



JOINT MEETING OF THE MILPITAS CITY COUNCIL AND PUBLIC FINANCING AUTHORITY

AGENDA

TUESDAY, APRIL 3, 2018

455 EAST CALAVERAS BOULEVARD, MILPITAS, CA

5:30 P.M. (CLOSED SESSION)

7:00 P.M. (PUBLIC BUSINESS)

SUMMARY OF CONTENTS

I. CALL JOINT MEETING TO ORDER by Mayor and ROLL CALL by City Clerk

II. ADJOURN TO CLOSED SESSION (5:30 PM)

(a) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1)

County Sanitation District 2-3, West Valley Sanitation District, Burbank Sanitary District, Cupertino Sanitary District, and City of Milpitas v. City of San Jose, City of Santa Clara Santa Clara County Superior Court Case No. 18CV325480

(b) PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957

Position: City Attorney

III. CLOSED SESSION ANNOUNCEMENT: Report on action taken in Closed Session, if required per Government Code Section 54957.1, including the vote or abstention of each member present

IV. PLEDGE OF ALLEGIANCE (7:00 p.m.)

V. INVOCATION (Councilmember Phan)

VI. PRESENTATIONS

- Proclaim April as Vietnamese-American Heritage Month
- City Council recognition of staff

VII. PUBLIC FORUM

Those in the audience are invited to address City Council on any subject not on tonight's agenda. Speakers must come to the podium, state their name and city of residence for the Clerk's record, and limit their remarks to three minutes. As an item not listed on the agenda, no response is required from City staff or the Council and no action can be taken. Council may instruct the City Manager to place the item on a future meeting agenda.

VIII. ANNOUNCEMENTS

IX. ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

X. APPROVAL OF AGENDA

Consent calendar items are considered to be routine and will be considered for adoption by one motion. There will be no separate discussion of these items unless a City Councilmember, member of the audience or staff requests the Council to remove an item from (or be added to) the consent calendar. Any person desiring to speak on any item on the consent calendar should ask to have that item removed from the consent calendar. If removed, this item will be discussed in the order in which it appears on the agenda.

1. **Accept Schedule of Meetings/City Council Calendar for April 2018**
2. **Approve City Council Meeting Minutes of March 20 and 21, 2018 (Staff Contact: Mary Lavelle, 408-586-3001)**
3. **Consider Request from American Cancer Society to Waive Fees for the “Bark for Life” Walking Fundraiser at Murphy Park on April 28, 2018 (Staff Contact: Mary Lavelle, 408-586-3001)**
4. **Adopt a Resolution Certifying Election Results and Adding Tract No. 10421 to Community Facilities District 2008-1 (Annexation No. 14); Approve Final Map Tract No. 10421; and Approve and Authorize the City Manager to Execute the Subdivision Improvement Agreement for a Residential Development at 1980 Tarob Court (Staff Contact: Steve Erickson, 408-586-3301)**
5. **Adopt a Resolution Certifying Election Results and Adding Parcel B to Community Facilities District 2008-1 (Annexation No. 15), SHAC Centre Pointe Apartments, LLC (Staff Contact: Steve Erickson, 408-586-3301)**
6. **Adopt a Resolution Certifying Election Results and Adding Parcel Map of Senior Lifestyles at 504 and 1620 South Main Street to Community Facilities District No. 2005-1 (Annexation No. 19) (Staff Contact: Steve Erickson, 408-586-3301)**
7. **Adopt a Resolution Directing Staff to Fly Commemorative Flags at Cesar Chavez Plaza for City Sponsored Special Events, Ceremonies and Commemorations for the Remainder of 2018 Calendar Year (Staff Contact: Renee Lorentzen, 408-586-3409)**
8. **Adopt a Resolution Amending the City’s Classification Plan to Reflect the Addition of Deputy City Manager and Housing Authority Administrator, and Removal of Permit Center Manager and Building & Safety Director; and Approve Budget Appropriations for the City Manager’s Office, and Planning & Neighborhood Services Department, including Authorized Funding for Chief Building Official, Associate Civil Engineer and Public Works Inspector, Offset by Defunding Principal Planner (Housing) (Staff Contacts: Julie Edmonds-Mares, 408-586-3051 and Tina Murphy, 408-586-3086)**
9. **JOINT MEETING: CITY COUNCIL & PUBLIC FINANCING AUTHORITY
Adopt Resolutions of City Council and Milpitas Public Financing Authority Board Authorizing Investment of Monies in the Local Agency Investment Fund and Updating Officers Information (Staff Contact: Will Fuentes, 408-586-3111)**
10. **Authorize the City Manager to Execute a Fee Reimbursement Agreement for Public Parkland Associated with a Mixed-Use Development at 730-750 E. Capital Avenue by Anton Development (Staff Contact: Michael Fossati, 408-586-3274)**
11. **Receive Report of City Council Subcommittee on Commissions Regarding Considered Changes to Existing Roster of City Commissions, and on Commissioner and Citizen Representative Appointment Recommendations (Council Contacts:**

XII. NEW BUSINESS

- 12. Receive Information and Provide Direction to Staff Regarding Senate Bill 881 (Sen. Wieckowski) Shoreline Subventions, Senate Bill 1301 (Sen. Beall) Expedited Permitting and Transparency for Human Life Safety Projects, and Assembly Bill 1889 (Assm. Caballero) Santa Clara Valley Water District Act Revisions (Staff Contact: Tony Ndah, 408-586-2602)**

XIII. REPORTS OF MAYOR & COUNCILMEMBERS – from assigned Commissions, Committees and Agencies

XIV. ADJOURNMENT

**SPECIAL CITY COUNCIL MEETING
TUESDAY, APRIL 10, 2018 - BUDGET STUDY SESSION**

**NEXT REGULAR CITY COUNCIL MEETING
TUESDAY, APRIL 17, 2018**

KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and the City operations are open to the people's review.

For more information on your rights under the Open Government Ordinance or to report a violation, contact the City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035
e-mail: cdiaz@ci.milpitas.ca.gov / Phone: 408-586-3040

The Open Government Ordinance is codified in the Milpitas Municipal Code as Title I Chapter 310 and is available online at the City's website www.ci.milpitas.ca.gov by selecting the Milpitas Municipal Code link.

Materials related to an item on this agenda submitted to the City Council after initial distribution of the agenda packet are available for public inspection at the City Clerk's office at Milpitas City Hall, 3rd floor 455 E. Calaveras Blvd., Milpitas and on the City website. All City Council agendas and related materials can be viewed online here: www.ci.milpitas.ca.gov/government/council/agenda_minutes.asp (select meeting date)

APPLY TO SERVE ON A CITY COMMISSION

Current vacancies on:

Arts Commission
Bicycle Pedestrian Advisory Commission
Community Advisory Commission
Economic Development Commission
Emergency Preparedness Commission
Parks, Recreation & Cultural Resources Commission
Recycling & Source Reduction Advisory Commission
Sister Cities Commission
Veterans Commission
Youth Advisory Commission

Commission application forms are available online at www.ci.milpitas.ca.gov or at Milpitas City Hall.

Contact the City Clerk's office at 408-586-3003 for more information.

For assistance in the following languages, you may call:

Đối với Việt Nam, gọi 408-586-3122

Para sa Tagalog, tumawag sa 408-586-3051

对中国人来说，请用 408-586-3263

Para español, llame 408-586-3232

If you need assistance, per the Americans with Disabilities Act, for any City of Milpitas public meeting, call the City Clerk at 408-586-3001 or send an e-mail to mlavelle@ci.milpitas.ca.gov prior to the meeting. You may request a larger font agenda or arrange for mobility assistance. For hearing assistance, headsets are available in the City Council Chambers for all meetings.

AGENDA REPORTS

XI. CONSENT CALENDAR

1. Accept Schedule of Meetings/City Council Calendar for April 2018

Recommendation: Receive Council calendars of meetings for the month of April, and note any changes or additions needed.

Attachment: April 2018 Calendar

2. Approve City Council Meeting Minutes of March 20 and 21, 2018 (Staff Contact: Mary Lavelle, 408-586-3001)

Recommendation: Move to approve the minutes of the March 20 and 21, 2018 City Council meetings.

Attachments: Draft meeting minutes 03/20/2018 and 03/21/2018

3. Consider Request from American Cancer Society to Waive Fees for the “Bark for Life” Walking Fundraiser at Murphy Park on April 28, 2018 (Staff Contact: Mary Lavelle, 408-586-3001)

Background: On February 26, 2018, the City Clerk received a Fee Waiver Request Application Form from American Cancer Society for the successor to the previous annual Relay for Life event. The group will host its first “Bark for Life” intending to be a fun walk with dogs at the park. The required IRS information demonstrating the non-profit status was received, as required.

The request is for the City Council to waive several City fees – up to the maximum \$1500 - for the upcoming Bark for Life fundraising walk sponsored by the American Cancer Society at Murphy Park on Saturday, April 28, 2018.

Fees requested to be waived are:

Planning Department Special Event Permit fee:	\$250.00
Recreation Services – park rental fee:	\$360.00
Fire Department – safety site inspection fee (portion of):	\$890.00
TOTAL	\$1500.00

Staff for the Bark for Life event applied for a Special Event Permit from the Planning Department. The location has been reserved and deposit fees paid to Recreation Services toward costs for the park rental and for use of the City’s mobile stage.

Fiscal Impact: \$25,800 was approved and included in the FY 2017-18 City budget for City Council’s Unallocated Community Promotions. If this request is approved, \$16,036 would remain in that line item of the current year’s budget.

Recommendation: Consider request and move to waive \$1,500 in fees for costs related to the American Cancer Society’s Bark for Life walkathon event at Murphy Park on April 28, 2018.

Attachments:

Application Form, Event Description, IRS letter and Copy of Permit applications

4. **Adopt a Resolution Certifying Election Results and Adding Tract No. 10421 to Community Facilities District 2008-1 (Annexation No. 14); Approve Final Map Tract No. 10421; and Approve and Authorize the City Manager to Execute the Subdivision Improvement Agreement for a Residential Development at 1980 Tarob Court (Staff Contact: Steve Erickson, 408-586-3301)**

Background: On September 20, 2016, the City Council approved a Major Vesting Tentative Map (MT15-0013), Conditional Use Permit (UP15-0020), Site Development Permit (SD15-0015) and Environmental Assessment (EA16-0003) to allow for the construction of 59 townhome styled condominium units and associated site improvements on 2.81 acres located at 1980 Tarob Court within the Transit Area Specific Plan (TASP). The developer for this project is Toll West Coast, LLC.

The final map for the development is complete and ready for City Council approval. The City Engineer has examined the final map for Tract No. 10421 and determined that the map is substantially the same as the previously approved Vesting Tentative Map, and finds that it conforms to all requirements of the State of California Subdivision Map Act, and Milpitas Municipal Code (MMC). The Developer has offered dedications to the City for public use, such as public service and utility, emergency vehicle access and pedestrian and bicycle access, as shown on the final map. Staff recommends the City Council approve the final map and accept the dedications, subject to completion and acceptance of improvements.

On March 26, 2018, the City's Facilities and Streets Naming Subcommittee reviewed and recommended approval of the street names as shown on the final map. The private street names are Iris Court, Joshua Tree Circle, Laurel Court, Lilac Court and Sage Court, respectively, without duplication, and the City Council is requested to approve all street names proposed for this project.

The final map for Tract No. 10421 is subject to annexation to the Community Facilities District No. 2008-1 (CFD 2008-1). The City has on file a Certificate of Registrar of Voters from the County of Santa Clara certifying that there are no registered voters residing within the boundaries of the proposed CFD Annexation No. 14 for this development. The developer is the sole property owner, and on March 30, 2018, the property owner was scheduled to vote in agreement with proposed Annexation No. 14.

The City Engineer reviewed the public improvement plans (E-PI17-0006) and recommends the City Council approve the Subdivision Improvement Agreement for the development to allow for the construction of public improvements that will be accepted by the City upon completion. Public improvements to be constructed include pavement conforms, signing and striping, curb and gutter, sidewalk, driveway approach, utility services, street trees and other miscellaneous items of work identified on the improvement plans. The Developer has executed the Subdivision Improvement Agreement and provided improvement securities to guarantee completion of required public improvements.

California Environmental Quality Act: Approval of final subdivision map is a ministerial action exempt from the CEQA pursuant to CEQA Guidelines Section 15268(b)(3). Approval of the Subdivision Improvement Agreement implements this project for which CEQA review has already been completed through the City Council's adoption of Resolution No. 8509 adopting an addendum to the previously certified Transit Area Specific Plan Environmental Impact Report.

Fiscal Impact: Adding Tract No. 10421 to the CFD No. 2008-1 would allow the City to levy special taxes to properties within Tract No. 10421, in order to fund for public services within the TASP area.

Recommendations:

1. Adopt a resolution certifying election results and adding Tract No. 10421 to Community Facilities District 2008-1 (Annexation No. 14); and
2. Approve Final Map Tract No. 10421, including approval of street names and acceptance of all offers of dedications as stated and depicted on the final map upon completion and acceptance of improvements; and
3. Approve and authorize the City Manager to execute the Subdivision Improvement Agreement between the City of Milpitas and Toll West Coast, LLC.

Attachments:

- a) Resolution + Annexation Map
- b) Final Map Tract No. 10421
- c) Agreement for Completion of Public Improvements

5. **Adopt a Resolution Certifying Election Results and Adding Parcel B to Community Facilities District 2008-1 (Annexation No. 15), SHAC Centre Pointe Apartments, LLC (Staff Contact: Steve Erickson, 408-586-3301)**

Background: On May 3, 2016, the City Council approved a Site Development Permit (SD15-0012), Conditional Use Permit (UP15-0016), and Vesting Tentative Map (MT15-0011) to allow for the construction of two mixed use buildings consisting of 694 dwelling units, 36,500 square feet of commercial space and associated site improvements on 9.84 acres located at 1646 Centre Pointe Drive within the Transit Area Specific Plan (TASP).

This project (Parcel B of Parcel Map filed for record in the office of the recorder of the County of Santa Clara, California on September 1, 2017, in Book 906 of Maps, Pages 18-20) is subject to annexation into Community Facilities District (CFD) No. 2008-1. The City has on file a Certificate of Registrar of Voters from the County of Santa Clara certifying that there are no registered voters residing within the boundaries of the proposed CFD Annexation No. 15 for this development. SHAC Centre Pointe Apartments, LLC (develop) is the sole property owner and on March 30, 2018, the property owner was scheduled to vote in agreement with proposed Annexation No. 15.

California Environmental Quality Act: This project is covered under the scope of activities analyzed under the Transit Area Specific Plan Environmental Impact Report, SCH 2006032091, which was certified by City Council on June 3, 2008. On May 3, 2016, the City Council found that the project is categorically exempt from further environmental review pursuant to CEQA Guidelines Section 15168(c)(2).

Fiscal Impact: Adding Parcel B to the CFD No. 2008-1 would allow the City to levy special taxes to properties within Parcel B, in order to fund for public services within TASP.

Recommendation: Adopt a resolution certifying election results and adding Parcel B to Community Facilities District 2008-1 (Annexation No. 15), SHAC Centre Pointe Apartments, LLC.

Attachment: Resolution + Annexation Map

6. **Adopt a Resolution Certifying Election Results and Adding Parcel Map of Senior Lifestyles at 504 and 1620 South Main Street to Community Facilities District No. 2005-1 (Annexation No. 19) (Staff Contact: Steve Erickson, 408-586-3301)**

Background: On November 18, 2014, the City Council approved a Minor Vesting Tentative Map (TP14-0001), Site Development Permit (SD14-0006) and Density Bonus (DB14-0001) to allow for the construction of a senior assisted living and congregate care facility with 199

rental units and associated site improvements on 2.76 acres located at 1504-1620 South Main Street within the Midtown Specific Plan.

This project (Parcel Map filed for record in the office of the recorder of the County of Santa Clara, California on March 16, 2018, in Book 912 of Maps, Pages 9-11) is subject to annexation to the Community Facilities District No. 2005-1 (CFD 2005-1). The City has on file a Certificate of Registrar of Voters from the County of Santa Clara certifying that there are no registered voters residing within the boundaries of the proposed CFD Annexation No. 19 area for this development. Developer Milpitas Phase I, LP is the sole property owner, and on March 30, 2018, the property owner was scheduled to vote in agreement with proposed Annexation No. 19 into CFD 2005-1.

California Environmental Quality Act: This project is covered under the scope of activities analyzed under the Midtown Specific Plan Environmental Impact Report, SCH2000092027, which was certified by City Council on March 19, 2002. On November 18, 2014, the City Council found that the project is categorically exempt from further environmental review pursuant to CEQA Guidelines Section 15168 (Program EIR) and 15182 (Residential Projects Pursuant to a Specific Plan).

Fiscal Impact: Adding Parcel Map to the CFD 2005-1 would allow the City to levy special taxes to properties within Parcel Map, in order to fund for public services within the CFD boundary.

Recommendation: Adopt a resolution certifying election results and adding Parcel Map to Community Facilities District 2005-1 (Annexation No. 19).

Attachment: Resolution + Annexation Map

7. Adopt a Resolution Directing Staff to Fly Commemorative Flags at Cesar Chavez Plaza for City Sponsored Special Events, Ceremonies and Commemorations for Remainder of 2018 Calendar Year (Staff Contact: Renee Lorentzen, 408-586-3409)

Background: Pursuant to Milpitas Municipal Code Section I-600-2.30(3), the City Council may, by resolution, direct City staff to display Commemorative Flags as an expression of the City's official sentiments by any of the following means: (i) display in lieu of the MIA/POW flag on one of the four City Hall Display Flag Poles located at the rear of City Hall adjacent to the pond, (ii) display in lieu of the flag of the State of California on one of the three flag poles located at Cesar Chavez Plaza, or (iii) display through ground level ceremonies at any of the following locations at the Civic Center complex or the City of Milpitas Community Center:

- (1) City Hall Rotunda
- (2) Area adjacent to pond at City Hall
- (3) Cesar Chavez Plaza
- (4) City Council Chambers

City Council is requested to adopt a resolution directing staff to fly commemorative flags for events, ceremonies, and holidays planned for the remainder of the 2018 calendar year, in the Cesar Chavez Plaza. Per Milpitas Municipal Code, the Commemorative Flags shall be displayed for a period of time that is reasonable or customary for the subject that is to be commemorated, but no longer than 30 continuous days.

Proposed dates to fly the commemorative flags are:

MLK, Jr. Assassination Remembrance - April 4, 2018

Vietnamese Heritage and Appreciation - April 30, 2018

International Workers/Labor Day - May 1, 2018
Public Safety Appreciation - May 9, 2018
LGBTQ Pride Celebration - June 1–14 and June 16-30, 2018
Juneteenth - Tuesday, June 15, 2018

No flag will fly for more than 30 continuous days.

Fiscal Impact: None.

Recommendation: Adopt a resolution directing staff to fly commemorative flags for City sponsored events, ceremonies, and commemorations for the remainder of the 2018 calendar year, in the Cesar Chavez Plaza.

Attachment: Resolution

8. **Adopt a Resolution Amending the City’s Classification Plan to Reflect the Addition of Deputy City Manager and Housing Authority Administrator, and Removal of Permit Center Manager and Building & Safety Director; and Approve Budget Appropriations for the City Manager’s Office, and Planning & Neighborhood Services Department, including Authorized Funding for Chief Building Official, Associate Civil Engineer and Public Works Inspector, Offset by Defunding Principal Planner (Housing) (Staff Contacts: Julie Edmonds-Mares, 408-586-3051 and Tina Murphy, 408-586-3086)**

Background: The City of Milpitas Classification Plan lists all job titles and salaries for classifications the City is authorized to use. Amendments to the Classification Plan are periodically required to account for organizational changes and changes in job responsibilities. The following proposed amendments reflect changes necessary to meet the City’s current needs.

At the February 3, 2018 Council Budget Study Session, Councilmembers identified affordable housing as a key objective for the City. To assist with the housing goals and the rapid growth in the City, staff requests modifications to the current year’s staffing recommendations. These changes are expected to create a more fluid process for developers, the business community and resident homeowners.

Principal Planner to Housing Authority Administrator

At the March 20, 2018 meeting, City Council approved a change in the current fiscal year (FY 2017-18) operating budget to fund the hiring of a Principal Planner to assist with housing needs. After a suggestion by Councilmember Nuñez to review the appropriate classification for the work, staff carefully considered the position and the needs of the Planning & Neighborhood Services Department for the new position. The City is respectfully requesting that the position be upgraded from Principal Planner (at a top step salary level of \$140,175) to a new management position of Housing Authority Administrator (at a top step salary level \$162,399).

The Housing Authority Administrator will plan, develop and monitor programs and activities designed to stimulate the preservation, development and financing of affordable housing. In addition to identifying funding sources for housing program, the Housing Authority Administrator will develop and negotiate contracts with public, non-profit, and/or private developers. The Housing Authority Administrator will also keep updated of federal, state, and local legislative and regulatory changes effecting housing programs, and make presentations related to housing issues to the City Council, Commissions, management staff, non-profit organizations and other community groups. The Housing Authority Administrator position will be funded by 90% Housing Authority Fund and 10% General Fund.

The Principal Planner position was funded at 65% Housing Fund and 35% General Fund. Thus, while the salary level of the Housing Authority Administrator is higher than the salary level of the Principal Planner, there will be a net savings to the General Fund of approximately \$13,000 in FY 2017-18 and no budget amendment to the Planning Department is necessary. There will be a General Fund cost savings of approximately \$53,000 in FY 2018-19. Additionally, there will be a net cost to the Housing Fund of approximately \$21,000 in FY 2017-18 and \$85,000 in FY 2018-19. An amendment to the Housing Fund Planning budget will be needed in FY 2017-18.

Addition of Contract Staff in Building and Safety Department:

Due to the increased development within the City of Milpitas, several developers have requested dedicated Building Inspectors to be on-site throughout their building process to ensure timelines are adhered to and any delays can be mitigated quickly. To accomplish this goal, the Building & Safety Department requests additional funding of approximately \$123,000 in contractual services to be able to hire two Contracted Building Inspectors and one Contracted Plan Checker for the remainder of FY 2017-18. The contract employees would be hired for specific projects and would not be permanent City positions. Contract employees are anticipated to be needed during all of FY 2018-19 at a cost of approximately \$490,000. Costs for both fiscal years would be 100% offset by fees charged to developers. Therefore, due to offsetting revenue as well as current fiscal year vacancy savings, no budget amendment to the Building & Safety Department is necessary in FY 2017-18.

Reclassify Building and Safety Director to Building Official

Staff requests reclassifying the Building and Safety Director (at a top step salary level of \$209,055) to Chief Building Official. The Chief Building Official classification and job title is readily known in the industry and will yield a larger candidate pool than the Building & Safety Director. This change will also allow the City to hire a qualified Chief Building Official with potential career growth opportunities in the future. The Chief Building Official will manage the Building & Safety Department and assign work to staff to meet the City's current building and growth needs. The Building & Safety Director position has been vacant since January 2017 and the Chief Building Official's salary is at a lower level. Thus, there will be a net savings to the General Fund in FY 2017-18 and no budget amendment is necessary for the Building and Safety department. There will be a General Fund cost savings of approximately \$22,000 in FY 2018-19.

Removal of Permit Center Manager

Staff recommends removing the Permit Center Manager (at a top step salary level of \$137,874) from the Classification Plan. This position has been vacant since December 2015, with two unsuccessful recruitment attempts. The essential duties of the Permit Center Manager have been managed by the Building Inspection Manager for the past two years. Removal of this position and classification could fund more immediate staffing needs. There will be a net savings to the General Fund in FY 2017-18 and no budget amendment is necessary for the Building and Safety department. There will be a General Fund cost savings of approximately \$205,000 in FY 2018-19.

Addition of Land Development Associate Engineer and Public Works Inspector Positions:

The City continues to experience a high volume of private development construction requiring engineering review, permitting, and inspection of construction within the City right-of-way. Currently, the Engineering Department is managing the reviews and approvals of approximately 50 development projects in different phases of the City approval process. Land Development Engineering also processes approximately 18 encroachment permits each month for work within the City's right-of-way which is then inspected by the Public Works Inspector. The limited number of Land Development Engineering and inspection staff has created a backlog in the engineering review and approval process of development projects, and has resulted in delays in providing requested construction inspections.

To help reduce the engineering permitting backlog and to provide timely inspections of public improvements, the addition of new Associate Civil Engineer and Public Works Inspector positions within the Engineering Department is requested. The Associate Engineer (at a top step salary level of \$126,454) would be funded at 20% General Fund, and 80% private development fees. This position would have a net General Fund impact of \$10,312 in FY 2017-18 and \$41,248 in FY 2018-19. The Public Works Inspector position (at a top step salary level of \$106,718) would be funded at 20% General Fund, 40% Capital Improvement Program, and 40% private development fees. This position would have a net General Fund impact of \$8,885 in FY 2017-18 and \$35,540 in FY 2018-19. Due to current fiscal year vacancy savings, no budget amendment to the Engineering department is necessary in FY 2017-18.

Addition of Deputy City Manager

The City Manager's Office is requesting the addition of a position for Deputy City Manager (at a top step salary level of \$239,999). This position will coordinate the operations of the Building and Safety Department, the Planning and Neighborhood Services Department, Land Development, Economic Development, and some Fire Prevention Inspections. The Deputy City Manager will initially be responsible for an organizational review and continuous improvement of the City's development process. This would include an evaluation of current developer fees and proposed changes to ensure the City is in a cost recovery mode. The organizational review will be completed in collaboration with internal and external stakeholders and focused on the areas of entitlement, plan check, inspection, customer service and support to the development community. There will be a net cost to the General Fund of approximately \$80,000 in FY 2017-18 and a budget amendment is necessary for the City Manager's Office. This will be funded by offsetting vacancy savings in other departments. There will be a General Fund cost of approximately \$321,000 in FY 2018-19.

Fiscal Impact: FY 2017-18 Net Impact (use of funds after any savings or offsetting revenue) of all requests is:

- General Fund - \$29,283 (\$370,252 total expenditures offset by \$340,969 in fee reimbursements and cost savings)
- Housing Fund - \$21,359 (\$58,095 total expenditures offset by \$36,736 in cost savings)

Total FY 2017-18 net impact for all funds is **\$50,642 (\$428,347 total expenditures offset by \$377,705 in fee reimbursements and cost savings)**. There are sufficient fund balances in these various funds to accommodate the budget adjustment requests. Future year costs will be programmed into the FY 2018-19 Proposed Budget if the adjustments before Council are approved.

Recommendation: Adopt a resolution amending the City's Classification Plan to reflect the addition of Deputy City Manager and Housing Authority Administrator and removal of Permit Center Manager and Building & Safety Director; and approve budget appropriations for the City Manager's Office and Planning & Neighborhood Services Department including authorized funding for Chief Building Official, Associate Civil Engineer and Public Works Inspector, offset by defunding Principal Planner (Housing).

Attachment: Resolution

Attachments:

- a) Resolution
- b) FY 2017-18 Fund Impact Summary
- c) Budget Change Form

9. **JOINT MEETING: CITY COUNCIL & PUBLIC FINANCING AUTHORITY**
Adopt Resolutions of the Milpitas City Council and Milpitas Public Financing Authority Board Authorizing Investment of Monies in the Local Agency Investment Fund and Updating Officers Information (Staff Contact: Will Fuentes, 408-586-3111)

Background: The City of Milpitas and the Milpitas Public Financing Authority have been participating in the state's Local Agency Investment Fund (LAIF) since 1977. LAIF periodically requests participants to update their investment resolutions. Staff reviewed the existing resolutions of the two entities and determined that these resolutions need to be updated due to administration and personnel changes, namely the hiring of new City Manager, Julie Edmonds-Mares.

Recommendation: Adopt Resolutions of the Milpitas City Council and Milpitas Public Financing Authority Board authorizing investment of monies in the Local Agency Investment Fund and updating officers' information.

Attachments: City Council Resolution + Public Financing Authority Resolution

10. **Authorize the City Manager to Execute a Fee Reimbursement Agreement for Public Parkland Associated with a Mixed-Use Development Located at 730-750 E. Capital Avenue by Anton Development (Staff Contact: Michael Fossati, 408-586-3274)**

Background: On June 21, 2016, the City Council adopted Resolution No. 8556 approving Environmental Assessment EA16-0002, Site Development Permit SD15-0014 and an Exception to the Milpitas Municipal Code VII-6-5.00 regarding Supplemental Water Use Restrictions for a 583-unit apartment project located at 730-750 E. Capitol Avenue. The project is comprised of two buildings. 730 E. Capital is proposed to have 266 residential apartment units and 1,800 sq. ft. of ground floor retail. 750 E. Capital is proposed to have 317 residential apartment units and 3,200 sq. ft. of ground floor retail. Along with required parking, the project includes a variety of site improvements, including the extension of Milpitas Boulevard and a new public street connection to the adjacent 450 Montague project, a public park with pedestrian and bicycle paths along Penitencia Creek, construction of domestic and recycled water supply lines, and various associated site improvements.

Pursuant to City policy, physical construction improvements that benefit the future development of City infrastructure are permissible for reimbursement. Pursuant to the Transit Area Specific Plan (TASP), fee reimbursements for public parkland and improvements are permissible (TASP Policy 3.41). The project site includes a park dedication requirement (pursuant to TASP Figure 3.6) of 2.12 acres. The developer is entitled to reimbursement of that portion of the TASP fee earmarked for parkland in the actual verifiable amount of all costs associated with constructing the park, including reimbursement for the value of the Public Park Easement. A total of \$77,900 will be reimbursed for the domestic and recycled water line improvements along the Milpitas Boulevard extension. A total of \$5,910,220.80 would be reimbursed for the value of the Public Park Easement and no more than \$3,000,000 would be reimbursed for the estimated value of park improvements.

The Agreement has been reviewed by the City Attorney as to form and content. Any subsequent modifications that may be required shall be reviewed and approved by the City Attorney prior to execution of such agreement. A copy of the proposed fee reimbursement agreement is provided in the Council's agenda packet.

California Environmental Quality Act: Execution of the Agreement is not considered a project under CEQA as there will be no direct, or reasonably foreseeable indirect physical change in the environment.

Fiscal Impact: Given that the reimbursement comes from TASP Fees dedicated to purchasing parkland within the TASP area, the proposed reimbursement will not affect the General Fund. .

Recommendation: Authorize the City Manager to execute a Fee Reimbursement Agreement with Anton Development related to its development of 730–750 East Capital Avenue in a final form as approved by the City Attorney

Attachment: Fee Reimbursement Agreement

11. Receive Report of City Council Subcommittee on Commissions Regarding Considered Changes to Existing Roster of City Commissions, and on Commissioner and Citizen Representative Appointment Recommendations (Council Contacts: Councilmember Nuñez, 408-586-3023 and Councilmember Phan, 408-586-3032; Staff Contact: Renee Lorentzen, 408-586-3409)

Background: The City Council Subcommittee on Commissions was formed on December 19, 2017 to review and recommend applicants to serve as new Commissioners for final approval by the Mayor and Council; and also to recommend any changes to the existing roster of City Commissions. Per the direction of Council, recommendations to the Mayor on the appointments and reappointments of Commissioners will come from one Subcommittee member and the Commission Council Liaison, with exception of the Planning Commission, which will come from the Subcommittee.

Council’s Subcommittee on Commissions has held several meetings to review the current list of Commissions, and their scope and function. From these discussions, the Subcommittee has developed and is considering recommendations for future City Council consideration and approval. The Subcommittee’s initial report to the Commission is as follows:

The Subcommittee is considering the following Commissions:

Economic Development and Trade Commission –

Retain current commission programs; addition of “trade” to include international trade relationships into its work plan and scope

Energy and Environmental Sustainability Commission ****NEW**** -

Sustainability, Climate Action Plan, Recycling, Source reduction, waste diversion

Housing and Community Resource Commission ****NEW**** -

CDBG, Affordable Housing, Below Market Rate Inventory, Community housing needs

Library and Education Commission –

Retain current Commission programs and topics; addition of “education” component, incorporate school partnerships and initiatives into its work plan and scope

Parks, Recreation and Cultural Resources Commission –

Retain current Commission programs and topics; addition of Arts and Culture In-Kind Grants, Phantom Art Gallery programs, Bicycle and trail topics and events, and Sister Cities programs and exchanges into its work plan and scope

Public Safety and Emergency Preparedness Commission –

Retain current Emergency Preparedness Commission topics; addition of “Public Safety” to include Police and Fire community interest items into its work plan and scope

Planning Commission –

Retain current topics; add transportation topics, traffic, streets into its work plan and scope

Science, Technology, and Innovation Commission –

Name change for the Telecommunication Commission; retain current commission topics

Veterans Commission –

Retain current commission programs and topics

The Subcommittee is considering that the following Committee be approved:

Public Art Committee

Handles public/private projects as project funds are available

The Subcommittee is considering that the following Commissions be retired:

Arts Commission –

Arts and culture programs going to the Parks, Recreation and Cultural Resources Commission, public art program going to new Public Art Committee

Bicycle Pedestrian Advisory Commission –

Bike and trail topics going to the Parks, Recreation and Cultural Resources Commission; circulation topics going to Planning Commission

Community Advisory Commission –

CDBG and Housing topics going to new Housing and Community Resource Commission

Recycling and Source Reduction Advisory Commission –

Source Reduction topics going to new Energy and Environmental Sustainability Commission

Sister Cities Commission –

Cultural programs and topics going to the Parks, Recreation and Cultural Resources Commission

Councilmembers will discuss these two existing Commissions at a future Subcommittee meeting: Senior Advisory Commission and Youth Advisory Commission.

The Council's Subcommittee members (Councilmembers Nuñez and Phan) plan to visit the above listed Commissions to speak with Commissioners on the proposed changes, to garner feedback that will be considered at a future Subcommittee meeting as part of final recommendations to City Council.

South Bay Odor Stake Holder Group

Remove Milpitas Citizen Representative and Alternate Minh Le and Jim Li and request one new Citizen Representative recommendation from the Recycling and Source Reduction Advisory Commission.

Economic Development Commission

Newly appoint School Board member Chris Norwood to serve as MUSD Liaison, as recommended by the Milpitas Unified School District (MUSD) Board of Education., to a term that expires in April 2019.

Recommendations:

- 1) Receive report of City Council Subcommittee on Commissions considered changes to existing roster of City Commissions
- 2) Approve recommendation for the removal by the Mayor, of South Bay Odor Stake Holder Group Citizen Representatives Minh Le and Jim Li

3) Approve recommendation for the appointment by the Mayor of Milpitas Unified School District Board of Education Vice President Chris Norwood to serve as the MUSD Liaison to the Economic Development Commission

Attachment: None

XII. NEW BUSINESS

- 12. Receive Information and Provide Direction to Staff Regarding Senate Bill 881 (Sen. Wieckowski) Shoreline Subventions, Senate Bill 1301 (Sen. Beall) Expedited Permitting and Transparency for Human Life Safety Projects, and Assembly Bill 1889 (Assm. Caballero) Santa Clara Valley Water District Act Revisions (Staff Contact: Tony Ndah, 408-586-2602)**

Background: On March 21, 2018 City Council held a joint meeting with the Board of Directors of the Santa Clara Valley Water District (District). During the joint meeting, District staff provided City Council with information regarding Senate Bill 881 (Wieckowski)-Shoreline Subventions, Senate Bill 1301 (Beall) Expedited Permitting and Transparency for Human Life Safety Projects and Assembly Bill 1889 Santa Clara Valley Water District Act Revisions, and City Council directed staff to bring this information forward at the next City Council meeting, so it can be considered by the full City Council.

SB 881 adds the South San Francisco Bay Shoreline Project to the list of authorized flood control projects that receive state flood subventions funding. The Shoreline Project will provide resiliency to sea level rise, restore former salt ponds to tidal marsh, complete missing segments of the San Francisco Bay Trail, and will increase flood protection for Silicon Valley where a 100-year coastal flood event could cause \$6.14 billion in damages. This bill would allow the District to receive an estimated \$4 to \$7 million in from the state for flood subventions reimbursements. State subventions reimburse costs such as rights-of-way and relocations for flood control, recreation, fish and wildlife enhancements, and temporary work area easements for construction staging and hauling routes.

SB 1301 would require a state agency to expedite permit processing and approval for projects that will maintain or improve human life safety protection through flood risk reduction or reduction of risk of dam failure. Expediting permits when human life safety or high value assets of national importance are threatened by flood risk could save lives and prevent catastrophic loss.

AB 1889 would amend the District Act to make the following three reforms:

- 1. Reforms Parcel Tax Exemption Process for Low-Income Seniors and the Disabled –** AB 1889 would clarify that the District need only verify low-income status once, and that the taxpayer's eligibility for the parcel tax exemption may remain in effect until the District is notified of a change in eligibility or has reason to believe the taxpayer is not eligible for the exemption.
- 2. Reforms the District Board of Directors Duties and Meeting Allowance –** AB 1889 defines the duties of a Director and increases the number of meeting days for which a Director is eligible for remuneration from up to 10 days per month to 20 days per month, reflecting the actual number of working days required for the position. Directors often must work long hours without remuneration and that means the only people who can realistically serve on the Board are either retired or independently wealthy, which limits the socioeconomic diversity of the Board.
- 3. Reforms District Board Vacancy Appointments –** AB 1889 will require that the appointment to a vacant seat on the District Board be made from the geographic district

in which the vacancy exists rather than from anywhere in Santa Clara County, ensuring that the geographic district is represented by a resident of that district.

Fiscal Impact: None. There are no fiscal implications to receiving this information.

Recommendation: Per direction of the three Councilmembers present at the March 21 joint meeting, City Council shall consider request from the Santa Clara Valley Water District and provide direction to staff regarding support for Senate Bill 881, Senate Bill 1301, and Assembly Bill 1889.

Attachments:

- a) Senate Bill 881(Wieckowski)-Shoreline Subventions
- b) Senate Bill 1301 (Beall) Expedited Permitting and Transparency for Human Life Safety Projects
- c) Assembly Bill 1889 (Caballero) Santa Clara Valley Water District Act Revisions

XIII. REPORTS OF MAYOR & COUNCILMEMBERS – from the assigned Commissions, Committees and Agencies

XIV. ADJOURNMENT

SPECIAL CITY COUNCIL MEETING
TUESDAY, APRIL 10, 2018 - BUDGET STUDY SESSION

NEXT REGULAR CITY COUNCIL MEETING
TUESDAY, APRIL 17, 2018