

**DRAFT MEETING MINUTES
CITY OF MILPITAS**

Minutes of: Regular Meeting of Milpitas City Council
Date: Tuesday, September 18, 2007
Time: 6:00 PM
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

ROLL CALL

Mayor Esteves called the meeting to order at 6:00 PM.

PRESENT: Mayor Esteves, Vice Mayor Livengood, Councilmembers Giordano, Gomez and Polanski. Councilmember Giordano arrived at 6:15 PM.

ABSENT: None

CLOSED SESSION

Mayor Esteves publicly stated the Council would convene to Closed Session to discuss two matters, employee negotiations with the Milpitas Supervisors Association, and the employment of the City Attorney.

The Council convened in Open Session at 7:00 PM. Councilmember Armando Gomez was not present at this time.

**CLOSED SESSION
ANNOUNCEMENT**

None

PLEDGE

Boy Scouts Troop No. 92 Color Guard led the Pledge of Allegiance.

INVOCATION

Rev. Karin White of St. Joseph the Worker provided the invocation, at the invitation of Mayor Esteves.

MINUTES

Motion: approve the minutes of September 4, 2007 City Council meetings, as submitted

Motion/Second: Councilmember Giordano/Councilmember Polanski

Motion carried by a vote of:
AYES: 4
NOES: 0
ABSENT: 1 (Gomez)

SCHEDULE OF MEETINGS

Motion: to approve the Council Calendars (Schedule of Meetings) for September & October

City Manager Tom Williams noted that the meeting with the MUSD officials for September 20 was canceled.

Motion/Second: Councilmember Polanski/Vice Mayor Livengood

Motion carried by a vote of:
AYES: 4
NOES: 0
ABSENT: 1 (Gomez)

PRESENTATIONS

Mayor Esteves proclaimed *Dr. Rueben Chen Day* in Milpitas on September 18, 2007. Local businessman Dr. Chen thanked the Mayor and Council for the proclamation, as he accepted it.

Councilmember Gomez returned to the Council Chambers at this time.

PUBLIC FORUM

Colleen Mats and Yolie Garcia, Milpitas High School PTSA Scholarship fund chairs of Committee, addressed the City Council seeking donations to the fund for the coming year. They distributed donation request letters to the City Clerk for all the City Council.

ANNOUNCEMENTS

City Manager Tom Williams announced the county’s new Valley Health Center at 143 N. Main Street in Milpitas would have a groundbreaking ceremony, on Friday, October 5 at 10:00 AM.

Councilmember Giordano attended last week’s Youth Advisory Commission. There were several vacancies on YAC, seeking active young people to apply, from grades 7 – 12 from all schools. Contact the City Clerk’s office for applications.

ANNOUNCEMENT OF CONFLICT OF INTEREST

None

APPROVAL OF AGENDA

Motion: to approve the agenda, as submitted

Motion/Second: Vice Mayor Livengood/Councilmember Gomez

Motion carried by a vote of: AYES: 5
NOES: 0

CONSENT CALENDAR

Motion: to approve the Consent Calendar (items noted with *asterisk), as amended

Councilmember Giordano requested removal of Item No. 4 from consent.

Councilmember Gomez requested to add Item No. 2 to consent.

Motion/Second: Vice Mayor Livengood /Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

* **2.** Amendment to City Council Handbook

Adopted Resolution No. 7702 amending the City Council Handbook regarding procedure for the resignation of City Commissioners, Committee and Board members.

* **3.** Commission appointments

1. Appointed Mareile-Angy Ogle to a vacancy on the Arts Commission, a term that expires in October 2007.
2. On the Mobile Home Park Rental Review Board, newly appointed Beth Garcia to a term that expires in June 2009.
3. Re-appointed Jay Kumar to a term on the Youth Advisory Commission that expires in September 2008.

* **6.** MOU with the Milpitas Unified School District for Adult Ed. And Cable TV broadcasts

Authorize the City Manager to execute a Memorandum of Understanding with the Milpitas Unified School District regarding participation in an Adult Education program related to the City’s cable television channel and broadcasting studio.

* **7.** FY 2007-08 Department of Conservation Grant Funding

Approve the FY 2007-08 Department of Conservation grant funding of \$17,348, and authorized the budget appropriation.

* **10.** Adopt Ordinance No. 274

Waived the second reading of the ordinance, and adopted Ordinance No. 274 of the City of Milpitas adding Chapter 1100 to Title V of the Milpitas Municipal Code, to expand the definition of a public nuisance and to provide a cost recovery mechanism for public nuisance abatement.

* **11.** VTA Grant and So. Main St. Streetscape Project - Phase I

1. Adopted City of Milpitas Resolution No. 7703 accepting the Santa Clara Valley Transportation Authority grant and committing to provide local matching funds.
2. Authorized a new Capital Improvement Program project, the South Main Street Streetscape Project - Phase I, Project No. 4243.
3. Approved the Budget Appropriation of \$1,200,000.

- * **12.** Amendment No. 3 to the Agreement with CEL
 1. Approved Amendment and authorized the City Manager to execute Amendment No. 3 to the agreement with Consolidated Engineering Laboratories Services (CEL), for an amount not to exceed \$600,000 for Materials Testing and Inspection Services; for a total contract amount of \$1,150,000, extending the end date for Materials Testing and Inspection Services to June 30, 2008.
 2. Approved Budget Appropriation of \$250,000.
- * **13.** Agreement with Pacific Coast Recycling for Debris Box

Approved agreement and authorized City Manager to execute the agreement for a debris box with Pacific Coast Recycling, subject to approval as to form by the City Attorney.
- * **14.** Award the Contract for Community Center Vinyl Flooring

Awarded the contract for the Community Center Vinyl Flooring and authorized the City Manager to execute a contract with West Coast Contract Flooring, for the not-to-exceed amount of \$78,000 including sales tax, subject to approval as to form by City Attorney.

PUBLIC HEARING

- 1. S. Main St. General Plan Amendment No. GP2006-2, Zone Change No. ZC2006-2, Tentative Map No. MA 2006-3, Environmental Impact Assessment No. EA2006-5, and Affordable Housing Regulatory Agreement**

Acting Planning Director Felix Reliford stated the request from staff to continue the public hearing on this project to the next City Council meeting, due to work on the environmental report which was ongoing and the regulatory agreement was not returned from the developer at this time.

Mayor Esteves opened the public hearing for comments, and none were heard.

Motion: to continue the public hearing on this project to October 2, 2007

Motion/Second: Councilmember Polanski /Vice Mayor Livengood

Motion carried by a vote of: AYES: 5
NOES: 0

JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

- RA 1. CALL TO ORDER**

Mayor/Agency Chairman Esteves called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at 7:17 PM.
- RA 2. ROLL CALL**

PRESENT: Mayor/Chair Esteves, Vice Mayor/Vice Chair Livengood, Agency/Councilmembers Giordano, Gomez and Polanski

ABSENT: None
- RA 3. MEETING MINUTES**

Motion: approve the Redevelopment Agency minutes of September 4, 2007, including joint meeting with the City Council, as submitted

Motion/Second: Agency/Councilmember Polanski / Agency/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0
- RA 4. Approval of Agenda and Consent Calendar**

Motion: approve the agenda and Agency consent calendar (items with asterisk*)

Motion/Second: Agency/Councilmember Polanski / Agency/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0
- RA 5. Economic Development Program overview and Recommendation on Place Branding**

Economic Development Manager Diana Whitecar introduced an overview of the two-year economic development program and the recommendations of the Branding Stakeholder Committee, recently approved by the Economic Development Commission.

Economic Development Program

Economic Development Strategy was approved by Council in 2005, and an Action Plan developed. One action item was to improve the image of Milpitas. Street banners were designed and installed, along with hanging banners at San Jose Mineta Airport on display. "Shop Local" effort with the Chamber was well underway, also in partnership with The Great Mall. Recently, staff met with Trader Joe's location team to encourage locating a store in Milpitas. Staff was also working with downtown property owners on the MidTown Precise Plan. While the housing market had slowed, there was still much interest in the City among developers.

Ms. Whitecar reported main efforts had been working in the small business arena. A good relationship with small businesses and with the Silicon Valley Small Business Development Center had developed, offering many classes to new and potential business owners at the Adult Education Center.

Another goal was improving the City's economic base, and staff took an active role with other City departments in terms of pre-application process for businesses moving to Milpitas, which was quite helpful to developers and businesses. The Industrial Land Use analysis was completed, with interesting findings, including the fact that less than 2% conversion of industrial land had occurred in the City. Also, there was a move away from 50% - 50% jobs-housing balance more recently in Milpitas.

Ms. Whitecar pointed out that the Parking Task Force, with staff Joe Oliva, was hard at work, and would soon bring its report to the Council's Transportation Subcommittee.

In terms of measurements, new ways were adopted as part of the last budget process. A five-year implementation plan was developed. Discussing new large freeway signs in the City, she noted that Simon Co., owner of Great Mall, along with Piercey Toyota and McCarthy Ranch want to work closely with the City to coordinate on these.

Place Branding Report

Ms. Whitecar next reported on Place Branding and the effort undertaken over five months with diverse participants. She pointed out the goal was not to replace the City of Milpitas minuteman logo. The list of participants was provided to the City Council, displaying the valuable mix of residents, employees, and landowners of various ages.

She highlighted the strong community pride in Milpitas, the fact that the City was viewed as located "in Silicon Valley" not solely as an entry to it, the diversity of land/people/food/businesses/sports and more. Milpitas was viewed as a friendly city, with helpful City staff.

City staff including Bonnie Greiner, Leslie Stobbe, Clare Frank, Mary Lavelle, intern Ted Sands, and Diana Whitecar worked with the consultant Susan Lewis and artist Ric Sakai to arrive at a statement and an artistic brand/logo. Results were presented and reviewed by the City Manager.

The branding effort yielded the Creative Expression statement:

"For those who enjoy the international flavor of a modern community, Milpitas is conveniently located beside Silicon Valley's east foothills where there are endless opportunities, civic pride and the ease of one-stop" living."

Displayed was the colorful artistic logo overhead, with the tag line "Milpitas, Silicon Valley: life @yourpace"

Members of the Branding Stakeholder Committee were present, consultant/resident Susan Lewis, Ashley Holmberg/Dave'n'Busters, and David Casas/LifeScan. Additionally, Mayor Esteves mentioned letters of support he had received from members Nicky Wu, Chamber President, Matthew Swenson, Joey McCarthy of McCarthy Ranch, Norman and Diana Schull (retired residents), Jerry Jones of Milpitas Washington Mutual.

Council Remarks

Vice Mayor Livengood appreciated the excellent presentation, the report information was helpful, the document forced him to think about where the City had been and where it was going. Land use and zoning issues were raised, on industrial land use for churches and whether that issue arose. Staff reported yes it had, while the consultant reported that only 1.2% of industrial land was used for churches and non-revenue generating services, not an overwhelming amount. Commission felt strongly about this issue, that the City should reserve industrial land for those uses.

The Vice Mayor thought this topic merited further review by Planning Commission and the City Council. While it was not overwhelming now, the numbers were reasonable now, but it was the change in the nature of the development that impacted what an owner may do with his property.

Mr. Livengood next mentioned the topic of Floor Area Ratios (FAR), previously discussed back in the 1980s, which tend to spread business area out. It made more sense to grow up rather than out at this point. Was there discussion on this topic? Staff reported that the Economic Development Commission discussed industrial area overlays on a number of areas in the City. The members were split on the density issue, with regard to development.

Finally, he inquired whether there was discussion about where companies bill out their sales. Products made here in Milpitas, but sometimes those were invoiced from other parts of the country, he believed. Staff reported that they had not looked at this closely so far, with the Commission, but agreed it was important. Ms. Whitecar offered to come back in the next few months with response on this topic.

Councilmember Giordano enjoyed the branding and logo presentation, and the theme for Milpitas she was very pleased about. On small business development, great strides have been made, but she did not see where it was tied in with the Chamber of Commerce. Ms. Whitecar responded about strong ties of the City staff with the Chamber, especially on the Shop Local campaign.

Councilmember Polanski appreciated the report, and thanked those on the Branding Committee, including Marsha Grilli who was present in the audience. She had received e-mails from former City skeptics, on the branding and they were supportive. Ms. Polanski asked about the Parking Task Force and when recommendations would be forthcoming. Staff responded in the first quarter of next year 2008.

Councilmember Gomez asked for performance measures on these improvements, and on advertising, he wanted to know “the bang for the buck.” Staff responded that with the new CRW program, numbers regarding response about plans and building would be very valuable and available quickly. Plan reviews and building permits would soon be brought together before a new Development Review Committee (DRC) internally. That would give a value to the “Roadmap to Service Improvement” he had inquired about.

Councilmember Gomez noted areas where there was large amount of vacant industrial space. Could the Agency be expanded to include those areas? Staff explained that the state was reviewing how possible it was, with recent changes in law on redevelopment. A feasibility study could be a possibility for those areas. He mentioned sensitive receptors, as a concern with any new uses in industrial areas.

Mr. Gomez remarked that, with regard to Floor Area Ratios, it could be helpful to look to the document on the “Roadmap to Service Improvements.”

Mayor Esteves agreed on analysis of industrial uses. He wanted to secure specific locations of industrial sites. It was better to be prepared ahead of time before a “swamp” of non-revenue generating applications comes to the City. He inquired also about the aspect of *smart growth*.

The Mayor asked about need for college or university within the City. What about that subject in terms of the economic development report? He noted staff had met with Evergreen College about offering classes, and/or having a campus in Milpitas. Staff concurred, they had met with community college to possibly begin course offerings.

He liked the use of the words “Silicon Valley” in the brand logo presented. His candid impression of the logo artwork presented was that Milpitas was a very happy place, but could be the boundary of a “fairylane.” He offered his thanks to the Branding Stakeholder Committee, and wanted those members to get credit for the origin of this brand, especially if it is very successful.

Public Comment:

Isaac Hughes, gave his opinion that the artwork was cute. You trust someone in business when they hand you the business plan. He said to get personal with the businesses, to give a “headache list” about City policies, staff and leaders, to make business feel more welcome in the city. Ask them how it is that the business could downsize without re-locating the company, out of Milpitas.

David Casas, 9-year manager at Lifescan community relations, noted his company was expanding beyond the City and now internationally. He wished to give Susan Lewis and Diana Whitecar a round of applause for working with such a diverse working group. He reported that he now said his company was located in the “east foothills of Silicon Valley” in Milpitas and no longer would say “just north of San Jose.” He spoke favorably of tax revenues, his growing firm, an arm of Johnson & Johnson, and wanted to be a long-standing business in the City of Milpitas.

Motion: 1) move to accept the economic development update, directing staff to respond on items noted during the presentation, and 2) move to approve the proposed Place Branding recommendations, including the creative expression and artwork logo

Motion/Second: Agency/Councilmember Gomez / Agency/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

* **RA 6.** Certificate of Completion for Certain Residential Units for KB Home Terra Serena development

Authorized the Agency Executive Director to execute this Certificate of Completion, pertaining to certain residential units within Tract No. 9699 (described on the Certificate of Completion document), for KB Home Terra Serena Project No. 3160, subject to approval of the City Attorney as to form.

* **RA 7.** Agreement with LSA Associates, Inc. for N. Main St. Midtown Streetscape

Approved the agreement and authorized the Agency Executive Director to execute the agreement with LSA Associates, Inc., in the amount of \$39,300 for Project No. 8165, subject to approval as to form by the City Attorney.

RA 8. ADJOURNMENT

Chair/Mayor Esteves adjourned the Redevelopment Agency meeting at 8:13 PM.

REPORTS OF OFFICER

4. Recommendation for Appointment to the Planning Commission

Mayor Esteves recommended applicant Victor Nejal to serve on the City of Milpitas Planning Commission.

Motion: to deny appointment of the Mayor’s recommendation of Victor Nejal to the Planning Commission

Motion/Second: Councilmember Giordano/Councilmember Gomez

Motion carried by a vote of: AYES: 3
NOES: 2 (Esteves/Polanski)

Councilmember Polanski supported the goals of the ordinance update, for improvement to City neighborhoods, and the section to educate the citizens further about trees, in particular. She supported most important parts of the ordinance, and stressed that an inventory should be done.

Mayor Esteves inquired what the time period was for the education section. If adopted, the program could start right away, with the first two residential neighborhoods, and in the plan for trying to plant 500 trees. Staff noted the ordinance would become effective 30 days after adoption. Mayor supported the "greening" of Milpitas with trees.

City Engineer Greg Armendariz noted the City could delay implementation of the hardscape portion of the ordinance to allow plenty of time for the education program, perhaps for two years, for example.

Councilmember Polanski suggested the Council move forward with the ordinance, and put it out six to nine months (implementation of the hardscape section) for education before any enforcement or penalties would begin.

The City Attorney provided options on ordinance adoption and implementation timelines.

Motion: direct the City Attorney to revise the ordinance as requested, deleting some of the penalties and allowing a lengthy period for public education, then return to the City Council at the next meeting

Motion/Second: Councilmember Polanski/Councilmember Giordano

Public comment

Isaac Hughes addressed the Council about making decisions, on speaking in public, about the City Attorney, and on Councilmembers announcing their position on voting on this matter before any members of the public had commented on it. Three minutes was not enough time for public participation, he felt.

Motion carried by a vote of: AYES: 5
NOES: 0

RESOLUTIONS

One resolution was adopted on the Consent Calendar.

BIDS AND CONTRACTS

Three items were adopted on the Consent Calendar.

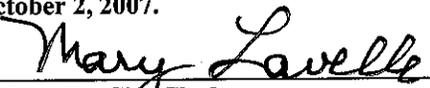
CLAIMS AND DEMANDS

One item was adopted on the Consent Calendar.

ADJOURNMENT

Mayor Esteves adjourned the Council meeting adjourned at 9:17 PM.

The foregoing minutes were approved by the Milpitas City Council as submitted on October 2, 2007.



Mary Lavelle, City Clerk