

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY- -JANUARY 20, 2015- -6:00 P.M.

Mayor Spencer convened the meeting at 6:00 p.m.

Roll Call – Present: Councilmembers Daysog, Ezzy Ashcraft, Matarrese, Oddie and Mayor Spencer – 5.

Note: Councilmember Ezzy Ashcraft arrived at 6:01 p.m. and Councilmember Daysog arrived at 6:07 p.m.

Absent: None.

The meeting was adjourned to Closed Session to consider:

(15-034) Conference with Legal Counsel – Anticipated Litigation; Initiation of litigation pursuant to subdivision (c) of Section 54956.9; Number of cases: Three (As Plaintiff - City Initiating Legal Action)

Following the Closed Session, the meeting was reconvened and Mayor Spencer announced direction was given to staff.

Adjournment

There being no further business, Mayor Spencer adjourned the meeting at 6:51 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Sunshine Ordinance.

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -JANUARY 20, 2015- -7:00 P.M.

Mayor Spencer convened the meeting at 7:01 p.m. The Fire Chief led the Pledge of Allegiance.

ROLL CALL - Present: Councilmembers Daysog, Ezzy Ashcraft, Matarrese, Oddie and Mayor Spencer – 5.

Absent: None.

AGENDA CHANGES

(15-035) Mayor Spencer stated that she would like the First Quarter Financial Report of the Joint CC/SACIC meeting to be heard on February 3rd.

Vice Mayor Matarrese stated he is concerned about pushing items to the next meeting and would like to wait until the decision to move items needs to be made.

Mayor Spencer stated in the interest of time, she would like to start with the Joint meeting because an outside auditor is present.

The City Clerk stated the auditor has not arrived yet.

Mayor Spencer stated that she would like to address the Council Referrals after the first four resolutions on the Regular Agenda, and then, hear the rental housing issue [paragraph no. 15-051].

Councilmember Ezzy Ashcraft stated that she would not like to change the agenda; members of the public may not have arrived yet if items are moved; agendas are published ahead of time for the public to economize their time.

Mayor Spencer stated moving the Council referrals to the top of the meeting was a prior agreement from the last meeting.

Councilmember Ezzy Ashcraft stated there are many people present for the Alameda Point items.

Mayor Spencer requested input from other Councilmembers.

Councilmember Daysog stated that he is fine with the referrals staying at the end of meeting as long as they are addressed tonight.

Vice Mayor Matarrese suggested moving the commendation resolutions to the front of the agenda as there are lots of standing audience for the commendations.

Mayor Spencer inquired whether Council agrees to move the resolutions to the beginning.

Councilmember Oddie stated Council should move through the agenda as published.

Councilmember Daysog concurred with Councilmember Oddie; stated there should be no agenda changes.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(15-036) The Housing Authority Program Manager provided handouts and reviewed the Housing Rehabilitation Program and opening of the Section 8.

Councilmember Ezzy Ashcraft inquired whether assistance is available for those not technically savvy.

The Housing Authority Program Manager responded in the affirmative, stated 15 partners are available to assist people in completing the forms.

ORAL COMMUNICATIONS, NON-AGENDA

(15-037) Tim Scates, Golf Commission, stated that the tower at the Golf Course has not been used for 15 years; urged it to be demolished and removed.

Mayor Spencer inquired whether staff could follow up, to which the City Manager responded in the affirmative.

(15-038) Kurt Peterson, Alameda, stated a development item is on the agenda and should not move forward without a traffic plan in place; the cart is being put ahead of the horse.

(15-039) Ken Peterson, Alameda, expressed concern over Council disregarding requirements in ordinances; cited the Del Monte issue as an example; stated the Del Monte ordinances were passed illegally and there is no contract.

CONSENT CALENDAR

Mayor Spencer announced final passage of the ordinance [paragraph no. 15-042] was removed from the Consent Calendar for discussion.

Vice Mayor Matarrese moved approval of the remainder of the Consent Calendar.

Councilmember Ezzy Ashcraft seconded the motion, which carried by unanimous voice vote – 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*15-040) Minutes of the Special and Regular Meetings Held on December 16, 2014. Approved.

(*15-041) Ratified bills in the amount of \$2,951,104.22.

(15-042) Ordinance No. 3119, "Approving a Lease and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of a Lease with Wrightspeed, Inc., a Delaware Corporation, for Seven Years with Two Additional Five-Year Options and an Opportunity to Purchase Building 41 Located at 650 West Tower Avenue at Alameda Point." Finally passed.

Stated solar collectors on the building would collect 20,000 mega watt hours (MWH) of electricity; suggested use of thermal collectors be considered: Ken Peterson, Alameda.

Councilmember Ezzy Ashcraft stated a press event was held today at Alameda Point regarding the signing of the lease; the current 150 employees will hopefully grow to 300; employees are renters who would like to live in the same city in which they work; the focus is on getting the adjacent Site A development going.

Councilmember Ezzy Ashcraft moved final passage of the ordinance.

Vice Mayor Matarrese seconded the motion.

Under discussion, Mayor Spencer clarified that the motion pertains strictly to Wrightspeed and does not include Site A.

On the call for the question, the motion carried by unanimous voice vote – 5.

REGULAR AGENDA ITEMS

(15-043) Resolution No. 15000, "Appointing Bruce Edwards as Member of the Pension Board." Adopted.

Vice Mayor Matarrese moved adoption of the resolution.

Councilmember Ezzy Ashcraft seconded the motion, which carried by unanimous voice vote – 5.

The City Clerk administered the Oath of Office and presented a Certificate of Appointment to Mr. Edwards.

(15-044) Resolution No. 15001, "Commending Alameda Fire Department Chief Michael D'Orazi for His Contributions to the City Of Alameda." Adopted.

Vice Mayor Matarrese moved adoption of the resolution.

Councilmember Oddie seconded the motion, which carried by unanimous voice vote – 5.

Mayor Spencer read the resolution and presented it to Chief D'Orazi.

Chief D'Orazi made brief comments.

(15-045) Resolution No. 15002, "Commending Alameda Division Chief Daren Olson for His Contributions to the City of Alameda." Adopted.

Vice Mayor Matarrese moved adoption of the resolution.

Councilmember Ezzy Ashcraft seconded the motion, which carried by unanimous voice vote – 5.

Mayor Spencer read the resolution and presented it to Division Chief Olson.

Division Chief Olson made brief comments.

(15-046) Resolution No. 15003, "Commending Alameda Fire Department Division Chief Matthew Tunney for His Contributions to the City of Alameda." Adopted.

Councilmember Oddie moved adoption of the resolution.

Vice Mayor Matarrese seconded the motion, which carried by unanimous voice vote – 5.

Mayor Spencer read the resolution and presented it to Division Chief Tunney.

Division Chief Tunney made brief comments.

(15-047) Presentation on Status Report of Environmental Conditions and Clean-up at Alameda Point.

Peter Russell, Russell Resources, gave a Power Point presentation.

Outlined his activity on the Restoration Advisory Board (RAB); expressed concern for hidden clean-up costs; urged the City Attorney to be careful to prevent lawsuits against the City; Kurt Peterson, RAB.

Introduced RAB members; stated it is important for the City to understand future liabilities; informed the public of an annual Navy tour of the clean-up sites; Susan Galleymore, RAB.

Councilmember Ezzy Ashcraft inquired the date of the next tour, to which Ms. Galleymore responded the RAB is setting the date for June or July.

Mayor Spencer announced the next RAB meeting and encouraged anyone interested to attend.

Councilmember Oddie stated the City Council should stay in the loop on clean-up plans; the Site 2 Investigation Report and Feasibility Study comment period will be released in February; one of the criteria is community acceptance; that he recommends a discussion with staff and Dr. Russell about alternatives in February.

Councilmember Daysog stated the Bayport community also went through clean-up approvals by federal agencies and the Department of Toxic Substances Control (DTSC); the lesson from Bayport is that Council has to be vigilant and step in when necessary.

Vice Mayor Matarrese stated that he was the Alameda Reuse and Redevelopment Authority (ARRA) Board liaison to the RAB from 2006 to 2010 and was able to provide comments and questions on Records of Decisions (ROD); that he recommends the Council assign a RAB liaison to report back to the successor organization for Council questions, directions, and comments on the Navy's clean-up activity.

Mayor Spencer announced a City Council meeting is scheduled for tomorrow to discuss the process for Council Referrals; inquired who should be contacted if someone has a specific concern regarding clean-up safety at Alameda Point.

The Chief Operating Officer – Alameda Point responded the point person on environmental issues at Alameda Point is Derek Robinson of the Navy; folks could also contact her; provided contact information.

Councilmember Ezzy Ashcraft inquired whether the public would have access to areas that are not cleaned up to a level that is considered safe.

The Chief Operating Officer – Alameda Point responded in the negative; stated the Navy is very careful about liability; if an area is not fenced off, it is considered safe; if an area is actively being cleaned up, the Navy would restrict the area.

Dr. Russell added that imminent threats are cleaned up immediately; stated some areas of active clean up may be fenced off for construction hazards rather than contamination hazards.

(15-048) Presentation on Site A Development at Alameda Point, Including Initial Development Concept.

The Chief Operating Officer - Alameda Point gave a Power Point presentation.

Joe Ernst, Alameda Point Partners (APP), made brief comments and David Israel, BAR Architects, gave a Power Point presentation.

Councilmember Daysog inquired about the design in terms of honoring the military town history emulating medieval fortress cities with curving winding roads; stated that he is interested in preserving the built environment and the residential design is linear; suggested incorporating curving feature.

Mr. Israel responded the design is not completely homogenous; the designs are conceptual to test block sizes and potential densities and are not intended to be resolved designs at this point; the design respects the precise plan direction to continue the urban grid that exists throughout greater Alameda; keeping the reminder of the Navy origin is important; pathways are meandering.

Mayor Spencer stated questions should be clarifying; inquired whether one of the two circles would not be preserved, to which Mr. Israel responded in the affirmative; stated removing half of the circle is proposed at this time.

Councilmember Daysog clarified his question is to what extent can the narrow pedestrian paths be included in the design.

Councilmember Oddie requested an outline of what the Chief Operating Officer – Alameda Point would be reporting back to Council in coming months and what other opportunities the public would have to provide input.

The Chief Operating Officer – Alameda Point responded tonight's meeting is to kick off the initial concept; staff will take comments from tonight's meeting and present a more formal development plan application to the Planning Board on January 26th; staff will come back to the Council in February to provide an update on the development plan application; in March, Council will provide high level policy feedback; April will be the last chance for the Council to weigh in before the Planning Board hears the recommendations; then the matter would return back to the Council in May; a schedule is attached to the staff report and a website has been created to inform the public of workshops and other opportunities to provide input; social media and email distributions are additional forms of outreach; three open houses are planned, one of which would include a walking tour.

Councilmember Daysog inquired the division between owner-occupied and renter-occupied units.

Mr. Ernst responded approximately 75% of the project, including the affordable housing, are rental units, and 25% owned.

Mayor Spencer inquired whether the 25% affordable housing units are apartments, to which Mr. Ernst responded the affordable housing would be a combination of apartments and townhome units.

Mayor Spencer inquired whether the percentage of affordable housing units could be

higher.

Mr. Ernst responded there are very precise funding mechanisms for the affordable housing; stated other funding opportunities would have to be evaluated; that he could report back on the matter later.

Mayor Spencer inquired the purchase and rental prices for the affordable housing units, to which Mr. Ernst responded that he cannot present price information at this point.

In response to Mayor Spencer's inquiry, Mr. Ernst stated the pricing is market-based and information would be shared with the Council as it is developed.

Mayor Spencer inquired whether the plan contemplates housing for new employees coming to Alameda Point, rather than existing employees and residents.

Mr. Ernst responded the project is a true mixed-used project that presents opportunities for people who already work and live in Alameda, as well as providing opportunities for new companies wanting to locate at Alameda Point.

Mayor Spencer inquired the total anticipated cost for the Sports Complex, to which the Chief Operating Officer – Alameda Point responded \$20 million.

Councilmember Daysog stated data indicates there are a lot more rental units in the West End with a desire for more ownership.

Mayor Spencer stated Councilmember Daysog's comments can be discussed later and asked for only clarifying questions.

Councilmember Ezzy Ashcraft inquired how the Council gives direction to the Planning Board regarding the Development Plan.

The Chief Operating Officer – Alameda Point responded because of the tight timeline and desire to keep the process moving, staff will present tonight's comments to the Planning Board orally, or incorporate the comments in the staff report if time permits; hopefully the Planning Board will approve the Development Plan in April to allow the Council to approve the Disposition and Development Agreement (DDA) in May.

Vice Mayor Matarrese inquired whether there is a density bonus application relevant to the project, to which the Chief Operating Officer – Alameda Point responded the project is 800 homes; stated the land is the City's and the Council can create a cap on the 800 units.

Vice Mayor Matarrese stated it is critical to resolve the ordinance issues of what bonus can be granted.

The Chief Operating Officer – Alameda Point concurred; stated staff is aware of the

situation.

Stated housing is needed to fund the project; discussed the need for rental housing: Kari Thompson, Chamber of Commerce.

Outlined the need for rental housing: Angela Hockabout, Alameda Renters Coalition.

Discussed development being done without relying on money from housing, energy creation and storage to supplement the project, and desalination plant: Ken Peterson, Alameda.

Stated infrastructure issues prevented other developers from being interested; expressed concern over attracting new businesses and retaining existing businesses; stated the Chamber supports the project and the developer: Michael McDonough, Chamber of Commerce.

Read a letter submitted by Brian Shook: Bryan Graves, Bladium.

Expressed support for APP; stated a transit oriented community would be an improvement; the project plans for the future;: Casey Sparks, Alameda.

Discussed the history of Alameda Point and the Community Reuse Plan; expressed support for Alameda Point being broken into more manageable parts; outlined desired elements included in the first development; urged support: Helen Sause, Alameda Home Team.

Expressed support for the Site A development and excitement for Alameda being on the front page of the San Francisco Business Times; stated APP is a dream team: Karen Bey, Alameda.

Expressed support for the development; discussed affordable housing and transit planning: William Smith, Renewed Hope.

Expressed concern over APP and its past project in Emeryville, specifically the traffic congestion; urged renderings be accurate; expressed concerned over the Sea Plane Lagoon dredging and cleanup costs: Kurt Peterson, Alameda.

Inquired where children in the 800 housing units would go to school: Barbara Rasmussen, Alameda.

Stated that he is pleased with APP's proposal; transportation is key at Alameda Point and can work; he supports the project moving forward: Jon Spangler, Alameda.

Councilmember Ezzy Ashcraft requested information on the Seaplane Lagoon dredging issue.

The Chief Operating Officer – Alameda Point responded the Navy has performed dredging and removed significant cubic yards of sediment from the two corners of the Seaplane Lagoon; the sediment was scanned for radioactive material and disposed appropriately; the areas have been cleaned up to the expected standards; light switches have residual luminescent paint; the institutional control for the site requires dredging to have a sediment management plan which would apply to the light switches.

Councilmember Ezzy Ashcraft inquired where children would go to school at the project site.

The Chief Operating Officer – Alameda Point responded staff has been and will continue to have dialogue with the School District; stated the developer is required to pay capital fees to the State to fund construction of new schools; a 20-acre site is owned by the School District, which could be the site of a new school; the EIR addresses the availability of nearby schools.

In response to Councilmember Oddie's inquiry regarding the completed Transportation Demand Management (TDM) plan, the Chief Operating Officer – Alameda Point stated staff is not putting the cart before the horse; staff did not want a developer to propose their own TDM plan, but wants a plan that considers the entire Base; the project's TDM plan provides incentives for people to get out of their cars and use other modes of transportation; the TDM plan is very detailed and includes a budget related to all the different programs; every developer would be required to provide a TDM Strategy which complies with the City's overarching TDM plan; creating day-one strategies and attracting the right type of people to the development is a key approach; requiring developers to pay for transportation services is very cutting-edge.

Vice Mayor Matarrese stated that he would like to retain the ellipse at the gateway where the plane sits; stated the City should insure or anticipate costs of remediation at Alameda Point to prevent the City from being held liable; dredging will be needed at the Sea Plane Lagoon for a ferry; that he would like to give direction to the Planning Board and Transportation Commission to review the transportation load of the project as a whole with development already in the General Plan.

Councilmember Daysog stated it is important to look at the housing tenure arrangement and understand the fiscal impacts of the way in which the tenure is established; Alameda has a serious housing situation; the Site A housing should be looked at as a flow of services that deals with evolving needs of residents; APP is the right choice as the developer; with the history of social instability and school closures, the project would be a stabilizing force for the West End; fiscal impacts dealing with long term obligations and ongoing municipal services, as well as transportation, are all important issues.

Councilmember Oddie stated that he is excited to move forward with the project; to protect, save, and attract new business, it is critical to resolve infrastructure issues at Alameda Point; encouraged the public to talk to developer; stated in the end, Alameda will have a project the community will be proud of; he is concerned with the owner-

tenant ratio and interested to hear more and sees reuse as positive.

Councilmember Ezzy Ashcraft stated the community wants connectivity and continuity; the plan and design is well thought out with an eclectic mix of job creation; that she loves the three types of park space; the project is a great opportunity and infrastructure issues will be addressed; the project has an ambitious schedule; encouraged public to get involved; stated the right development partners were chosen; Council still has to give the developer guidance but should not micromanage.

Mayor Spencer thanked the community, City staff and the developer; stated she supports historical protection and would like to keep the ellipse, the jet and the road names; having accurate drawings in presentations is important; that she prefers green developments and reuse of materials as much as possible to meet goals in reducing greenhouse gas emissions; she is concerned about cumulative impacts on transportation; she would like to see more information on how to address a natural disaster and more fiscal analysis; she is interested in knowing the budget for the entire project and the impact on City services long term; she would also like to see a breakdown of the housing ratio and price range of the rents.

Vice Mayor Matarrese inquired whether the property is a City transfer of public property to a private development entity to develop using the standards laid out by the Specific Plan, to which the Chief Operating Officer – Alameda Point responded in the affirmative; stated the developer will transfer the public right-of-ways back to the City.

In response to Vice Mayor Matarrese's inquiry, the Chief Operating Officer – Alameda Point stated the developer would be required to develop the property subject to the terms of the DDA.

Vice Mayor Matarrese inquired whether Council will receive a briefing on the finances included in the Development Agreement, to which the Chief Operating Officer – Alameda Point responded in the affirmative; stated staff did a fiscal impact analysis as part of previous entitlement efforts and is in the process of updating the fiscal model for the project; some financial issues may come before the Council in Closed Session to protect the City's interests.

Mayor Spencer requested a cumulative fiscal impact report which addresses Alameda in its entirety.

In response to Councilmember Daysog's inquiry, the Chief Operating Officer – Alameda Point stated staff will talk to the developer about the sensitivity and impacts of the housing tenure mix and will report back to the Council.

Mayor Spencer stated that she would like to see the type of housing Alameda currently has and the new types being proposed for the project; the ownership ratio should be higher; she would like more information on how the City will address rising rents; she is interested in a higher percentage of affordable housing.

(15-049) Public Hearing to Identify Housing and Community Development Needs for the Community Development Block Grant (CDBG) Annual and Five-Year Plans and Approve the Community Needs Statement as Recommended by the Social Service Human Relations Board.

The Housing Authority Program Manager provided a revised Exhibit 3; gave a Power Point presentation.

Councilmember Ezzy Ashcraft left the dais at 10:22 p.m. and returned at 10:24 p.m.

(15-050) Councilmember Daysog moved approval of considering the remaining agenda items.

Vice Mayor Matarrese seconded the motion, which carried by unanimous voice vote – 5.

Councilmember Ezzy Ashcraft inquired whether any of the proposals capture the young adults who have aged out of the foster care system.

The Housing Authority Program Manager responded in the affirmative; stated the young adults are captured in both the Affordable Housing and Public Services categories; staff kept the categories and priorities vague in order to have flexibility; priorities are revisited annually.

In response to Councilmember Ezzy Ashcraft's inquiry regarding homeless veterans, the Housing Authority Program Manager stated the Veterans Administration works with one of the Housing Authority's service providers; stated addressing chronic homelessness is one of the goals for the County as a whole.

Vice Mayor Matarrese requested the Alameda Police Department (APD) services be integrated into the implementation of services funded by the grants.

The Housing Authority Program Manager responded many of the service providers work with APD, including the Family Violence Law Center and Building Futures for Women and Children.

Mayor Spencer opened the Public Hearing.

Stated that she came from Building Opportunities and might end up returning in order to not become homeless again; outlined the need for senior and veteran housing; noted her income prevents her from being eligible for Section 8, but she cannot afford market

rate rent; urged continued funding for Midway Shelter: Jennifer Bowlin, Alameda.

There being no further speakers, Mayor Spencer closed the Public Hearing.

Councilmember Daysog inquired whether it is possible to continue with the transition from 120% to 80% area median income (AMI), but have a dispensation with regard to age.

The Housing Authority Program Manager responded the first point actually includes 30% AMI and 50% AMI for rentals; stated any of the points can be made more specific to prioritize seniors.

In response to Mayor Spencer's inquiry, the Housing Authority Program Manager stated the update is for the 5-year plan; staff comes to Council every year with the Needs Statement to address issues that need refining.

Mayor Spencer inquired whether staff can keep track of whose needs are being met, to which the Housing Authority Program Manager responded in the affirmative.

Councilmember Ezzy Ashcraft moved approval of the staff recommendation with the staff revisions.

Councilmember Daysog seconded the motion, which carried by unanimous voice vote – 5.

(15-051) Report from the Alameda Rental Housing Community Discussion Group and Request for Council Direction Concerning Various Proposals.

The Community Development director made brief comments.

Jeff Cambra, Angela Hockabout, Alameda Renters Coalition (ARC), and Don Lindsey, representing landlords, gave a presentation.

(15-052) Vice Mayor Matarrese moved approval of continuing the meeting past 11:00 p.m.

Councilmember Ezzy Ashcraft seconded the motion, which carried by unanimous voice vote – 5.

Councilmember Ezzy Ashcraft inquired how the group would deal with the issue of tenants choosing to remain anonymous due to fear of retaliation.

Ms. Hockabout responded renters do not have enough support to be empowered and use the services available; stated the organization was created to provide emotional

and practical support to renters to help them become more educated consumers; it would be helpful if City staff comes back with recommendations to make a stronger Rent Review Advisory Committee (RRAC); it is important to work together cooperatively to decrease the exorbitant rent increases.

In response to Councilmember Ezzy Ashcraft's inquiry, Mr. Lindsey stated retaliation is not legal and renters should not keep a rent increase a secret; renters should go to the RRAC, the owner, ECHO Housing, or City Council to have a rent issue resolved; encouraged owners to stay involved; stated peer pressure also works.

In response to Councilmember Oddie's inquiry, the Community Development Director explained the RRAC process; stated a rent increase complaint form is available on the Housing Authority website; the RRAC meets once a month and meetings are scheduled as cases arise; the tenant and property owner are invited to the meeting to present their side of the story; the RRAC makes suggestions; often times, the recommendations are accepted; the RRAC does not deal with maintenance or fair housing issues, only rent increases.

Councilmember Oddie inquired what happens if the issue is not resolved by the RRAC.

The Community Development Director responded there is an opportunity for either party to come before the Council; the Council is asked to write a letter to the owner to uphold the RRAC recommendation; letters are not typically complied with; the tenant can resort to other remedies.

In response to Councilmember Oddie's inquiry, Mr. Cambra stated approximately 12 to 14 tenants came forward with rent increases; that he does not have the statistical data on the percent of increase.

Stated the RRAC supports the request; reviewed the RRAC membership: David Perry and Royal Roberts, RRAC.

Stated that he is a landlord of 366 units; reviewed increasing costs to maintain buildings: Erik Johnson.

Stated the issue arises whenever there is a market surge; urged the measures be implemented: Garfield Kincross, ARC.

Discussed reasons for rental increases: Doyle Saylor, ARC.

Stated 10% is too great an increase for most renters; the RRAC should have increased enforcement: Jason Buckley, Alameda.

Submitted information; discussed rental increases: John Sullivan, San Leandro.

Discussed construction costs; expressed concern over rent control: Ken Gutleben,

Alameda.

Stated peer pressure would work best: Bruce Carnes, Alameda.

Expressed support for the recommendation: Barbara Rasmussen, Alameda.

Submitted rental survey results; expressed support for the renters' coalition: Laura Thomas, Renewed Hope.

Discussed ECHO Housing; stated rent increases are effective before going to the RRAC; discussed retaliation; provided ECHO's contact information: Marjorie Rocha, ECHO Housing.

Stated rent control has tried and failed in every case; provided an example; stated renovations would not occur under rent control: David Howard, Alameda.

Expressed support for the recommendations: Anne DeBardeleben, Alameda Association of Realtors.

Expressed support for creating a Task Force to study data: Rasheed Shabazz, Alameda.

Stated people should not be faced with a 30% rent increase without any living condition changes; expressed support for the recommendation: Jon Spangler, Alameda.

Stated the Council has a larger responsibility than making decisions on a case by case basis; ARC has started a process, but the Council needs to represent tenants; urged creation of some rent control measures: Brian McGuire, Alameda.

Expressed concern over repeated rent increases; urged the City Council to study the matter; suggested setting a 2% rent increase: Amy Hui, Alameda.

The City Manager clarified that staff is requesting direction from the Council on the type of data that needs to be collected and how to proceed with the proposals; staff will return to the Council to report how long action and deliverables will take.

Councilmember Ezzy Ashcraft stated that she is impressed the community group found middle ground; she does not think the community group had the needed resources to answer the questions posed in the September staff report; the impacts of rent control are premature; there are no term limits on the RRAC; she would like to explore the proposals and wait to adopt them until more is known; she is still troubled that tenants are hesitant to speak up; more data is needed.

Councilmember Oddie stated that he is glad tenants and owners are collaborating; the community group has a path forward to form the foundation for a model mediation process; encouraged the group to keep moving forward with Mr. Lindsey as enforcer;

state there is a connection between the housing stock shortage and rent control; that he does not want Alameda to turn into downtown San Francisco full of tech people; one short term objective is collection of data; he would like staff to recommend a quantitative analysis of rent control as a tool to maintain stable rents and affordable housing; some type of just cause eviction needs to be evaluated; the hearing process should include only the parties, not attorneys; a mechanism should be built in for a continuance; percentage should be re-evaluated ensuring not to prohibit anything under the percentage from being reviewed; notices should include language regarding tenant rights and that retaliation is illegal.

Councilmember Daysog stated that he reviewed a range of data; discussed ways to strengthen the six points raised; gave a Power Point presentation regarding rental households.

Vice Mayor Matarrese moved approval of having staff bring back an implementation plan for applying the five principles to the RRAC.

Mayor Spencer seconded the motion.

Vice Mayor Matarrese amended his motion to include having staff gather the necessary data to answer the questions posed in September staff report and use the Alameda Rental Housing Community Discussion Group as a resource.

Mayor Spencer retracted her second.

Councilmember Ezzy Ashcraft seconded the motion.

Mayor Spencer stated that she has been a renter in Alameda for 15 years and has a good relationship with her landlord; she strongly supports the first part of the motion; the Alameda Rental Housing Community Discussion Group completed their task and now it is the Council's turn to take action; she feels the 10% increase is too high, but would entertain 5%.

Vice Mayor Matarrese amended the motion to move approval of the five consensus points, with direction for staff to come back with an implementation plan in parallel with taking input from the working group, and recommendations to come back to Council on the sixth point.

Councilmember Oddie seconded the motion.

Mayor Spencer inquired whether the motion would allow the five points to move forward without the sixth, to which Vice Mayor Matarrese responded in the affirmative; stated that he does not want to delay moving forward.

Councilmember Ezzy Ashcraft stated a tenant should not be subsequently barred from challenging an increase if they fail to appear at an RRAC hearing.

Councilmember Oddie stated that he read the point to mean the bar only applies to the current rent increase, not future increases.

Councilmember Ezzy Ashcraft requested the City Attorney make language in the Notice user friendly; suggested staff talk with other cities that have similar provisions in place; suggested the matter come back in after a specific period of time.

Councilmember Daysog stated that he would like to see Council spell out a range of possible implementations; if the capacity of the RRAC to deal with rent increases is not improved, the situation will be worse because expectations are raised, yet operations have not improved; suggested business license fees be part of the motion.

Mayor Spencer stated Councilmember Daysog's request would be an amendment to the motion.

Vice Mayor Matarrese stated if Council gives direction to staff to come back with an implementation plan, he assumes staff will refine the points as part of the plan; he specifically did not indicate a due date and would like to wait for the city Manager to indicate when the tasks can be accomplished.

Mayor Spencer stated that she hopes Council can come to an agreement that will not require a lengthy process; concerned about license fee increases; stated that she would rather have more volunteers on the RRAC.

Councilmember Daysog inquired whether Council wants to send the plan to the RRAC.

Mayor Spencer responded Council would direct staff to communicate with the RRAC directly.

The City Manager stated staff's response could be published in 90 days; the data issue and cost to collect data would be reviewed; staff could move forward with the five points.

Mayor Spencer inquired how much time is needed to address the five points, to which the City Manager responded 90 days; stated staff will work with the community group to continue the work.

In response to Mayor Spencer's inquiry, the City Manager stated staff will come back to Council with a short report on the consultant and costs to collect data before 90 days.

Mayor Spencer stated the data collection is a separate issue; that she would like to focus on the five points.

The City Manager stated addressing the five points would take 90 days; staff will come back to the Council with options on data collection before 90 days.

Mayor Spencer stated staff could collect data once the five points are implemented; requested the motion be restated.

The City Clerk stated the motion is to approve the five consensus points, which would come back with an implementation plan in parallel with taking input from the working group, and recommendations would come back to Council on the sixth point.

Vice Mayor Matarrese concurred with the City Clerk's restatement of the motion.

Councilmember Ezzy Ashcraft stated staff will determine the percentage on point six.

The City Manager stated staff will come with a proposal on point six, but ultimately, point six will be a policy determination by the Council.

On the call for the question, the motion carried by unanimous voice vote – 5.

Mayor Spencer inquired whether the data issue should be revisited at this point, to which Vice Mayor Matarrese responded in the affirmative; stated the next motion would be to ask staff to prepare a report that answers the questions posed in the September staff report, gathering the necessary data to support the answers.

Mayor Spencer stated the response from staff is that a consultant would be needed to gather the data.

Councilmember Ezzy Ashcraft added staff would also contact other jurisdictions with similar ordinances in place.

Vice Mayor Matarrese stated the amount of data needed could rapidly inflate; rather than a report, staff could come back with an estimate of what it might cost to answer each question; Council can revisit and refine so that the questions can be prioritized and stay within a budget.

Mayor Spencer stated Councilmember Daysog's presentation already provides some information; other sources provide information, including a survey; comments can be submitted to Council and staff to support the work.

The City Manager clarified that the data selected will determine the policy decision; stated that he does not want staff to step into a policy choice; what Council chooses to collect is a policy decision.

Vice Mayor Matarrese stated it may be helpful to get an analysis of what Council should discuss; Council could make an informed decision about what data is needed if a public education of what the landscape would look like is provided.

The City Manager concurred; stated that is exactly what staff would like to do.

Mayor Spencer stated she wants to look forward; data collected would be based on the system that Council is trying to change; there needs to improvement with more focus on how to resolve cases moving forward.

Vice Mayor Matarrese stated the same end can be accomplished; Council still needs to know the landscape moving forward.

Councilmember Ezzy Ashcraft stated the four questions from September staff report are important and helps Council know the current state of the residential rental market so appropriate solutions can be instituted to address concerns; the key question is the state of the residential rental market in Alameda

Mayor Spencer stated there are next to no rentals available.

Councilmember Ezzy Ashcraft stated staff did a nice job of putting the report together succinctly; that she would like to add age as another category of consideration.

Mayor Spencer stated staff is already overburdened.

Vice Mayor Matarrese moved approval of directing staff to provide an analysis of the questions raised in the September City Council report and identify the potential costs of data gathering.

Councilmember Oddie seconded the motion, which carried by the following voice vote: Ayes: Councilmembers Ezzy Ashcraft, Matarrese and Oddie – 3. Noes: Mayor Spencer – 1. Abstentions: Councilmember Daysog – 1.

Mayor Spencer stated the reason she voted no because answers to questions have already been provided and she would like staff to be more focused on more productive issues.

Following Councilmember Oddie's comment, Mayor Spencer continued to explain her no vote; stated the focus should be on moving forward; issues need to go to RRAC; she supports the RRAC and community amicably resolving rent increase issues; the first motion addressed what changes need to be made to the RRAC; staff was directed to review the Municipal Code.

(15-053) Mayor Spencer requested staff inform the Council which items need to be heard tonight; suggested continuing remaining items due to the late hour.

The Assistant City Manager stated the Vavrinek contract [paragraph no. 15-056] and the Audit [paragraph no. 15-068 CC/15-002 SACIC] on the joint meeting need to be heard tonight; requested the audit be heard next as an outside consultant is present.

Mayor Spencer inquired whether there needs to be a formal procedure to hear and continue items.

The City Clerk responded the Mayor call the next item.

Councilmember Ezzy Ashcraft stated Council can move through the items quickly.

Councilmember Oddie expressed concern that the referral items have already been continued from the last meeting; stated that he hesitates continuing the referrals a second time.

Mayor Spencer stated that she prefers to get to the agenda items that need to be heard tonight.

Councilmember Daysog inquired whether items can be continued to the Special City Council meeting already scheduled for tomorrow.

The City Attorney responded the technical language of the Brown Act and the Sunshine Ordinance allow Council to continue items to the Special meeting.

In response to Mayor Spencer's inquiry, the Assistant City Manager stated staff prefers if the Vavrinek contract and audit be heard tonight, and the remaining items be continued to tomorrow's Special Meeting.

Councilmember Ezzy Ashcraft moved approval of hearing the Audit Report on the joint meeting agenda [paragraph no. 15-068 CC/15-002 SACIC] next.

Mayor Spencer seconded the motion, which carried by unanimous voice vote – 5.

Mayor Spencer called a recess to convene the joint meeting at 1:06 a.m. and reconvened the meeting at 1:23 a.m.

(15-054) Recommendation to Accept the Quarterly Sales Tax Report for the Period Ending September 30, 2014 Collected During the Period April 1, 2014 to June 30, 2014. (Continued to February 3, 2015)

(15-055) Recommendation to Accept the Treasury Report for the Quarter Ending September 30, 2014. (Continued to February 3, 2015)

(15-056) Recommendation to Authorize the City Manager to Execute a Professional Services Agreement between the City and Vavrinek, Trine, Day and Co., LLP (VTD) for Two Years with Three - One Year Extensions for a Total Amount Not to Exceed \$703,460 for Independent Auditing Services.

Councilmember Ezzy Ashcraft stated the City has had the same independent auditor for

24 years and getting new blood in is good; approving the contract also saves the City approximately \$32,000 over five years.

Councilmember Ezzy Ashcraft moved approval of the staff recommendation.

Vice Mayor Matarrese seconded the motion, which carried by unanimous voice vote – 5.

(15-057) Mayor Spencer inquired what Council thinks about addressing the balance of the agenda.

Councilmember Daysog suggested continuing the referrals to tomorrow; stated Council will be fresher and the public will be better served.

The City Attorney inquired whether staff and Council agree to continue all remaining referrals to the Special Meeting on January 21st.

Mayor Spencer responded the referrals should go first; other items that cannot wait could also be discussed tomorrow.

In response to Councilmember Daysog's inquiry, the City Attorney stated there should be a motion to continue items to a specified date.

The City Manager stated the quarterly reports [paragraph nos. 15-054, and 15-067 CC/15-001 SACIC] and the bond report [paragraph no. 15-058] could be continued to February 3, 2015.

Councilmember Daysog moved approval of continuing the remaining items [the Council Referrals and Council Communications Item] to the Special Meeting on January 21st, except for the quarterly reports and the bond report.

Mayor Spencer clarified Council Referrals and Council Communications are being continued to January 21st.

Councilmember Oddie seconded the motion, which carried by the following voice vote: Ayes: Councilmembers Daysog, Ezzy Ashcraft, Oddie and Mayor Spencer – 4. Noes: Vice Mayor Matarrese – 1.

Mayor Spencer stated the January 21st meeting would convene at 6:30 p.m. in the Council Chambers.

(15-058) Recommendation to Accept Report on Sale of Successor Agency to the Community Improvement Commission of the City of Alameda 2014 Bonds. (Continued to February 3, 2015)

CITY MANAGER COMMUNICATIONS

None.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL REFERRALS

(15-059) Consider Directing Staff to Conduct a Study to Review Suggestions to Provide Relief for Traffic on Island Drive. (Councilmember Oddie) (Continued to January 21, 2015)

(15-060) Consider Directing Staff to Conduct a Consultant Study to Determine the Feasibility for a Wetland Mitigation Bank at Alameda Point. (Councilmember Oddie) (Continued to January 21, 2015)

(15-061) Consider Directing Staff to Install Flashing Pedestrian Crosswalk Signs at Two Locations: 1) Maitland Drive and Mecartney Road, and 2) Mecartney Road and Belmont Place. (Councilmember Oddie) (Continued to January 21, 2015)

(15-062) Consider Directing Staff to Collaborate with East Bay Regional Park District on Acquisition and Expansion of Crab Cove. (Councilmember Matarrese) (Continued to January 21, 2015)

(15-063) Consider Directing Staff to Create a Comprehensive Transit/Traffic Strategic Plan and Implementation Tool. (Councilmember Daysog) (Continued to January 21, 2015)

(15-064) Consider Directing Staff to Initiate Steps in Preparing a Structurally Sustainable General Fund Budget. (Councilmember Matarrese) (Continued to January 21, 2015)

(15-065) Consider Directing Staff to Re-establish the Economic Development Commission. (Councilmember Matarrese) (Continued to January 21, 2015)

COUNCIL COMMUNICATIONS

(15-066) Designation of a Voting Delegate and Alternate for the League of California Cities. (Continued to January 21, 2015)

ADJOURNMENT

There being no further business, Mayor Spencer adjourned the meeting at 1:28 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Sunshine Ordinance.

MINUTES OF THE SPECIAL JOINT CITY COUNCIL
AND SUCCESSOR AGENCY TO THE COMMUNITY
IMPROVEMENT COMMISSION (SACIC) MEETING
TUESDAY- -JANUARY 20, 2015- -7:01 P.M.

Mayor/Chair Spencer convened the meeting at 1:06 a.m.

Roll Call - Present: Councilmembers/Agency Members Daysog, Ezzy Ashcraft, Matarrese, Oddie and Mayor/Chair Spencer – 5.

Absent: None.

Oral Communications

None.

Agenda Items

(15-067 CC/15-001 SACIC) Recommendation to Accept the First Quarter Financial Report for the Period Ending September 30, 2014. (Continued to February 3, 2015)

(15-068 CC/15-002 SACIC) Recommendation to Accept the Fiscal Year 2013-14 Audited Financial Statements and Compliance Reports.

The Interim Finance Director gave a Power Point presentation.

Councilmember/Agency Member Daysog inquired whether the way in which the report was prepared is substantially different than past reports.

Grace Zhang, Maze and Associates, responded in the negative; stated reporting has been consistent.

Mayor/Chair Spencer stated the presentation was not online.

The Assistant City Manager stated the presentation is a summary and was not posted online.

Mayor/Chair Spencer stated that she prefers presentations be included in the packet so Council may see them in advance.

Vice Mayor/Agency member Matarrese stated there is revenue and expense information included in the presentation that was not in the staff report.

The Interim Finance Director explained staff became aware of the information as the

presentation was being prepared.

In response to Vice Mayor/Agency Member Matarrese's inquiry, the Interim Finance Director stated the disparity in the reserves is because revenues increased and expenses did not; in prior years, the percentage was already 30 to 35; the gain from this fiscal year brought the percent up to 40.

The City Manager stated staff predicted a growth of under 3%; 3.6% went into the reserves one year; this year at 8.1% after having projected 2.9%; at the same time, employee cost sharing for healthcare and pensions began; there were cuts in costs at the same time as an unexpected growth in revenue.

In response to Vice Mayor/Agency Member Matarrese's inquiry, the Interim Finance Director stated part of the amount is unrestricted, but part is restricted by previous Council actions.

The City Manager stated staff manages a lot of other funds; pension and Other Post Employment Benefits (OPEB) must be characterized.

Vice Mayor Matarrese stated clarification is important for the public and Council to understand the mid-year budget.

The City Manager stated a systematic approach to the next budget will begin in March to reach a two-year budget resolution in early June; the issues will be decanted in significantly greater detail.

Councilmember/Agency Member Daysog stated a key component driving the \$29 million reserve is a one-time sale of property.

Vice Mayor/Agency Member Matarrese stated one-time events cannot be relied upon for operating expenses.

Mayor/Chair Spencer stated a recent presentation at a conference showed Alameda County Cities unfunded OPEB liabilities as a percentage of their General fund; the range was 7% to 140% and Alameda was at 140%.

Councilmember/Agency Member Ezzy Ashcraft moved approval of the staff recommendation.

Vice Mayor/Agency Member Matarrese seconded the motion, which carried by unanimous voice vote – 5.

The City Attorney noted that the First Quarter Financial Report [paragraph no. 15-067 CC/15-001 SACIC] could not be continued to tomorrow's meeting as it was not noticed as a joint meeting; the matter could be continued to the next Joint meeting.

Adjournment

There being no further business, Mayor/Chair Spencer adjourned the meeting at 1:23 a.m.

Respectfully submitted,

Lara Weisiger, City Clerk
Secretary, SACIC

The agenda for this meeting was posted in accordance with the Sunshine Ordinance.