteers this year, which was tremendous effort. So we want to congratulate them and also thank tall council office for participating. They did a great job. So at this point that's -- concludes our presentation. Like to open it up for questions.

>> Councilmember Campos: Thank you for that presentation. Does anyone have any questions or comments at this time? Councilmember Oliverio.

>> Councilmember Oliverio: Thank you, Chair Campos. In regards to the coming back with Muni code versus penal code and what we can do as far as penalties on graffiti, I think I've said this before, but whatever you could bring back for me, the toughest penalty you could do that state law allows would be fine by myself and I know my entire council district. So whatever it ends up bringing make sure it's -- make us the options of, hey, this is as far as we can take it, versus this is what we might propose.

>> Councilmember Campos: Councilmember Chu.

>> Councilmember Chu: Thank you, Madam Chair. Just one suggestion. I just noticed many utility box, probably not in San José but some other city, have some beautiful graphic on it. Is it something that we could encourage those private company to maybe put something you know nice on those utility box?

>> I can tell that you in my experience we have some murals out there in the city that's kind of similar to what you're mentioning and they're being graffiti'd over as well to the point where people doesn't have the resources and the means to redo the mural and we're actually going out and abating them with just our standard colors of graffiti. So I don't think it would be a deterrent to the graffiti problem.

>> Councilmember Campos: One question on the utility boxes. I know that you were stating that at this time, we haven't identified which company or business is responsible for that. Is that going to take additional resources from your department to be able to identify that? I think I'm trying to understand what we should be tasking you with. With your limited resources, when we know that sometimes we just need to have our staff or the people that are on the front line, just remove the greater. So from a time perspective.

>> Well, at this point, we're still talking to -- we need to talk to code enforcement and we need to talk to Public Works about the type of data that's available, and what kind of work effort would be involved in generating that map. And then figure out you know is this a graffiti issue, that we're going to -- that we're going to operate this program for following through on these, or is it a tandem program where we do -- we may receive the phone call and then we coordinate with code on the follow-through? So we're just kind of trying to figure out what the best way is to look at putting together implementation of this. There definitely is going to be staff work involved in putting and identifying who owns which utility box. But at this point, we're not -- we don't have enough information yet to know exactly how big that work effort is and what the best tool is to accomplish it. We should know that within the next few months.

>> Councilmember Campos: Okay, thank you and I appreciate your thorough analysis on district 2 and District 8 and the increase in graffiti there and that there's no connection to gang activity according to the statistics that

we're getting right now. Can you elaborate on that a little bit more? I'm trying to understand, what we need to do, and maybe this is in coordination with -- I don't know if they're in SNI areas first of all. So I'm not sure if it's in accordance with the SNIs or the system that work with them. You did say in district 5 and district 7 and district 4 you've had the opportunity to really develop volunteers that are focused on identifying graffiti and they know the process of calling and they're even equipped with the equipment they need to remove it. So could you add a little bit more information on what we think we could do to help strengthen the increase in graffiti.

>> Yes, there are areas that are within SNI areas, and that's definitely a tool that we can use to help educate the community. We're also look at, and I think one of the bigger issues is really kind of an education process that we need to get out there. One of the things that Brandon and the group has planned is to do targeted cleanups in certain areas and through that, get the community involved, let them know what's going on but also educate them as to what the process is for communicating graffiti in the future. Again our staff it's a learning curve for them to get to know what are the key areas, indicator areas that show that there is some additional attention that needs to be focused in those areas. So it's really you know it really popped up as a significant change to us so really we need to look at a variety of tools. Our staff need to be more focused in tracking things. We need to take advantage of the SNI areas when Thayer available and empower the community and let them know how to get engaged in the process.

>> Councilmember Campos: Actually this is coming to this committee in a time where I think I'm feeling that graffiti continues to blight our city. And I was sharing with you earlier that I was driving home and a park that hasn't even opened in my district, still got -- we haven't even removed the fence, the chain link fence for the opening. And a child hasn't even had a chance to slide down that beautiful slide that will -- it's right there in their neighborhood. And I looked to my right, and the whole structure has graffiti all over it. And it's just a sad time, when we have to see that. And then our children have to see that. And so I think the best thing is education. Getting neighborhoods to realize that there should be no tolerance for graffiti, like there should be no tolerance for litter anymore. You wake up in the admonishing and see it, remove it so there's no opportunity to continue to add onto that graffiti. Thank you for this report. I really appreciate it. It's always good to have a status report on where we're at with the graffiti as well as with the litter and congratulations to district 2 for having a tremendous turnout and also, I think it's appropriate to recognize all my colleagues because we did increase it 21%, volunteer participation. And that's a true success. I think this year we had a much higher number of younger people under the age of 12 that participate. So it's about changing the culture of not accepting graffiti and we start with the young ones. So that's very encouraging. And we'll have to present that to Councilmember Kalra at a future council meeting. So thank you. Are there any other questions? If not can we get a motion to accept the report?

>> So moved.

>> Councilmember Oliverio: Second.

>> Councilmember Campos: All those in favor, aye, that passes unanimously. At this point, if everyone is here for the number 2, which is status report on foreclosures I'd ask you to come forward. Thank you.

>> My name is Jackie Morales brand, I'm the assistant director of the housing department, and we're very pleased to be here to give you our update on status of foreclosures --

>> Norberto Dueñas: Jackie, use Jane's microphone. I don't think yours is working. We trust that.

>> Okay, hi again, I'm Jackie Morales Brand, I'm the assistant director for the housing department. We're very pleased to be here this afternoon to give you an update on what's happening with foreclosures in our community, but in addition, to put some emphasis on what we've been doing in response to the foreclosure crisis, or the result of the numbers of foreclosures in our community. So I'm going to turn it over to Wayne Chen mwho's going to start the presentation by giving you an overview of how the numbers of foreclosures have changed in our community.

>> Thank you. I'll try to speak up --

>> Councilmember Campos: I think they need to you have a microphone.

>> They're roading.

>> Councilmember Campos: They're recording for the public at home who needs to be able to hear you or else we wouldn't make move.

>> A little musical chairs. Thank you very much, as Jackie mentioned, I will just provide a brief update on the data for foreclosures. The number, an where they're happening, and I'll turn it over to my colleagues to talk about the programs that the city has in mitigating the impacts of foreclosure. Very briefly, just to refresh memories, there's three basic steps to the foreclosure process. There's the notice of defatal, that's the first stage. The auction sale and the REO or bank-owned stage which is the stage when a home actually becomes foreclosed upon. I wanted to mention that because oftentimes the word foreclosure is used interchangeably with the entire process, but it's only the third part of that process where the home gets foreclosed upon, i.e., taking back by the bank. So with that clarification, going back to '06, so we can see some very stark trends. In '06, the city saw 2,000 foreclosure filings in the city. In the following year of '07, there was a 290% increase in filings, up to 5800. The following year in '08, there was a 240% increase on top of that to 14,000 foreclosure filings. Bring us to '09 we see another 20% increase in foreclosure filings. Now what you'll see there is the concentration of foreclosures have really taken place on the east side of San José, along the 680-101 interchange and down the 101. But what you'll also see through the time series maps is that the incidence of foreclosures have spread throughout the city. So it's not just the lower-income household epidemic, it's become a middle class situation. It's become a citywide concern. Now, very briefly, how did we get here? Before '07 there was an explosion of subprime mortgage lending and very loose lending standards by the banks. The housing market peaked in the fall of '07 with the economic recession following very shortly afterwards. Right around the beginning of '08, before '08, right around that time frame. Now, many players have had a role in this downturn. Banks, as the gatekeeper of capital, made loans that they shouldn't have. Many homeowners took on debt that they couldn't afford hoping to ride the market on the way out. But many families as well tried to find a legitimate way to get into home ownership in a very high-cost area. So there have been several efforts across governmental levels from the federal to state to local level. Very briefly at the state level, the federal level the initial response was the federal level with the housing economic recovery act in the summer of '08. With that came the first 90-day moratorium, which attempted to slow down the flow of the foreclosure process through the three stages. That continued with the American recover and reinvestment act, which was enacted in the beginning of '09. With that came the making home affordable program. Both of those programs had neighborhood stabilization funds funds attached to it. So the Hera funds, for -- that had the NSP 1 funds. The American recover and reinvestment act, that had the NSP 2 funds, which James will tell you about later. At the state level, the state had its own foreclosure prevention effort, and that also had a 90 day moratorium as well. So there have been various efforts so far to try to slow down the process. Really the important part is to actually get to the core issue, which is a lending issue and trying to get banks to work with homeowners to do loan modifications but also at the city level of doing rehab programs and fixing up neighborhoods and stabilizing neighborhoods. But first let me turn it over to Marlene Santiago who runs the city's foreclosure one-stop center, she'll tell you more about her experiences on the ground of working with these families.

>> Thank you. And it completes one year as of May 2009 when we first opened the foreclosure help center. We've served approximately -- 10,000 -- not 10,000 -- 1,000 clients that have been served through incoming telephone inquiries or coming into our office. We continue to staff our office with 50 real estate professionals that are through our score partnership, the Santa Clara association of Realtors. And our successes have included, we've forwarded 219 packages to the HUD approved counseling agencies that are localized in our areas. And just incenting those packages, we've been able to save the agencies, 657 staff hours. Our center sits down with the families, listens to their stories, puts the package together with them, setting up the budget, helping them write the letter, because of the complicated amount of documents that are being requested from the banks, these families need guidance in what they're being asked to send forward. And out of those 219, to date we've received 30 approved loan modifications. That is 14% of that 219 packages that have been forwarded. One of our successes would be, we had a family come to us at eight months delinquent and not paying their mortgage. They continued to make their efforts on their own to work with their lender, and at the point that they came to us they were ready to give up on continuing their efforts. With encouragement with our volunteers and staff to date, this family did receive a loan modification through their lender and do remain in their home. 48

families were sent to the one stop center for financial and rental assistance. Typically these families are renters or tenants, families that have been foreclosed upon that need emergency housing. 127 legal referrals to nonprofit agencies have been sent forward. Typically this is wrongful evictions or loan modifications, scams that we continue to see. Our successful legal recoveries have included one rescue scam recovery where we had a single mother who came to our office because she had paid advance fees and she didn't know how to get her money back. So we encouraged her to simply write a letter to the owner of the company where she sat in their lobby for three hours until they finally gave her a check so that she would leave the office. And a week later, that company was investigated by authorities and then closed down. We reported that we do have three rental assistance deposits that have been forwarded. We do have one legal service recovery from our partner at the fair housing law project. We had a client that had come to our office because she was on a fixed income and she needed assistance in lowering her payments. When she asked her lender if she could simply request the loan modification, they said sure, as long as you pay the impound account of \$800 a month we'll start to process your loan modification to see if you qualify. She could not afford the \$800. The attorney simply made a phone call to the lender. Within 24 hours they removed the impound account. We continue to have challenges due to job loss within the community. And because of the interest rates resetting on some of these loans, 70% of the clients that we see in our office have been, because of the job loss, a reduction of income, making it more difficult for some of these families to continue to stay in their homes with the increased mortgages. Many are unable to refinance because of the negative equity that they have in their home. You need, to refinance you need to have at least 10 to 20% equity. So that's typically not an option in this market. Although federal foreclosure prevention programs continue to make their efforts to improve, it becomes very limited because of the qualifications. We're continuing to see the advance fee being charged for some of the loan modification companies although in October 2009 there was a law that stated there was to be no advance fees but we continue to see those being charged and we continue to send those clients to a legal services for assistance or to make their claims. We find that some of our callers call us in a panic, because they were told that their properties are being foreclosed this week, or -- and that was because maybe an agent came to their door to inform them falsely, just because they wanted to attempt to short-sale their home and maybe they were only two months behind. So we educate them, when they call our office, so that to ease their mind and to educate it and to continue to seek counseling through a professional HUD approved counselor. And the most troubling is that we'll see when a family is foreclosed upon, sometimes they're calling us from the curb of their home. And we forward those families to the one-stop. But because they have credit issues or insufficient income, we're finding that some of these families are having trouble renting. Some lenders are easier to work with than others. Some have a general good rapport. Others could be very intimidating to the client. And some of the challenges that we continue to face is that when the client works on their loan modification on their own with the bank they lose documents. The package consists of about 100 pages, and if one document is missing, the lender puts that aside and simply waits for the client to call back. So those complications continue to exist. Although we've given every effort to help the client, we've still been able to get 30 approved modifications. And some of these lenders will give the homeowner a verbal loan modification over the phone. And then change the terms instead of giving them a written format, in turn the client not being aware of where they really stand. So it becomes overwhelming or intimidating for the client but we try to keep the homeowner in the home so they can make the decision and move forward.

>> Thanks. I guess it's over to me. Okay. You've heard a little bit about the trends. And you've heard what we're trying to do to prevent foreclosures. Unfortunately we still have foreclosures going on in our city. So what are we doing about it? Obviously code enforcement is a big part of it. And Mike will be talking a little bit about that after we talk about our NSP funds. We've all somehow seen or been affected by what a neighborhood looks like when foreclosure is going on in that neighborhood, and so one of the things that we are fortunate to have is these NSP funds that were granted to us from the federal government. The first allocation that we had was formula grant of \$5.6 million, the second was a \$25 million grant which we applied for in conjunction with the housing trust of Santa Clara County. There is an extremely tight time line on these funds and the intent behind these funds is to get out into the communities as soon as possible and have an immediate impact. So we've really done that, we've really tried to go out there and get the ball rolling in these neighborhoods so we can be a catalyst, to bring these neighborhoods back into good standing. So really quickly, what are the basic requirements of the neighborhood stabilization funds? They are both the NSP 1 and NSP 2 limited to certain areas within San José. The first NSP 1 is limited to four zip codes in San José which I'll show you a map after this. The second allocation of NSP funds is limited to 35 census tracts within San José. One of the requirements which -- you can consider it a little bit of a challenge, is that some of this money, 25% of it must be set aside for families who are earning 50% or below of the area's median income. Which translates to about \$53,000 per year of a household of four. So that's one of the

challenges. In addition to that we have to purchase properties, foreclosed or vacant properties, from the banks 1% below actual market rate. So in some cases, as you can imagine, some banks are not always willing to work with us because they can get more money from private investors. In order to make this program successful we've broken it down into four components. The first is a multifamily component, which really helps us meet the 25% set aside requirement, and generally that's going to take the form of rental housing. The second component is a single family acquisition rehab program, and with that program we're going to be going out into the neighborhoods, these heavily impacted neighborhoods, and actually purchasing, rehabilitating, and reselling these homes to income-eligible families. So those that are making 120% of the area's median area income, which translates to about \$126,000 for a family of four. So this is -- it's an opportunity, really. It's an opportunity for us to go in and improve the neighborhoods, but it's also an opportunity for home buyers to come in and purchase a home that has been completely rehabilitated and you know is sustain annal, something that they can live in for a long time. In addition to administration costs, NSP 2 has another component which is the down payment assistance. So we don't have to actually purchase, directly, and rehab. That component will allow a home buyer go out and work directly with the banks and purchase property through the housing trust. This is an example of -- this isn't an example. This is the map of the four zip codes that NSP 1 is limited to. Next, these are the 35 census tracts that NSP 2 is focused on. And if you look at it, if you think back to Wayne's earlier map, you can see the similarities. You can see that this is where the majority of those little blue dots were on the map so thigs are really the heavily impacted area that we're going to be going in and working in. So where are we today? We've actually received the NSP 1 grant late in 2008. So we've had approximately a year to actually implement the program. We've actually gone out with an RFP and hired a developer to work with us to help acquire and rehab and resell the properties. To date there's 12 properties that we have purchased as far as single family, two multifamily buildings, as I mentioned earlier, the strategy with the multifamily buildings is to sell to very low income users. So in the case of these two four plexes, we're going to be working with nonprofit service providers who can provide housing to specific individuals who have special needs. We have currently met the deadline to meet the NSP funds, we're very proud of that. As far as NSP 2, we are fortunate to have the experience from NSP 1 to learn some of the processes and really expedite and get that program really moving a lot quicker. We did actually sign our consortium -- we executed our agreement with the consortium between the housing trust, neighborhood housing services and the City of San José. We've been coordinating efforts and working on the strategies to try to get out into the neighborhoods and make sure this is a successful program. So right now we are targeting July - - June 1st to July to implement the program. Hopefully we can get out there and start making the impact right away. Again, I mentioned the challenges. Amongst those challenges, besides purchasing properties, we still have a litany of other requirements in work with the federal government. HUD, obviously we have environmental reviews, the purchase limitations and we are in the process of working through those processes right now. So there's nothing better than first. Unfortunately this picture does not do justice to the work that was down out there. In person it makes a big difference. This is a corner lot so having a corner home that's not lived in and not being maintained really does have a significant impact on the neighborhoods. This is the backyard and you can see that it's probably gone, had gone about a year without being maintained and kept up. This is the before and after of that same home inside, and one of the goals of the NSP program is really to not only change the neighborhood but to provide homes that homeowners can buy and maintain and feel comfortable living there. And not have to worry about little things breaking on them, you know. So we've really gone in and I'd have to say for a very good valuing, upgladed the homes we have and emphasis on green or energy efficiency so this is a greenpoint rated home. This is another property that we've purchased. This is actually the second property that we've purchased on Lewis court. Again, the pictures are not -- they don't quite do the justice of what you seize when first go out there. This one does a little bit of justice to the pictures. This is the same house. When you go out in person and see this kind of thing, and it flows out into the street, this is the type of thing we're really trying to target and get out into the neighborhood and correct as soon as we can. Well, that's fine, and with that I'll hand it over to Mike.

>> Thank you. Good afternoon, Mike Hannon with code enforcement. We unfortunately in code enforcement see the after effects of foreclosures on neighborhoods and what they do to families. Foreclosures are in my mind one of the number one destabilizations of neighborhoods. First of all as depicted in the last picture you have folks that are typically moving out one day before the bank's ready to take possession of that property so folks leave in a hurry which means we're seeing a lot of refuse and stuff that's left about the house, because it's only what people couldn't take. And not only does that destabilize in effect in terms of the loss of property value to the rest of the neighborhood, which it sort of does to the families that are all of a sudden uprooted from that neighborhood, have significant impacts. Code enforcement continues to take a no-tolerance approach to banks and lenders. We were

really appreciative of this city council last year giving code enforcement two additional staff members. There was temporary funding and that funding has run out, but we really were able to make some strides in terms of proactively looking for these foreclosed properties. Because we know my residents. My residents are less likely to call code enforcement. They just kind of think the situation is going to kind of get taken care of by itself, and unfortunately the banks and the lenders are not stepping up to take responsibility for these properties. They're quick to certainly file the notice of default, they're certainly quick to have people vacate these properties. But when then it comes time to take responsibility for now that property once the folks have moved out, they are not demonstrating that leadership that we would expect. But we have seen some improvement as a result of our no-tolerance approach. Code enforcement, as I mentioned, deems these a priority. So if we get a call from a resident -- and we ask our residents to give us a call when they see these conditions -- we are going to have an officer on the property within 72 hours. As I've instructed my staff, I expect my first response to be, once I find out it's owned by a bank or a lender, is to issue them a citation to that bank or lender without giving them any further notification. Because I want them to assume responsibility. I want them to be proactive in terms of making sure that they're responsible for these properties. And then we'll subsequently have a phone call with them about you need to make sure you maintain the yard and you need to make sure you secure these properties. So we continue that no-tolerance approach to banks and lenders. I think the next few photographs can kind of depict the kind of the conditions that we're coming across. Generally they look like this: Overgrown vegetation, and some neighbors may not know that the resident has vacated as a result of a foreclosure. Some of them may believe it's maybe a senior citizen or somebody that doesn't have the means or the wherewithal to trim the vegetation. Only in the time of a crisis does somebody call code enforcement and/or the fire department or the police department for somebody to investigate. So we're seeing too many of these conditions throughout our neighborhoods. And maybe show the next photograph. So we went out and actually abated that, and this is what the property looked like when we were done with our abatement. What an abatement looks like in code enforcement, we will send out the city contractor. We will cut the vegetation, we will secure that structure, we will bill the bank or lender for any cost that we incur, and we will -- not only for the boardup and cleanup, but for any staff time. So we're billing them for anything we can, in addition to issuing them the citation. Because I don't want to simply abate the property, and then four months later, or six months later, because the property is still vacant, have to deal with the same nuisance all over again. So we're reminding banks, once we abate it, you still are responsible for that property. And if you don't maintain it, we're going to continue to issue citations to that effect. The next slide. Again just again conditions on properties, this was one on Millicent court, again, overgrown vegetation and a lot of times you'll see a bunch of refuse and debris in the rear yards and we're getting the banks to clean that up as well and again as you see on Millicent it's a contributing property to the neighborhood. I'm excited because we are coming to council on Tuesday, because we are expanding the neglected vacant house ordinance. This was an initiative started back in 1992 by Councilmember Pandori, when we dealt with this epidemic back in 1992. And we are expanding the neglected, vacant house ordinance now to include commercial and industrial properties, as well. There's a vacant commercial property located right at Winchester and Hedding. I just encourage you if you are out and about in that neighborhood, take a look. It is a doctor's office that has been vacant for six months to a year. The owner intended to develop it for commercial purposes and ran into a financial crisis and now has walked away from the property. That commercial property now impacts the surrounding commercial neighborhoods. And so we're going to be asking council on Tuesday to expand the neglected vacant house ordinance to include commercial and industrial properties, as well. And that in essence requires a property owner, whether it be a bank or a lender, maintain your property. We have no objection to you having a vacant property, but if you are going to have a vacant property, maintain it, keep the vegetation cut, landscape the property, if necessary, keep the graffiti removed. I heard graffiti, and certainly that's a phenomenon that we're seeing on these properties all too often. And keep it secure, so it doesn't become an attraction for transients and/or homeless and/or just kids looking for things to do. So that will be coming to council on Tuesday, and we're excited about that. So that's been code enforcement's involvement to date. Thank you.

>> Thank you very much, Mike. So we will continue to operate the foreclosure one stop prevention center with full force, continue to abate neglected vacant homes, continue to implement NSP 1, NSP 2 to try to get homes occupied, and we'll certainly continue those efforts. In terms of additional next steps, the city has reconvened the foreclosure prevention task force. This task force is composed of local mortgage brokers, lenders, real estate agents, our local nonprofit housing and legal agencies in order to come up with some action items to continue to mitigate this issue, one of the thoughts right now is to explore proactive neighborhood outreach so that families are not coming to, for example, the foreclosure one stop center three days before the home is going to the auction, where there is really no possibility for recourse. We will review ant foreclosure, what's feasible what are

sort of policies we can really enact quickly and help as many homeowners as possible, and as quickly as the time as possible. So with that, thank you very much, and we'll open it up to any questions or comments you play have.

>> Councilmember Campos: Thank you for that presentation. Are there any comments or questions from my colleagues? Councilmember Chu.

>> Councilmember Chu: Thank you Madam Chair. I recently, couple of weeks ago in the most holy trinity Catholic church kind of given me a lesson on foreclosure. Let me verify some of the lessons I have learned from them. When you are talking about loan modification are we asking for the lender to lower their interest rate from a high interest rate to the current market interest rate?

>> When a homeowner asks for loan modification typically it is because they cannot refinance so it is typically changing the current terms of the current loan. So it could be reducing the principal, reducing the interest, it could be a temporary reduction in payment until the family gets set. So it's dealing with the same loan. It's not a refinance.

>> Councilmember Chu: Dealing with the same loan and ask for reduce in interest rate?

>> Yes, changing any terms of the loan would be considered a loan modification.

>> Councilmember Chu: Most of the time are we just asking for a reduce in interest rate or sometimes we also ask the bank to reduce the loan amount?

>> We ask for the world and hope that we get at least get a reduced payment. We ask for reduced principal, we ask that payments that are reduced be put at the end of the term, the family have a fresh start for a full payment of eight no, sir or so to be paid, we ask for a reduction of interest for lower payments, typically that's going to be five years and it gradually will cap at five, for the fifth year it caps for five for the rest of the term.

>> Councilmember Chu: And what I learned from the most holy trinity group or the PAC group is that there's couple that they actually isolated to one lender that would not even sit down with them to negotiate a lowered interest amount. So I know we have taken some action on the city's social responsibility policy, when we will not deal with these financial institutions that refuse or are playing delay tactics to work with our residents on loan modifications. I was wondering, can we expand that social responsibility policy to, I'm using the term that most holy trinity church used, to deinvest our own city investment? In other words, to boycott certain institution but withdrawing some of our deposit, or closing some of the account?

>> Certainly we've been in conversations with the finance department regarding that strategy. And the concern from the City's perspective is that given this financial crisis, that has permeated the market, there's very limited opportunities for working with banks, we've seen a credit crunch, we've seen the lending crunch and so our approach has been to look at new investments on whether banks are actually participating in loan modifications. But at this point, given the fragility of the overall financial markets, it has not been an approach that we think we can be very effective in at this point in time, given the overarching markets.

>> Councilmember Chu: Do we have a list of banks that have a good record of dealing with the homeowners, an/or a list of banks that have a very poor market of willing to work with the homeowners in loan modification?

>> On a national level, the banks through the federal program, the federal program tracks that information and publishes who's been participating in the loan modification programs. I think the challenge for us has been that they don't drill down on a local level. So while a bank may be performing very well nationally it doesn't really tell us how this bank perform in the City of San José. So trying to get the local information is extremely challenging. And we certainly seem, as the federal government has changed the requirements of the loan modification, has introduced new programs we're beginning to see the participation levels go up. But as Marlene has said it's still a challenge to get the loan modification through the process.

>> Councilmember Chu: Okay. And the reason I ask the question is this PAC group is organizing some protest on the new branch opening of the bank. Just want to make sure they target the right bank.

>> Councilmember Campos: If I may I want to follow up on that question. You talked about maybe they're performing on a national level very well but really drilling down to the local level, so let's take it from Santa Clara County perspective. You mentioned earlier that there are some banks that have been willing and have provided assistance, in working on loan remodification. So do they have designated staff person, or employee, that you know, you can go to automatically where maybe some of these other banks that aren't being as cooperative probably don't have a designated person, so just maneuvering yourself through that whole system can be challenging, I'm sure. So that's my first question.

>> Some of the banks that have been challenging in the past have actually stepped up and improved their process. And we're finding when families work with an advocate such as a counselor, counselors have different phone lines that they can call in. So that they're not on the phone hours and hours like a typical customer would be. So they have I guess like a housing relation with the banks, so there's a differently entity that they can call once they're using an advocate.

>> Councilmember Campos: Is it on a local level on a state or national level?

>> I'm only familiar with local.

>> Councilmember Campos: Okay, so because we have this one-stop, our advocates have relationships with certain banks --

>> Right, they have certain department.

>> Councilmember Campos: They can have a certain employee they can go to but not all banks have a designated person on a local level that we're aware ever?

>> Correct.

>> Councilmember Campos: The reason I'm asking this question, I guess the City Attorney or someone could bring this question back, cot City of San José and I don't know if it's through some resolution or some process in light of what we're doing I use the word encourage because I'm not sure the legal language we should use, encourage banks who maybe haven't been as cooperative to have a designated person that could work with our one stop shop? One stop?

>> Yes, a designated person or department.

>> Councilmember Campos: Or department. I guess that gets to your question that you brought up councilmember, if we had a bank, a certain bank would be wonderful in a bank hadn't been, if we could encourage them or the city council could encourage them to provide that then it would make your advocacy much more productive.

>> Yes, ma'am it would.

>> Councilmember Campos: Is that kind of a direction that we could go?

>> Yes.

>> Councilmember Campos: I guess that's kind of my question to the attorney's office and City Manager's office and -- because I think the work that you're doing is phenomenal and I think that's why it's important that we have these presentation so we can see the numbers, we can visually see what's going on in the neighborhood and we can ask these questions. I did also meet with them a while back and that was one of the questions. And in pondering in my head what is a solution, this may be one, because in listening to you in your presentation, that having someone on the other side of the bank has been very, very successful, in make sure that people are not losing their homes.

>> And there's been studies through neighbor works where, one somebody works with somebody who has been trained and understand the guidelines of what the bank is looking for, there's more possibility of success in getting the loan modification. But when a client has no idea on what to do as far as submitting documents and what the bank is looking for it makes it really challenging and a possibility of failure. When the client actually purchased the home or refinanced the home, at that time there was a loan officer who actually overseed the paperwork, which was a heavy file that they got compensated on. The difference with a loan modification, there is no loan officer. It's the homeowner, dealing with their own loan as a loan officer in an attempt to saving their home.

>> Councilmember Campos: So we need somebody on the other side that can work with you, your group, on the advocacy part. And Mike, I want to take this opportunity to say, thank you for all the work you have done. Had the opportunity to work with you for more than ten years. And your department and I hope you pass this on, your staff and the work that they've done, the work that they continue to do to be proactive, you I know that you're short staffed but the numbers show here that having code enforcement go out there and be proactive, and with the philosophy of no -- I'm not going to tolerate anything I think is showing off in the numbers. And I just wanted to be able to say that to you in a public setting because looking at that three of those zip codes are my district and if we didn't have code enforcement working out there, and I think that the banks would have continued to leave the homes and the conditions that they had been in maybe for six months or a year. I drive home and I still see some homes that have broken fences and weeds that are probably eight feet tall and garbage. And it's a matter of getting staff out there to put the responsibility where it needs to be.

>> Thank you for those nice comments. It's really as a result of your advocacy and this council's advocacy in terms of the importance of code enforcement, which really is the neighborhood preservation department for this city, that has helped us make the inroads that we have been able to make over the years. And we continue to deal with the challenging issues of the day, but you know we let the community help develop what those priorities are. And as long as the community continues to be vocal we'll certainly continue to be responsive.

>> Councilmember Campos: Thank you. And then I guess my last question is, not enough people are hearing about this. So what are the steps that we need do, to make sure that we're reaching more homeowners? With the wonderful work that's being done and how to gear them into your shop so they are getting the assistance that they need?

>> At our next task force meeting we plan to go ahead and make that plan. At our last meeting we did express that that was a need so we'll be working with that on the task force outreach.

>> Councilmember Campos: That would be wonderful. Norberto, I'm going to ask you, I think this is an item 38 think should be at the top of this committee's priorities, in hearing what's going on. So when would be the next time that we would hear this in relationship to their time line on addressing some of the issues?

>> Actually we're scheduled to come back in October. So we are already on the next work plan. So any time you have events that you would like us to come out to to talk about foreclosure, the staff is ready and available to do that. So we can try to do public presentations in churches, in communities, when there's public events, we've been trying to get out there. We've also held foreclosure fairs in the past. We've looked for additional ways to get the word out because it is so important. In the one stop we're more appreciative of as much advertisement as we can get.

>> Councilmember Campos: Absolutely. I think you could probably send that to the -- well all the districts because I'm looking at the dots and they've gone beyond district 5 and 7 and 4. They're now all over the city so it's important information to I think forward to all of us. And even if we just have a link that goes to your Website I think that would be easy for us to do in our offices. Councilmember Chu.

>> Councilmember Chu: Thank you, Madam Chair. Is there any ARRA money for the existing homeowners? You talk about for the new purchase.

>> Right, on the NSP program unfortunately how the federal government set that up it as was not to keep people in their homes, it was to work on homes that had been foreclosed or in the process of being foreclosed. We don't have a funding source to actually keep people in their homes. We have been looking at a pilot program to use

with our NSP 2 which would have allowed homeowner's home to go into foreclosure, we purchase it and then trying to find a new lender to reloan the money to somebody who is financially able to keep the house was a strategy that we have been attempting to try to make work but it's difficult to find a first lender who's willing to take the risk, again, of somebody who's already been foreclosed on. So there are works programs that were really designed to keep people into homes.

>> Councilmember Chu: Great. I know this is a very complex issue. I'm looking at this more at a 1040 clients that has been served by the one stop help center and only 30% got the loan modification. The success rate only 30% some is that what we expected?

>> The 200 cases that were forwarded, those are the ones that are reviewed for loan modification. The other inquiries could be because clients are calling us for eviction, rental assistance, they want to do this on their own. So they're calling us for guidance and they do call us from other cities where we refer them back to a HUD agency right back in their area too.

>> Councilmember Chu: Okay. So this 30 out of 419?

>> Pardon?

>> Councilmember Chu: 30 approved loan modification out of 219 inquiries?

>> Right.

>> Councilmember Chu: All right, thanks.

>> Councilmember Campos: With no further questions we just need to approve this and before we get a motion, the question that I asked how would we get that information?

>> Norberto Dueñas: Include it in the information, and we'll work with the City Attorneys and encourage the banks that have not been as cooperative to designate an individual or a department to be able to work with us.

>> Councilmember Campos: And I'll add one last sentence to that, if it needs council action that you let us know.

>> We will.

>> Norberto Dueñas: Sure.

>> I'll move.

>> Councilmember Campos: Can we get a second?

>> Councilmember Oliverio: I'll be happy to second. I just want to make sure if this comes to council, it takes into account what's been done elsewhere. We have done the social responsibility on our financing that's why we had Wells Fargo instead of Bank of America but I don't want to just go to council with, we admonish somebody, and there's no teeth to it. I'd like to know if Cleveland did something different. Whatever the city is. So that's going to come to council, so I'm going to ask those questions, so I'd like that to be part of it.

>> Norberto Dueñas: We'll look at that as part of the analysis.

>> Councilmember Oliverio: Second.

>> Councilmember Campos: Thank you, those are good questions to have staff come back with. All in favor? That passes unanimously. Thank you. So now we'll go to the homelessness update.

>> Great, this is Jackie Morales with the housing department, and Jessica Scheiner is the manager who oversees the homeless programs, and she's going to give you highlights of the report.

>> Yeah, and it is kind of interesting to come right after the foreclosure presentation, because obviously the last thing we want is for the foreclosed people to become the homeless. So the timing of this meeting is kind of interesting. But in the update that we provided you with, there's a ton of information about what we've been doing, the initiatives we've been working on. And so I thought I would just put into a little bit of context the work we are doing. So the last time -- we do a homeless count every two years. And the last time we did it was in January of 2009. And the findings from this count show that there was a slight decrease in homelessness in San José, about 3% which is great. But looking beyond this slightly decrease, we found that all of the decrease was on first time homeless folks. We were doing a really great job of preventing folks from becoming homeless and for rapidly rehousing those folks who become homeless the first time. Unfortunately there was actually an increase in what we call chronic homeless, those people who have been on the streets for a long period of time, multiple times or they have significant issues to self-sufficiency whether it's physical, mental health issues or something in that line. So, and in addition, as you know since January 2009, the economic situation has only gotten uglier and has affected even more San José households. So looking forward to the next count in January of 2011, it will be interesting to see what happens. And just kind of our thoughts on what it might look like, has been emphasized also by service providers who have seen more folks coming into their agencies like food kitchen and they're seeing more seniors, more families, and more folks who are seeking assistance for the first time. So the good news though as we provided in the update is we've been really working on a lot of interesting new exciting and we think effective initiatives. So both to kind of get at this new group of homeless folks who are kind of on the edge for the first time or becoming homeless for the first time, so we got a bunch of money from the federal government stimulus, homeless prevention and rapid rehousing program which provides medium term so up to 18 months of financial assistance and case management and employment services and whatever it is they need to get going again. And then for this group of folks that we've just been having a hard time to kind of get our arms around, these folks that have been on the street for a long time, we started an exciting new program in partnership with county mental health, where we provide subsidies and they are providing case management services for folks who have been on the street for a long time and have severe mental illness. So the idea is to get them housed now while we work on getting them everything they need to stay housed. So that's kind of it for the context. But we would love to hear your questions and comments and suggestions because much like the foreclosure crisis, it's not a pretty picture.

>> Councilmember Campos: Thank you for that presentation. Do any of my colleagues have any questions or comments for staff at this point? No. So no one has any questions for you at this point. But I think you did bring up a good point about that coming right after the issue of foreclosure, we know that the face of homelessness is very different than what people think it is. It could be someone that was your neighbor, and I guess the one question that I have is similar to the question I asked before, what are we doing to make sure that if people find themselves in this situation, especially families, and I think you brought up a good point about mental illness as well, how are we reaching out to let people know that there is assistance?

>> Right. And we do -- we do have a lot of outreach so we work closely with the service providers in the area. We actually do actually street outreach to the people that are living in the parks, and trying to build relationships and build their trust so that we hopefully can start getting them into services and off the street. We go and talk to different groups, we -- when we have a new program out we try and publicize it and we are also embarking on kind of an advertising campaign or marketing campaign on both sides to make sure folks know where they can receive things or also as you just mentioned to educate the general public about who these folks are. Like everybody there's just a wide range of different kinds of folks. Some are homeless for the first time, some are parents, some are kids, you know, some are -- have severe mental illness, some are vets, the whole shebang. So trying to get the general public to understand that as well. And so we actually have an Americorps vista member who is working to get the information out.

>> Councilmember Campos: Are you working with schools?

>> Yes.

>> Councilmember Campos: That kids are not, obviously they have to go to school but not saying I'm homeless, there's a stigma on being homeless, I saw a documentary on some kids and really was kind of saddened that they had to -- they can't share this.

>> Yes, absolutely. And there's actually homeless coordinators in the schools to make sure that if kids do become homeless they're able to stay in their respective schools that they're able to get there and trying to get them the information as well. And actually one thing we did earlier this year is we had another Americorps visit member who put together just a sensational documentary where he talked to four very different kinds of folks who were all homeless or were homeless, and it was just really an eye opening documentary and we showed it a couple of times here. And we're looking at other venues in which to show them just because it did a very good job of kind of breaking down those myths, making the issue of homelessness a little bit further.

>> The other thing we did was open up the one-stops which look towards providing comprehensive services in one location. The challenge often has been for folks that I might find one resource, but that resource might not tell me about all the other additional services that I'm eligible for or actually, it might be difficult for me to spend time, I have to go next day to try to make it to the next provider. Having services located in one place, it allows somebody to get the full package and the full range of opportunity that they may not have been able to, or been aware of prior to. And so this really allows a one-stop entry into those services versus having to run around the city trying to bring all that together for yourself.

>> And in that respect we try and partner or coordinate with other groups. For example, with these one stop centers, in the foreclosure presentation you saw that X number of people received rental assistance from one stop. And that's actually the one-stop buildings that Jackie has been talking about. So we have been coordinating as much as possible with different agencies that serve like populations to make sure they can get -- they do have access to everything that's identity there.

>> Councilmember Campos: Thank you. Any other questions? Well, thank you, I appreciate this and I'm sure this is one thing that will stay on the agenda for updates. With that I just need a motion to accept the report.

>> So move.

>> Second.

>> Councilmember Campos: All those in favor, aye, that passes unanimously. Thank you. So the last item is capital infrastructure team progress report.

>> Thank you. Once again, Mark Marney, deputy director with parks division. With me today is Simian Marcado. Simian oversees our capital infrastructure group. We're going to give you a brief presentation on the progress of this newly formed group. So last year with the budget we created a capital infrastructure group within PRNS and the goal was really to create a group that gave us the ability to do -- address minor projects in-house without -- in a streamlined fashion. And so we created a group that included project management, some minor design work, and then construction, so that we have the ability to put all of those individuals under Simian, and we'd be able to go to one spot and address minor projects quickly and with that really begin to address some of our infrastructure backlog issues, to reduce some of our maintenance operation cost by dealing with inefficient or outdated items and then really streamline our system of delivery. And with that, the goal was to ultimately continue create a more sustainable, more efficient and effective park system. So we're excited about the group, and the progress we've been able to make this year. It's been a kind of transition year in that we had certain members of the team right at the beginning of the year, others have kind of come on and our capacities have been kind of built during the year. So we'll touch on that a little bit. So just to kind of highlight some of the accomplishments to date, we have seen -- we have seen a number of streamlining improvements, and with that we've been able to actually deliver a number of our small projects, 112 projects to date, for a total of a little over \$1.1 million have been able to be accomplished this year. Most of those are accomplished through general services, that our staff has been able to coordinate with them, establish some priorities, rank those group-like projects together because we're dealing with all our projects on a department-wide basis rather than having individuals doing, you know, similar type of work and not necessarily always knowing what else is going on. So with having this compiled into one location we've seen some efficiency there. We've also been able to develop a

list of future projects. We have a number of projects that we're currently managing about 60 projects that are currently ongoing with a little over \$1 million -- 1.6 million in value and we've developed a five year list of priorities so that we're able to strategically plan for things look for funding sources, align projects to be as efficient and effective as possible. Ultimately we hope to build some capacity in being able to do some minor larger minor projects where we may actually take on and do a playground renovation within our own staff. However one of the things that we identified early on was that there was a need as the enhanced park maintenance money was going away, which it ends this fiscal year, that we needed to address some of our turf maintenance issues. And so we created a group where we've begun to implement some turf conversion projects where we are able to actually become better stewards of the property by appropriately using turf in areas that make sense, and eliminating some of the areas that we're more just kind of edges and fillers that continue to require maintenance for us, for us to mow them on a regular basis, they require water from us so we've come up with a variety of solutions and we'll hit on accumulate of the completed projects that we've done under that project so far. Our goal is to do -- to focus, continue on this turf conversion for the next 12 to 18 months. And in doing that, eliminate some of the demand for mowing, offsetting some of the reduction that's been caused by the reduction in the enhanced park maintenance funds. There's also been a number of special projects that we've been able to get involved in because we've had some capacity. And Simian's going to walk through a couple of those right now.

>> Thank you, Mark. What I've done, new strategies that the capital team has conceptualized and started is volunteers for our playground renovation, more specifically the replenishment of our Fi-bar or engineered wood chips in our playgrounds. As you can see in the slide here. This is a pictures of volunteers, actually 41 students from U.C. Santa Cruz and high schools who did volunteer work at the canoas park in council district 6. It was a fun day for the volunteers and the community members for this particular park, we did it in two hours. And so with this approach, we thought that we would be able to save the city about \$150,000 per year. And the strategy generates positive feedback from the community. It's basically an inexpensive approach, to some of our renovation projects. It is a win win situation for us the city because we complete projects quick and cheap and the community loves it because renovated playgrounds are made available to them quicker and sooner. Another cost saving strategy that the capital team has started is the use of our construction crew which is an in-house crew and members of our capital team. For this particular project at Kelly park we built a temporary park lot for the newly renovated happy hollow parkway back in March and for this particular project what you can see in the pictures are PRNS employees who are members of the capital team operating rented construction equipment. We estimated that you know if this project was done buy private contractor it would probably cost us \$20,000. For this particular project we only spent \$20,000 in construction equipment cost. We also saved about eight to 12 weeks in delivery time because we didn't have to go through the bid and award process. The next slide is the -- another project that was done also by our crew. This is the Koi pond renovation which we did last in February. As you may recall the Koi pond was repaired and renovated because the fish were infected by a herpes virus. We were able to proceed with this project quickly and the use of our in-house sources we thought that we generated about \$100,000 in labor savings. Other potential projects, that I'd like to mention that we were able to manage successful, from Bromhold park we just completed the irrigation of the lawn bowling green, again the purpose of this project was to reduce labor and maintenance cost. We completed the batting cage also the baseball field at Bramhold park, actually the members of the Willow Glen little league did the work but we provided design guidelines and project specifications. We're currently working with the plata arroyo neighborhood association development of the birds and butterfly garden at plata arroyo, so we're working with Joan Nieto on that one. So these are our typical small project that we're engaged and we're hopefully we continue to be successful in the future. I -- you mark the next presentation?

>> Just to follow up close up with some of the examples of some of the turf conversion projects we're doing. Again these are smaller scale projects we've identified one in each council district just to kind of get us started and begin the process. You can see that we've used a variety of different solutions but basically we've gone to areas where turf was either on an edge that really wasn't used for anyone or a median or behind the fence in the case of the photo in the center. Again areas where you know we may need to know a smaller mower to get into it, that's more intricate and the revised solution provides a good long term stable solution for the park, maintains a quality look for the park yet reduces maintenance and reduces water in those locations as well. So we're going to continue at the smaller scale, for the next few months. We've completed a couple of additional ones and then we're going to start looking maybe at some larger areas that make sense, as we go into some larger areas we're going to be gaining more of a community engagement process to be able to show some of the examples of the successes of the other projects and explain how that was going to translate to some other

areas. In closing we're excited about the possibilities that we've created with the group. We think really we're getting up to speed and getting everybody in one place and getting the vision going for it and we're anxious to continue to move forward.

>> Councilmember Campos: Thank you for that report. Are there any questions from my colleagues? Councilmember Chu.

>> Councilmember Chu: Thank you. I just want to say it's a great report and kind of ended the meeting with a very positive note.

>> Thank you.

>> Councilmember Campos: Councilmember Oliverio.

>> Councilmember Oliverio: Ditto on Councilmember Chu's comments. Ditto.

>> Councilmember Campos: And I guess the only comment that I would say is I think another opportunity to engage the community in their existing neighborhood.

>> Exactly.

>> Councilmember Campos: Helping you move forward with bigger projects. Thank you. With that we just need a motion to approve.

>> Councilmember Chu: So moved.

>> Councilmember Campos: Second, all those in favor, aye, that passes unanimously.

>> Norberto Dueñas: Madam Chair. I just want to recognize Mark Marney, Mark is headed back to San Diego leaving us, there was a memo out by the City Manager. This is just the example of the good work he's done for us for, what, two years?

>> Little over two years.

>> Norberto Dueñas: We wish you the very best. We recognize Matt as the deputy acting director. Matt, Matt cano.

>> Councilmember Campos: You didn't have enough work, right Matt? Congratulations to you, San José is still the best city but San Diego is definitely a nice city as well.

>> Thank you.

>> Councilmember Campos: Bye-bye. Meeting adjourned.