

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
WEDNESDAY- -JULY 5, 2017- -6:00 P.M.

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

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

[Note: Vice Mayor Vella arrived at 6:03 p.m. and Councilmember Ezzy Ashcraft arrived 6:05 p.m.]

Absent: None.

The meeting was adjourned to Closed Session to consider:

(17-412) Conference with Legal Counsel – Anticipated Litigation; Initiation of Litigation Pursuant to Subdivision (c) of Section 54956.9 of the Government Code; Number of Cases: Two (As Plaintiff – City Initiating Legal Action). One case was not heard.

Following the Closed Session, the meeting was reconvened and Mayor Spencer announced that regarding one case of Anticipated Litigation, direction was given to staff to bring an action and to further disclose information.

Adjournment

There being no further business, Mayor Spencer adjourned the meeting at 7:11 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
WEDNESDAY- -JULY 5, 2017- -7:00 P.M.

Mayor Spencer convened the meeting at 7:21 p.m. and led the Pledge of Allegiance.

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

Absent: None.

AGENDA CHANGES

(17-413) Mayor Spencer proposed moving up the cannabis referral [paragraph no. 17-438] to be heard earlier.

Councilmember Matarrese stated Council has already heard the general part of the referral; staff has stated the item will return to Council as a report.

Mayor Spencer stated she is hopeful Council will hear the item tonight.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(17-414) Presentation by the Oakland International Airport on Anticipated Air Traffic during the Closure of Runways Number 12 and 30 for Maintenance (Tentatively September 4 to September 18, 2017) and Fleet Week (October 2 to October 9, 2017).

Hugh Johnson, Oakland International Airport, gave a Power Point presentation.

ORAL COMMUNICATIONS, NON-AGENDA

(17-415) Sharon Golden, Alameda Island Cannabis Community, urged Council to hear the cannabis referral [paragraph no. 17-438] at tonight's meeting.

(17-416) Ken Peterson, Alameda, spoke about the sound during meetings and an anti-bullying program.

CONSENT CALENDAR

Mayor Spencer announced that the West Coast Arborist contract [paragraph no. 17-422] and assessor dwelling unit ordinance [paragraph no. 17-430] were removed from the Consent Calendar for discussion.

Councilmember Ezzy Ashcraft moved approval of the remainder of the Consent Calendar.

Councilmember Matarrese seconded the motion, which carried by unanimous voice

vote – 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*17-417) Minutes of the Special and Regular City Council Meetings and Joint City Council and Successor Agency to the Community Improvement Commission Meeting Held on June 6, 2017. Approved.

(*17-418) Ratified bills in the amount of \$3,345,569.36.

(*17-419) Recommendation to Accept the Quarterly Sales Tax Report for the Period Ending March 31, 2017 Collected During the Period October 1, 2016 to December 31, 2016. Accepted.

(*17-420) Recommendation to Authorize the City Manager to Execute a First Amendment to the Agreement with the Alameda County Fire Department Regarding the Regional Emergency Communication Center and Fire Dispatch Services Extending the Term by Five Years With a Total Not to Exceed \$1,976,729. Accepted.

(*17-421) Recommendation to Approve the First Amendment to Services Provider Agreement with Nossaman LLP, a California Corporation, that has been Providing the City with Grant-Seeking, Writing, and Active Lobbying Since 2014. Accepted.

(17-422) Recommendation to Award a Five Year Contract for an Amount Not to Exceed a Total Five Year Expenditure of \$8,264,931.69 to West Coast Arborists, Inc. for Citywide Urban Forest Maintenance Services, No. P.W. 04-17-25.

Vice Mayor Vella stated the City Manager informed her the total expenditure includes extending the contract for an additional four years; inquired whether the golf fund is being included in the financing, how much of the funds would be used and if the maintenance of the trees at the golf course would be included in the funds.

The City Engineer responded the funds include the trees in the golf course area, as well as other work.

Vice Mayor Vella inquired how much of the golf funds will go towards the trees.

The City Engineer responded he would have to review the numbers.

The City Manager stated the funding will be prorated by the number of trees.

Vice Mayor Vella inquired whether the City has a contractor that is paid to maintain the golf course; does the contract not include maintenance of the trees.

The City Engineer responded he does not have information on the contract.

The City Manager stated the trees are probably under the City's jurisdiction.

Vice Mayor Vella requested clarification; stated there have been questions in the past about funds being used for items not relevant to the golf course.

Councilmember Ezzy Ashcraft inquired whether the matter is time sensitive.

The City Manager responded in the affirmative.

Councilmember Ezzy Ashcraft stated she would like to hear more information from staff.

The Assistant City Manager stated staff will look into the inquiries by Vice Mayor Vella and return later in the meeting with the answers.

Stated the amount indicated in the contract is \$9,600; the agreement is for the strip of property adjacent to the golf course; the contract is not for golf course maintenance, it is for around the golf course: Joe Van Winkle, Alameda.

Mayor Spencer moved approval of the staff recommendation.

The motion FAILED due to lack of a second.

The City Manager inquired whether Council would like to make a motion to consider the item towards the end of the meeting.

Councilmember Ezzy Ashcraft inquired whether the Assistant City Manager has a preference about when to address the item further down on the agenda.

Mayor Spencer requested the item be moved after the cannabis referral.

Councilmember Ezzy Ashcraft moved approval of hearing the item after the end of the regular agenda.

Councilmember Matarrese seconded the motion.

Under discussion, Mayor Spencer stated the motion is to move the item in front of the cannabis referral.

Councilmember Matarrese clarified the motion is to move the West Coast Arborists, Inc. item to the end of the regular agenda, which would be after the Teleport Communications of America item.

On the call for the question, the motion carried by the following voice vote: Ayes: Councilmember Ezzy Ashcraft, Matarrese, Oddie and Vella – 4. Noes: Mayor Spencer – 1.

(*17-423) Recommendation to Award a Five Year Contract for an Amount not to

Exceed a Total Five Year Expenditure of \$1,331,693.33, Including Contingencies, to LandCare USA for Landscape Maintenance of Median Strips and Special Areas (Citywide), No. P.W. 03-17-23. Accepted.

(*17-424) Recommendation to Accept the Work of Ray's Electric for the Park Street Pedestrian Safety Project. Accepted.

(*17-425) Recommendation to Authorize the City Manager to Negotiate and Execute a Contract in the Amount of \$257,203 with Systems and Space Inc. for Renovation of the Police Department Locker Rooms; and

(*17-425A) Resolution No. 15285, "Amending the Fiscal Year 2017-18 Police Grants Fund Budget." Adopted.

(*17-426) Resolution No. 15286, "Approving the Final Map and Accepting the Dedications and Easements for Parcel Map 10600 (Building 40, Bladium, at Alameda Point)." Adopted.

(*17-427) Resolution No. 15287, "Approving Continued Participation in the Alameda County HOME Consortium and Authorizing the City Manager to Execute the HOME Consortium Cooperative Agreement with Alameda County." Adopted.

(*17-428) Ordinance No. 3182, "Amending Ordinance 3850 Approving and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of an Amended and Restated Lease with Bay Ship and Yacht Corporation to Clarify the Parties Obligations, Modify the Leased Premises and Adjust Rent Payments for the Tideland Property Located at 2900 Main #2100 and Surrounding Area." Finally passed.

(*17-429) Ordinance No. 3183, "Amending the Alameda Municipal Code by Amending Chapter XXX (Zoning Ordinance) to Add Shared Living to the Definitions and the Commercial Districts, including Approval of a Use Permit in the Neighborhood Business, Central Business, and Community Commercial Districts. The Amendment Allows a Proposed Shared Living Project at 1629 Webster Street." Finally passed.

(17-430) Ordinance No. 3184, "Amending the Alameda Municipal Code by Amending Chapter XXX (Zoning Ordinance) to Modify Regulations Pertaining to Accessory Dwelling Units (ADU) and Related Rules to Comply with State Law (Second Units)." Finally passed.

Stated he is not against increasing available housing, but he would like to preserve the state of Alameda; he is concerned with the aesthetic appeal of Alameda and traffic; expressed concern with not having a design review process: Charles Hurt, Alameda.

Expressed concern with 1,200 square feet being excessive: Steven Aced, Alameda.

Stated there should be a design review process for ADUs; public input is needed: David

Baker, Alameda.

Urged ADUs be limited to 600 square feet; stated that he is concerned with traffic and density in Alameda: Scott Brady, Alameda.

Stated that he is not opposed to the ADU ordinance; suggested the limit be set at 600 square feet; expressed concern with the way the ordinance is written with regards to design: Erich Stiger, Alameda.

Expressed concern for parking, traffic and open space with the addition of ADUs: Renata Frey, Alameda.

Expressed concern over the affordability of ADUs; requested the square footage of ADU's be limited to allow for more affordable housing: Nancy Hird, Alameda.

Expressed concern over parking with the addition of ADU's; requested the limit of AUDs be set at 600 square feet: Nancy Gordon, Alameda.

Urged the limit be 600 square feet for ADUs; stated eliminating design review is not an option: Jim Smallman, Alameda.

Urged Council to require design review for all ADUs; stated the maximum should be 600 square feet; lack of parking is a big stressor in Alameda neighborhoods: Mary Jacak, Alameda.

Urged Council to keep the limit of ADUs to 600 square feet, except where the ADU is contained within the existing building envelope; expressed concern over the way the ordinance is written and not allowing for public notification and design review; stated the proposed language is subjective and needs to be more defined; all other local cities have more restrictive ADU maximums: Christopher Buckley, Alameda Architectural Preservation Society (AAPS).

Stated that she supports the new California law, which supports incorporating more affordable housing in Alameda; anything beyond 600 square feet should have input from neighbors: Marianne Bartholomew, Alameda.

Urged staff to review whether ADUs can be two stories and can be made of cinderblock: Rosemary McNally, Alameda.

Stated the ADU maximum should be 600 square; the design review process should apply to all ADUs: Doree Miles, Alameda.

Stated there should be a design review requirement; urged Council allow citizens to have notice and input: Joe VanWinkle, Alameda.

Stated there should be a limit of 600 square feet for ADUs: Dorothy Freeman, Alameda.

Urged Council to make the design review process a requirement for ADUs; stated the addition of ADU's offers many benefits for the people of Alameda: Alexandra Saikley, Saikley Architects.

Stated the issue is lack of parking; there should be a requirement for off street parking for ADUs: Donna Heagan, Alameda.

Councilmember Ezzy Ashcraft requested clarification on the 1,200 square foot maximum.

The Planning Services Manager responded that the State law sets the maximum of 1,200 square feet for an ADU; stated the requirement is less than 50% of the existing floor area of the main dwelling; in order to build a 1,200 square foot ADU, a house must be 2,400 square feet.

Councilmember Ezzy Ashcraft inquired whether the total of the first and second floor add up to 2,400 square feet or if the 1,200 square foot maximum is the total footprint of the lot.

The Planning Services Manager responded the total floor area; the gross floor area, not the footprint.

Councilmember Ezzy Ashcraft inquired about the percentage of lot coverage.

The Planning Services Manager responded the footprint of the ADU and the footprint of the main building, including any impervious surfaces, cannot be more than 50% of the total lot area.

Councilmember Ezzy Ashcraft inquired whether an ADU has a limit to the number of stories.

The Planning Services Manager responded detached ADUs must be one story, no taller than 15 feet to the peak of the roof and walls not more than 10 feet tall.

Councilmember Ezzy Ashcraft inquired whether a cinder block dwelling would be allowed.

The Planning Services Manager responded under the current language if a home is made of cinder block, then the ADU must be made of cinder block; the proposed language allows more flexibility.

Councilmember Ezzy Ashcraft inquired whether there are cinder block homes in Alameda.

The Planning Services Manager responded there might be a few; stated under the

proposed ordinance, staff would have the discretion to determine if a cinder block ADU would be appropriate using the City's design review manual.

Councilmember Ezzy Ashcraft requested clarification on whether or not a design review would be needed for all ADUs.

The Planning Services Manager responded there is still an architectural review process; stated the difference with the design review manual review is there is public notice, but no appeal process.

Councilmember Ezzy Ashcraft read an email from the Planning Services Manager which referenced the cities of Berkeley and Oakland allowing ADUs up to 75% of the existing floor area; stated Alameda is limiting the ADUs to no more than 50% of the floor area; inquired why the language in the proposed ordinance regarding materials is permissive and not mandatory.

The Planning Services Manager responded there are different standards for different situations; stated staff uses adjacent buildings to set a standard for how ADUs should look.

Councilmember Ezzy Ashcraft inquired what type of design review would be required to have an ADU built in the front yard.

The Planning Services Manager responded the proposed language states the ADU needs to mimic the existing main building.

Vice Mayor Vella inquired whether setback requirements still apply, to which the Planning Services Manager responded in the affirmative.

Vice Mayor Vella inquired whether staff will review the design of the building behind the proposed ADU.

The Planning Services Manager responded staff will always review adjacent properties.

Vice Mayor Vella inquired what the language: "must be subordinate to the footprint" means.

The Planning Services Manager responded subordinate means smaller; the maximum size requirement states an ADU cannot be more than 50% of the footprint.

Vice Mayor Vella inquired whether a 1,200 square foot ADU could be built if the total square footage of a building is 2,400, but the ground floor is 1,200 square feet, and the property has enough permeable square footage and surfaces.

The Planning Services Manager responded in the negative.

Vice Mayor Vella inquired whether there is information on how many properties in Alameda will be ineligible due to lack of permeable surfaces.

The Planning Services Manager responded that staff does not have said data; stated staff did a review; in Alameda only 15% of the homes are large and are on Harbor Bay Island but do not have space to accommodate an ADU; some units at Bayport and newer developments, like TriPointe and Marina Cove, have strict design guidelines pertaining to the development of an ADU.

Councilmember Oddie inquired whether the 15% is based only on square footage, to which the Planning Services Manager responded in the affirmative.

Councilmember Oddie inquired whether the ADU has to be subordinate, to which the Planning Services Manager responded in the affirmative.

Councilmember Oddie inquired whether the 15% is probably an inflated percentage.

The Planning Services Manager responded in the affirmative; stated the maximum size is only one item on a list of development standards.

Councilmember Oddie inquired how many of the 15% of larger homes in Alameda currently have ADUs.

The Planning Services Manager responded that there are currently no ADUs on the 15% of larger homes.

Councilmember Oddie inquired whether staff has an idea how many of the 15% would be eligible to have a 1,200 square foot ADU based on the property size or permeable surface.

The Planning Services Manager stated there is no data on the details of what people have in their homes.

Councilmember Oddie inquired how the City can address parking under the new State law.

The Planning Services Manager responded State legislature provides a number of situations where cities cannot require parking, one of which is if the ADU is located within a half mile from public transit.

Councilmember Oddie inquired whether the design manual is stricter than the proposed ordinance; stated the City is not supposed to make the guidelines unduly burdensome.

The Planning Services Manager responded the design guidelines are intended to support and expand on the ordinance; the ordinance broadens the language and flexibility.

Councilmember Oddie inquired whether if someone could build a modular ADU on Grand Street.

The Planning Services Manager responded in the negative.

Mayor Spencer inquired whether the City ordinance could require more design review than is currently being proposed; and whether more homes would be allowed to build ADUs without design review.

The Planning Services Manager responded design review by staff always occurs; stated if the proposed design meets the ordinance guidelines, there will not be the procedural design review process, which requires public notification; stated the City could insert a design review process.

Mayor Spencer inquired whether the City could require public notice for all proposed ADUs 600 square feet and over and still be in compliance with State law.

The Planning Services Manager responded in the affirmative; stated that would be reverting back to the current ordinance.

Mayor Spencer inquired whether said requirement would still be in compliance with the State law.

The Planning Services Manager responded in the affirmative.

Vice Mayor Vella inquired what the cost is between a publicly noticed design review versus an internal staff design review.

The Planning Services Manager responded if the requirements are not met, a project would require a use permit, which is \$1,600, and design review, which is also \$1,600.

Vice Mayor Vella inquired whether staff considers permeable surfaces and the setbacks as part of the design review process, to which the Planning Services Manager responded in the affirmative.

Councilmember Oddie inquired whether the City can require an affordability restriction.

The Planning Services Manager responded any requirement regarding affordability would be considered burdensome; stated if the City introduces requirements that are not in the State legislation, there might be legal concerns.

Councilmember Ezzy Ashcraft inquired whether someone with an old dwelling behind their home could come to the City with a proposal to convert it into an ADU.

The Planning Services Manager responded it could be possible if there is only the main

unit and one other unit on the property; stated the proposal would need to meet all of the guidelines.

Councilmember Matarrese stated design review can occur for every ADU, which provides a certain amount of protection; by right, anything up to 600 square feet requires a ministerial design review; anything larger than 600 square feet should require public notification and public input on the design review; anything visible from the street should be subject to design review.

Councilmember Ezzy Ashcraft read from Government Code Section 65852.150; stated ADUs provide additional rental housing stock at a lower cost; the City Council and staff care about the appearance of Alameda; not just anyone can build an ADU, there are restrictions in place; she supports the ordinance.

Vice Mayor Vella stated that she has concerns with the 600 square foot limit; 600 square feet will not allow for universal design of an ADU to make it fully accessible; putting a 600 square foot limit punishes people who would like to care for family members or age in place; if the ADU is in the front or side yard, she would consider a limit under 1,200 square feet; she would not want to put the number too far below 1,000 square feet for public notice.

Mayor Spencer asked Vice Mayor Vella to think about whether 750 square feet for requiring notice is sufficient.

Councilmember Oddie stated that he feels comfortable with the City's current design standards and staff's ability; the City should not interfere with people and their property; he appreciates the input from AAPS; he supports the current ordinance the way it is written.

Mayor Spencer stated that she cannot support the ordinance as written; she would like to require public notice to the neighbors at a lower square footage.

Vice Mayor Vella stated that she would like the limit to require notice to be around 850 square feet; the architects she spoke to indicated 850 square feet would fit a universal design aspect.

Councilmember Matarrese moved approval of the existing text of the ordinance, with amendment to have anything greater than 600 square feet require notice, and design review will be conducted regardless, if any ADU is visible from a public street; ADUs must meet the design guidelines.

Councilmember Oddie inquired whether said changes can be made and still qualify for a second reading.

The City Attorney responded in the affirmative.

Mayor Spencer seconded the motion.

Under discussion, Councilmember Ezzy Ashcraft stated that she cannot support the motion she does not want to limit the ability to apply the universal design ordinance; allowing people to age in place is important to her.

Councilmember Matarrese stated there is no evidence that universal design is precluded in a 600 square foot limit.

Councilmember Oddie stated he would like to hear back from staff in 6 to 8 months to see if changes need to be made.

On the call for the question, the motion failed by the following voice votes: Ayes: Councilmember Matarrese and Mayor Spencer – 2. Noes: Councilmember Ezzy Ashcraft, Oddie and Vice Mayor Vella – 3.

Vice Mayor Vella moved approval of the language as is, with adding a requirement to return to Council in 6 months to provide an update on the status of applications and laws being passed in neighboring jurisdictions.

The City Attorney requested clarification on whether the request to return to Council is being added as part of the ordinance or just as direction to Council.

Vice Mayor Vella responded the request is direction to staff.

Councilmember Ezzy Ashcraft seconded the motion which carried by the following voice vote: Ayes: Councilmember Ezzy Ashcraft, Oddie and Vice Mayor Vella – 3. Noes: Councilmember Matarrese and Mayor Spencer – 2.

REGULAR AGENDA ITEMS

(17-431) Resolution No. 15288, “Reappointing Anto Aghapekian as a Member of the Commission on Disability Issues.” Adopted;

(17-431A) Resolution No. 15289, “Appointing Jennifer Barrett as a Member of the Commission on Disability Issues.” Adopted;

(17-431B) Resolution No. 15290, “Reappointing Lisa Hall as a Member of the Commission on Disability Issues.” Adopted;

(17-431C) Resolution No. 15291, “Reappointing Ron Taylor as a Member of the Golf Commission.” Adopted;

(17-431D) Resolution No. 15292, “Appointing Joseph Van Winkle as a Member of the Golf Commission.” Adopted;

(17-431E) Resolution No. 15293, “Appointing Amber Bales as a Member of the Library Board.” Adopted;

(17-431F) Resolution No. 15294, “Appointing Cynthia Silva as a Member of the Library Board.” Adopted;

(17-431G) Resolution No. 15295, “Appointing Travis Wilson as a Member of the Library Board.” Adopted;

(17-431H) Resolution No. 15296, “Appointing Dorothy Wismar as a Member of the Library Board.” Adopted; and

(17-431I) Resolution No. 15297, “Appointing Laura Palmer as a Member of the Transportation Commission.” Adopted.

Councilmember Oddie moved adoption of the resolutions.

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

The Assistant City Clerk administered the oath of office and presented the certificates of appointment to Ms. Barrett, Ms. Hall, Mr. Taylor, Mr. Van Winkle, Ms. Silva, and Ms. Wismar.

Mayor Spencer called a recess at 9:03 p.m. and reconvened the meeting at 9:07 p.m.

(17-432) Public Hearing to Consider Introduction of Ordinance Amending the Disposition and Development Agreement (DDA) between Alameda Point Partners, LLC and the City of Alameda for Site A at Alameda Point. Introduced.

The Base Reuse Director gave a Power Point presentation.

Councilmember Oddie inquired whether the developer will have financing if Council approves the ordinance.

The Base Reuse Director responded as of today, the City does not have a feasible financing plan with the developer; the developer can answer questions from Council; continued presentation.

Mayor Spencer stated the developer is in default, inquired why staff is not addressing the issue of finance.

The City Manager responded the developer has until August 9th to come up with a financial plan; stated the DDA has other options for the developer.

The Base Reuse Director stated the finances depend on the land uses; there is no financial plan without a land use plan; all development plan changes affect the bottom line; continued the presentation.

Councilmember Oddie inquired where the teacher housing would be located.

The Base Reuse Director highlighted the location of the teacher housing on the diagram; stated there are 70 units for teacher housing, which are moderate income, deed restricted housing for employees of Alameda Unified School District (AUSD).

Councilmember Oddie inquired what is the difference in commercial square footage in the 2015 plan versus the revised plan.

The Base Reuse Director stated there is no change.

Mayor Spencer inquired where the teacher housing comes from; stated she would like to hear from staff.

The Base Reuse Director responded the School District would help finance the units with rental income and would issue Certificate of Participation to finance debt; the agreement is between the School District and the developer as a way to use public financing to help finance moderate income units.

Mayor Spencer inquired whether 25% of the 800 units are below market rate.

The Base Reuse Director responded in the affirmative.

Mayor Spencer inquired whether the 25% is the 200 units.

The Base Reuse Director responded in the affirmative.

Mayor Spencer stated the first plan allowed any person in the City to be eligible for below market units; inquired whether the proposal limits the below market units to AUSD employees only.

The Base Reuse Director responded 70 units will be through the School District.

Mayor Spencer inquired whether the 70 [School District] units are in addition to the 200 units.

The Base Reuse Director responded in the negative; stated the 70 units are a part of the 200 units.

Mayor Spencer inquired whether the AUSD employees need to currently live in Alameda to be eligible.

The Base Reuse Director responded that she is unsure of the details; stated the deal has not been finalized; details can still be worked out.

Mayor Spencer inquired whether the people on the Housing Authority list would be given priority for the 200 units or if the 70 units will be different.

The Base Reuse Director responded it is different than it was previously contemplated; 70 units will be restricted to the AUSD employees.

Councilmember Ezzy Ashcraft inquired whether the intent of the proposed AUSD housing is to address the issue of AUSD having a hard time hiring teachers who cannot afford to live in Alameda.

The Base Reuse Director responded that she cannot speak for AUSD, but her understanding is that the housing is for new teachers and all AUSD employees.

Mayor Spencer inquired whether all new teachers and AUSD employees are currently eligible to apply to the Housing Authority.

The Base Reuse Director responded in the affirmative; stated anyone who meets the qualifications for moderate income units can apply; continued the presentation.

Councilmember Oddie inquired whether there is a guarantee that the City will receive an extra \$4 million.

The Base Reuse Director responded the project will be deferred to Phase 3; stated if Phase 3 of the project does not close, the City will not receive the money; stated there is a risk.

Councilmember Oddie inquired would the City will not receive the \$4 million if the City closes on the deal and finds out the deal will not happen a week later,.

The Base Reuse Director responded if Phase 3 does not close, the City will not receive the \$4 million; stated the staff report explains the risk; under the previous DDA, \$5 million would have been received under Phase 1; under the new DDA, \$4 million will not be received until Phase 3; if the developer does not close, the City will not receive the \$4 million, which is a risk.

Councilmember Oddie inquired if the project does not go through after the developer owns the land, could the developer sell the land and bank the money without fulfilling the commitment to the sports complex project.

The Base Reuse Director responded the developer would own Phase 1 and Phase 2, but would not own Phase 3 without paying the \$4 million; stated there are strict requirements to perform under infrastructure; the City could use remedies under the DDA; if the developer defaults on Phase 1, the City can call on the surety bonds and perform the work.

Mayor Spencer inquired how many homes would be built under Phase 1 and Phase 2.

The Base Reuse Director responded 800 homes.

Mayor Spencer inquired whether all the profit for Phase 1 and Phase 2 could go to the developer and the City could be left without Phase 3 being built.

The Base Reuse Director responded under the current DDA, Phase 3 does not include housing.

Mayor Spencer inquired whether Phase 3 is only commercial and no housing.

The Base Reuse Director responded in the affirmative; stated there is no housing in Phase 3.

Vice Mayor Vella inquired what is the risk to the housing plan in the event the housing does not get built.

The Base Reuse Director responded there will be less housing supply and affordable housing; stated the changes are necessary to move the project forward.

Vice Mayor Vella inquired what would happen if the housing requirement is split between Phase 1 and 2.

The Base Reuse Director responded Alameda Point units are not currently in the housing plan.

Councilmember Ezzy Ashcraft inquired whether not going forward with the proposed Phase means Alameda will not receive affordable housing units.

The Base Reuse Director responded in the affirmative; continued the presentation.

Mayor Spencer inquired whether having the developer pay \$50,000 per acre to have an extension includes \$10 million for the ferry or is in addition to the \$10 million.

The Base Reuse Director responded the \$10 million is in addition only if the developer does not complete 50% of the infrastructure; stated the amount is credited once the developer completes 50% of infrastructure.

Mayor Spencer inquired whether there is no penalty as long as the developer satisfies the infrastructure requirement.

The Base Reuse Director responded in the affirmative; stated there are two ways to cure the developers default; the developer is paying for their cure period.

Mayor Spencer requested clarification; inquired whether the developer is not paying additional money to extend, but would the money paid in advance would be credited

when the infrastructure is complete.

The Base Reuse Director responded the money is credited when the developer finishes 50% of the infrastructure.

Mayor Spencer inquired whether the City would not receive new money; and whether money would be paid early and credited when the infrastructure is done.

The Base Reuse Director responded \$150,000 pays for the City's transaction costs.

Mayor Spencer stated the money is to offset costs that the City is bearing.

Vice Mayor Vella inquired what are the cost and timing of the infrastructure.

The Base Reuse Director responded the cost is approximately \$43 million for infrastructure; the total cost for Phase 1 is \$80 million; the timing is the developer has to start construction on infrastructure within 30 days of close.

Vice Mayor Vella inquired whether there are any infrastructure costs that the City will be responsible for in the event that the project does not go through.

The Base Reuse responded in the negative; stated there are performance bonds if the developer defaults.

Mayor Spencer inquired if the performance bonds are per phase.

The Base Reuse responded in the affirmative.

Mayor Spencer inquired whether Phase 1 and Phase 2 could be built with the 800 units of housing and there is no guarantee Phase 3 would be built.

The Base Reuse responded in the affirmative; stated the developer could not meet the requirements for Phase 3; continued the presentation.

Mayor Spencer inquired if Phase 3 is not built, how would the City receive the \$4 million.

The Base Reuse responded if the developer defaults on Phase 3, the City will not receive the infrastructure.

Mayor Spencer inquired whether the City could lose 80% of the money under the new proposal.

The Base Reuse responded in the affirmative; continued the presentation.

Mayor Spencer inquired what is the total number of market rate housing units for Phase

1.

The Base Reuse Director responded 674.

Mayor Spencer inquired whether 674 of the 800 units are a part of Phase 1, to which the Base Reuse Director responded in the affirmative.

Councilmember Ezzy Ashcraft inquired whether the housing is affordable housing by design.

The Base Reuse Director responded in the affirmative.

Councilmember Ezzy Ashcraft inquired whether the units are smaller and are priced accordingly.

The Base Reuse Director responded the developer has stated the units fall in the market rate pricing based on size; if the market value goes up, the unit price will go up.

Councilmember Ezzy Ashcraft inquired whether the development of more market rate housing is due to requests by Council.

The Base Reuse Director responded in the affirmative; stated there is also demand for smaller units in the current market; continued the presentation.

Vice Mayor Vella inquired why the infrastructure being expedited affects the Main Street neighborhood and Alameda Point Collaborative projects.

The Base Reuse Director responded both projects depend on infrastructure; stated the projects tie into the infrastructure.

Vice Mayor Vella inquired how the Main Street neighborhood and Alameda Point Collaborative projects would be affected if the Site A project does not go through.

The Base Reuse Director responded without Site A, the Main Street neighborhood and Alameda Point Collaborative projects would have to find a way to build infrastructure, such as a sewer line.

Vice Mayor Vella inquired whether both projects would have to be redone.

The Base Reuse Director responded other options would need to be reviewed; continued the presentation.

Councilmember Ezzy Ashcraft stated AUSD is a separate entity than the City; the City has no control over what AUSD does; inquired whether there is a Plan B if the School District project does not go through.

The Base Reuse Director responded a Plan B would require a discussion with other parties.

Mayor Spencer inquired whether AUSD is considering building housing on other property it owns at Alameda Point.

The Base Reuse Director responded in the affirmative.

Mayor Spencer inquired whether the current proposal would be in addition to other housing for AUSD employees, to which the Base Reuse Director responded in the affirmative.

Mayor Spencer inquired whether the people that are currently on the Housing Authority list will be bumped because they are not AUSD employees.

The Base Reuse Director responded in the affirmative; stated the process would prioritize AUSD employees and teachers.

Councilmember Oddie inquired where AUSD currently stands on the proposal.

The Base Reuse Director responded AUSD is currently reviewing the Site A proposal.

Councilmember Oddie inquired whether AUSD is on track to get the proposal done by closing.

The Base Reuse Director responded an extension could be done; stated AUSD is currently working on moving forward; continued the presentation.

Mayor Spencer inquired what Phase 3 would include under the new proposal.

The Base Reuse Director responded Phase 3 would include 500,000 square feet of commercial space.

Mayor Spencer inquired how many square feet of commercial space are in Phase 1 and 2.

The Base Reuse Director responded there is almost 200,000 square feet of commercial space in Phase 1 and Phase 2.

Mayor Spencer inquired what else is in Phase 3.

The Base Reuse Director responded a hotel is included in Phase 3.

Mayor Spencer inquired what else is part of Phase 1 and 2.

The Base Reuse Director responded there are promenade improvements, a park, retail

and infrastructure closer to the Enterprise District.

Mayor Spencer stated the presentation is very small; she would like the public to be able to see the slide; requested clarification regarding the deal with the U.S. Navy requiring focus on jobs, not housing.

The Base Reuse Director responded there is a 1,425 housing unit cap at Alameda Point.

Mayor Spencer inquired if 800 units of housing are built in Phases 1 and 2, and not Phase 3, would the City need to consider additional housing units in order to receive the commercial and the \$4 million for Phase 3.

The Base Reused Director responded staff received a proforma from the developer showing is commercial land values will be higher from the benefits of Phase 1.

In response to Mayor Spencer's inquiry about when commercial rates were higher, the Base Reuse Director stated commercial rates have gone up considerably in recent years.

Mayor Spencer stated commercial rates have never been higher; inquired what is the risk; stated the commercial phase only requires a stronger market than the current market.

The Base Reuse Director responded there will be higher value commercial uses due to the housing and amenities being provided in Phase 1.

Councilmember Ezzy Ashcraft inquired whether the estimates are on the conservative side.

The Base Reuse Director responded the Phase 3 commercial values are more on the aggressive side, not the conservative side; a financial consultant has reviewed the estimates.

Councilmember Oddie inquired whether Council could hear from the developer before the speakers.

Bruce Dorfman, Alameda Point Partners (APP), gave a brief presentation.

Mayor Spencer inquired whether the rent of the proposed apartments are guaranteed.

Mr. Dorfman responded in the negative.

Councilmember Ezzy Ashcraft inquired what the developer can do regarding the rent costs.

Mr. Dorfman responded the rents are set at levels which cover 100% of operating costs, principle interest on bonds and a reserve; the rental rates have been achieved before.

Mayor Spencer requested clarification about the developer not guaranteeing rental rates.

Mr. Dorfman stated there is no guarantee; rates are dependent on the market; the developer lays a foundation that allows for success.

Mayor Spencer inquired whether the developer is guaranteeing Phase 3 will be built.

Mr. Dorfman responded there is no guarantee.

Councilmember Ezzy Ashcraft inquired whether the developer has built the same types of projects in other jurisdictions and where.

Mr. Dorfman responded in the affirmative; stated San Mateo, Redwood City and Santa Clara.

Councilmember Ezzy Ashcraft inquired whether the projects are completed and up and running.

Mr. Dorfman responded in the affirmative; stated there is a track record.

Councilmember Ezzy Ashcraft inquired whether the project with AUSD is similar to the ones built in San Mateo, Redwood City and Santa Clara.

Mr. Dorfman responded the AUSD project is better because they can control the land and the infrastructure through the current phasing of the project; stated the infrastructure costs will be provided by the developer.

Councilmember Oddie inquired what the occupancy rate is for previous projects the developer has done for teacher housing; what is the plan if all the units are not rented by teachers.

Mr. Dorfman responded the vacancy has been virtually zero because the units are very under market; stated the infrastructure is important for the Main Street neighborhood to move forward; the project retains the commercial square footage; if the project does not move forward, the City foregoes the new ferry, 200 affordable housing units, thousands of local and high paying construction jobs, all the parks that are part of the plan, the revitalization of Site A, a \$500,000 sports complex payments and 600 units of market rate product.

Councilmember Oddie inquired whether the financing will be achieved.

Mr. Dorfman responded that he is confident the developer will receive the financing.

Councilmember Oddie inquired by what date.

Mr. Dorfman responded the developer is still in negotiations.

Mayor Spencer inquired if the financing is for all three phases.

Mr. Dorfman responded the financing is for Phase 1.

Mayor Spencer inquired whether the developer can obtain financing for Phase 2.

Mr. Dorfman responded that he is confident financing for Phase 2 residential components will be obtained; stated Mr. Ernst can speak to the commercial components.

Mayor Spencer inquired about financing for Phase 3.

Joe Ernst, APP, stated that he has financing partners; developing the amenities and commercial will create interest.

Mayor Spencer inquired whether Mr. Ernst is confident APP will have financing for Phase 2, including the commercial.

Mr. Ernst responded in the affirmative.

Mayor Spencer inquired whether Mr. Ernst is willing to guarantee that they will have financing.

Mr. Ernst responded there are no guarantees in the business.

Mayor Spencer inquired whether Mr. Ernst will have financing for Phase 3.

Mr. Ernst responded that he is confident the financing will be raised.

Mayor Spencer inquired whether Mr. Ernst will bond that he can get financing.

Mr. Ernst responded there is nothing to bond.

Mayor Spencer inquired whether Mr. Ernst can assure the City that the complete project will be built.

Mr. Ernst responded that his word and reputation are the assurance.

Mayor Spencer inquired whether there is any tool that can be offered to the City to guarantee that Phase 3 will be built.

Mr. Ernst responded the best guarantee to get Phase 3 built is to build Phase 2.

Mayor Spencer inquired whether any type of bond can be done, to which Mr. Ernst responded in the negative.

Stated that he supports the character of Mr. Ernst, his partners and the project: Mike Gaines, San Francisco.

Stated Alameda Point Site A will revitalize the area and provide much needed housing; the Carpenter's Union fully supports the project: Daniel Gregg, Carpenter's Union.

Stated Bay Ship & Yacht supports the project: Leslie Cameron, Bay Ship & Yacht.

Stated the project will employ thousands of people; the project will provide housing in Alameda: Jim Summers, DeSilva Gates Construction.

Stated that she supports the project; urged Council to move forward with the project: Kari Thompson, Alameda.

Stated that he is concerned the project might not go through; the project not going through affects businesses in the area and housing; the developer has proved himself time and time again; it is not fair to question his integrity; penalizing the developer for things out of his control is really penalizing the businesses out at the Base and the people that have waited 20 years to have development: Michael McDonough, Alameda Chamber of Commerce.

Stated that she supports the project; urged Council to move forward: Linda Asbury, West Alameda Business Association.

Stated that he voted for the project on the Planning Board; the developer should put up a bond or letter of credit to assure Phase 3 will be done: Ron Curtis, Alameda.

Strongly urged Council to support the project; stated the project will be a great employment opportunity for Alameda workers; development is a risky and uncertain business; if the project is not approved, the only certainty is the project will die and it will be years before anything moves forward: Andreas Cluver, Building Trades Council.

Stated that he supports the project; the infrastructure will make the area better; the current infrastructure is not first world infrastructure for the businesses and residences out at Alameda Point: Doug Biggs, Alameda Point Collaborative.

Stated AUSD is the lowest funded District in the County; there is difficulty recruiting and retaining teachers; 45% of AUSD employees said they cannot afford to live in Alameda; the cost to place housing on the land AUSD already owns would be double the cost for the Site A project; urged Council to move forward with the project: Anne McKereghan,

AUSD Board of Trustees.

(17-433) Mayor Spencer stated a motion is needed to consider the remaining items: the Animal Shelter lease [paragraph no. 17-435], the Teleport Communications lease [paragraph no. 17-436], the cannabis referral [paragraph no. 17-438], and the League delegate [paragraph no. 17-439].

Councilmember Matarrese moved approval of hearing all remaining items.

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

Stated the developer is putting up all the risk, not the City; not going forward with the project risks losing the ferry and affordable housing: Laura Thomas, Renewed Hope.

Stated that she supports the Site A development; if the developer succeeds, Alameda succeeds; urged Council to approve the project; stated the developer is a resident of Alameda and is committed to the project: Karen Bay, Alameda.

Stated the project will help other businesses at Alameda Point; expressed support for the project: JP Frey, Alameda Point Studios.

Councilmember Oddie stated the City has to decide whether to move forward with the developer or move on; the teacher housing created by the project is great; the commitment to labor and the jobs that will be created are critical; the risk is will the developer make the deadline and secure the financing; he is willing to trust the developer and support the project.

Councilmember Matarrese stated that he will support the project for following reasons: the project will create a substantial amount of infrastructure; the potential for affordable housing; he is willing to gamble on not receiving the \$4 million for the sports complex because it is off-set by the value added to the property by the infrastructure; he would like staff to ensure there is no right left to the developer if they cannot complete Phase 3; he would like the City to finish the commercial development; he does not want to be tied to the developer; he would like staff to plan for the failure of Phase 3 on behalf of the developer to be able to complete the commercial development.

Councilmember Ezzy Ashcraft stated she agrees with Mr. McDonough; questioned who is really being punished if the project does not go through; stated looking for a new developer will take too long; she would like to see the World War II infrastructure replaced; Alameda is in need of housing; markets are changing and the time to act is now.

(17-434) Mayor Spencer stated a motion is needed to continue past 11:00 p.m.

Councilmember Matarrese moved approval of continuing the meeting past 11:00 p.m.

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

Vice Mayor Vella stated there are risks; if Council votes against the project, the City will not receive all of the benefits, like infrastructure and the ferry; she is concerned for the feasibility of Phase 3 and the sports complex payment; she would like to work with staff to ensure the City meets the commercial goals; she is prepared to vote in support of the project.

Mayor Spencer stated the charge when the U.S. Navy gave the City the property was to replace 14,000 jobs; without the guarantee that Phase 3 will happen, Phase 1 and 2 are housing projects, not a job project; she will not support the project; the financing should be for all three phases; Alameda needs jobs; the property is the people's property and Alameda needs the commercial project.

Councilmember Matarrese moved introduction of ordinance amending the DDA between Alameda Point Partners, LLC and the City of Alameda.

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

Mayor Spencer called a recess at 11:03 p.m. and reconvened the meeting at 11:12 p.m.

The Assistant City Attorney requested clarified from Council that the vote is on the second amendment as amended.

Council responded in the affirmative.

(17-435) Introduction of Ordinance Approving a Lease with Friends of Alameda Animal Shelter. Introduced.

The City Manager stated the item is only an extension of the previous approval by Council; the second reading will happen in the next meeting.

Councilmember Matarrese moved introduction of the ordinance.

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

5.

(17-436) Introduction of Ordinance Approving a 15-Year Lease with Three Five-Year Extension Options with Teleport Communications of America, LLC for Conduit Space for One Innerduct Containing Fiber from the Intersection of Grand Street and Fortmann Way Across the Oakland Estuary to Coast Guard Island [Requires Four Affirmative Votes]. Introduced.

Councilmember Matarrese requested clarification for the audience.

The City Manager stated the conduit goes from the Island to Coast Guard Island and it requires approval by Council.

Councilmember Matarrese stated the item is essential for Coast Guard activity.

Councilmember Matarrese moved introduction of the ordinance.

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

(17- CONTINUED) Recommendation to Award a Five Year Contract for an Amount Not to Exceed a Total Five Year Expenditure of \$8,264,931.69 to West Coast Arborists, Inc. for Citywide Urban Forest Maintenance Services, No. P.W. 04-17-25.

The City Engineer responded to Vice Mayor Vella's questions regarding funding for the golf course contract; stated the trees within the golf course are being managed by an outside entity called Greenway; the golf funds can be used to maintain the trees that are adjacent to the golf course; if the City Council wants to remove the funds from the contract, General Fund money would be used instead.

Vice Mayor Vella inquired whether the amount is for the trees that are adjacent to the golf course.

The City Engineer responded in the affirmative.

In response to Vice Mayor Vella's inquiry regarding the amount, the City Engineer stated approximately \$20,000.

Councilmember Matarrese moved approval of adopting the contract, with clarification that approximately \$20,000 is allocated from golf fund to maintain trees adjacent to golf course.

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

CITY MANAGER COMMUNICATIONS

(17-437) The City Manager thanked the Coast Guard for help with 4th of July parade; stated Building 91, owned by Joe Ernst, is in line for becoming an organic malt cultivation facility, the building is being purchased for \$3 million, which starts the City's contribution for improving the infrastructure at Alameda Point.

Councilmember Matarrese requested an update on Public Utilities Board (PUB) local solar and Renewable Energy Credits (RECs).

The City Manager stated RECs are green credits that the City can sell to other companies that are not as green; the City has used the money for additional green efforts; the question at the next PUB meeting will be how to spend the approximately \$9 million; the City's previous goals are community solar; AMP is conducting a feasibility study on Mount Trashmore as a possible site for community solar.

Councilmember Matarrese inquired whether the feasibility study is currently underway, to which the City Manager responded in the affirmative.

Councilmember Matarrese inquired whether the REC funds will be allocated.

The City Manager responded direction will be given on how to allocate the funds.

Vice Mayor Vella inquired what is the timeline for the feasibility study.

The City Manager responded that she is unaware but she will find out.

COUNCIL REFERRALS

(17-438) Consider Directing Staff to Propose Regulations to Authorize Convenient and Safe Cannabis Businesses in Alameda. (Mayor Spencer)

Mayor Spencer made brief comments regarding the referral.

Councilmember Oddie requested an update from staff.

The City Manager stated the previous referral was medium priority due to the timeline for the State regulations; staff has held an internal workshop regarding cannabis and is going to have the consultant return to share information with Council tentatively set for the September 5th Council meeting; Council will address activities that should be regulated and policy planning; the City has until January 2018; the City's quality of life survey includes a question regarding opinions on cannabis.

Mayor Spencer stated that she would like to have dispensaries sooner rather than later.

Stated she is a patient and a potential business owner; she owns a topical cannabis

business; urged Council to allow cannabis in Alameda, which will allow for jobs and tax money: Melody Montgomery, Alameda.

Stated that she would like to ensure residents have access to medicine on the Island; she is concerned that the timeline will not streamline the process and will go beyond January 2018: Sharon Golden, Alameda Island Cannabis Community (AICC).

Urged Council to allow the referral to go through; stated three benefits are: sales tax, employment for community members and reducing traffic: Rich Moskowitz, Alameda.

Urged Council to allow the referral to go through; stated Alamedans should have safe access to cannabis on the Island: Amber Lopez, Alameda Safe Cannabis Access (ASCA).

Urged Council to support the cannabis referral and entrepreneurs in Alameda: Abel Hebtegeorgis, Alameda.

Urged Council to support residency requirements or preferences for cannabis business owners; stated allowing onsite consumption would discourage consumption on the streets: Mark Hersman, AICC.

Stated Alameda's cannabis business goes to Oakland and Berkeley; staying on the Island will help the community: Tim Anderson, Alameda.

Stated that he lost his aunt to cancer and cannabis helped her quality of life; there is cannabis access everywhere except Alameda; urged Council to not be behind San Leandro: Ryan Agabao, ASCA.

Stated cannabis can have a medical benefit; he supports the referral: Andrew Huntoon, Alameda.

Stated cannabis can help a range of illnesses; urged Council to lift the cannabis ban in Alameda: Juliet Lockwood, Alameda.

Stated that she uses cannabis to heal her ailments; cannabis will give Alameda financial stability: Doretha McPhatter, AICC.

Stated that she has not personally used cannabis in any form; her husband is a pancreatic cancer survivor and she attributes that to cannabis; urged Council to allow the referral to go through: Terri Golden, Alameda.

Councilmember Oddie requested clarification on the timeline regarding when the item can return to Council

The City Manager responded the item would return to Council September 5th.

Councilmember Oddie inquired whether there is commitment to have an analysis on September 5th; what would the steps be if the City decides it wants an ordinance to lift the ban on cannabis.

The City Manager responded staff envisioned bringing questions to Council at the September 5th Council meeting to help draft an ordinance; Council needs to address issues regarding whether retail dispensaries will be separate from cultivation, setbacks from schools and zoning.

Councilmember Oddie inquired whether the ordinance could be drafted by October 3rd and the second reading by October 17th.

The City Manager responded the timing depends on Council's direction on September 5th; stated taxation can only go on the November 5th, 2018 ballot; the City is already discussing the issue with consultants and testing the language for the November 2018 ballot; staff will have the information to Council in September.

Councilmember Oddie stated his preference is to get the ordinance drafted as soon as possible; all options should be evaluated.

The City Manager noted the original referral includes all the options; stated the current referral is more specific to dispensaries.

Councilmember Oddie inquired whether the request for the type of ownership could be part of the analysis that returns to Council; and whether the City could incentivize local ownership.

The City Manager responded said option will be discussed on September 5th; stated an option could be to allow two permits on the Island and have a criteria process; Council can direct staff.

Councilmember Oddie inquired whether staff will return with all of the questions that need to be addressed.

The City Manager responded the questions will address future regulations.

Councilmember Oddie inquired whether analysis could be done on onsite consumption.

The City Manager responded onsite consumption is not on the list; stated she will add it.

Councilmember Oddie stated revenue is an important factor.

The City Manager stated there are two revenue sources: a cost recovery recouped from the business and a tax that would be put on the ballot.

Councilmember Oddie stated Alameda needs to put itself in the position to benefit the

City and the residents.

Mayor Spencer inquired whether Councilmember Oddie would like to focus on the dispensaries and onsite consumption; stated the list is too long; she would like to break it into parts to address the dispensaries and onsite consumption first.

Councilmember Oddie responded the matter may not require an ordinance; he does not want to shut the door on any options.

Vice Mayor Vella requested clarification about whether the staff presentation in September will include adult recreational use, not just medical use.

The City Manager responded staff will include both.

Vice Mayor Vella stated everything tends to be on Alameda Point; inquired whether Council would be able to review mapping and proposals for zoning for possible locations; stated her concern is location and options.

The City Manager responded in the affirmative; stated staff needs direction from Council prior to providing possible locations; selection of a location will be difficult.

Vice Mayor Vella inquired what the impact will be on the work currently being done on Councilmember Oddie's referral if the ban is lifted.

The City Manager responded the consultants are reviewing the current medical marijuana ordinance and the State regulations, which will be part of the discussion in September.

Vice Mayor Vella inquired whether staff is also reviewing labor relative to businesses of certain sizes which cities can regulate further than State regulations.

The City Manager responded that staff is currently reviewing State regulations.

Councilmember Ezzy Ashcraft stated that she visited Harborside, which makes deliveries, the City is not cutting off patients who live in Alameda; regulations need to be put into place to ensure the City maintains local control; she understands the no smoking ordinance is silent on medical marijuana.

Councilmember Matarrese stated questions still need to be answered so he does not see a reason not to have the referral go forward as direction; he would like to ensure the City makes an informed decision using experience from other cities; he would like to take into account that cannabis is still illegal federally; inquired whether the industry is a cash industry, to which the City Manager responded in the affirmative.

Councilmember Matarrese stated the impacts of an all cash industry need to be reviewed.

Councilmember Oddie stated when staff comes back, he would like to see options and examples of what other cities are doing with regards to zoning.

Mayor Spencer stated her referral is very specific regarding including options like preferences for owner operators who currently live in Alameda, conditional zoning regulations and limiting the number of dispensaries; she would like the support of Council to give further directions and have staff provide specific options on September 5th and return by September 19th; she would like the process to move faster and not wait until January.

The City Manager responded that January is when the State regulations will take effect and recreational use becomes legal.

Mayor Spencer stated the City should be able to do the ordinance now and be prepared to go forward with recreational use in January; she does not want to wait until January to go forward with medical use; she would like to expedite the process.

Vice Mayor Vella inquired whether Mayor Spencer is asking to have medical dispensaries before January 2018.

Mayor Spencer responded that is what the City Manager stated.

The City Manager responded she understood Mayor Spencer is requesting medical dispensaries to come in before recreational use.

Mayor Spencer stated medical dispensaries are currently legal within the State; medical marijuana is available at dispensaries in other cities and not in Alameda; she does not want to wait until 2018 to discuss medical dispensaries; it is important to move forward with the medical portion now.

Vice Mayor Vella inquired what is Mayor Spencer's timeline; stated the referral addresses other options; she does not see anything in the language of the referral that prioritizes medical dispensaries.

Mayor Spencer responded since medical use is now legal, she would like to focus on proceeding with the medical aspect now.

Councilmember Oddie inquired whether a draft ordinance would be presented September 5th meeting; stated that he would like to have language for the Council to review.

The City Manager responded staff could bring examples from other cities to start.

Councilmember Oddie stated that he would also like direction from Council to be taken into account.

Councilmember Matarrese stated that he does not want a first reading on an ordinance just yet; the survey and polling are critical to understand the community's opinion; he would like to understand how to gauge the revenue and other things that go along with a cash economy.

Mayor Spencer moved approval of the referral, incorporating the comments from all Councilmembers.

Councilmember Matarrese seconded the motion as written in the referral.

Under discussion, Councilmember Ezzy Ashcraft stated Council has given staff a lot of direction and she does not see what a vote tonight will accomplish.

On the call for the question, the motion carried by the following voice vote: Ayes: Councilmember Matarrese, Oddie, Vella and Mayor Spencer – 4. Noes: Councilmember Ezzy Ashcraft – 1.

COUNCIL COMMUNICATIONS

(17-439) Designation of Voting Delegates and Alternates for the League of California Cities Annual Conference.

Mayor Spencer inquired who are the current delegates.

Councilmember Ezzy Ashcraft responded she is the delegate and Vice Mayor Vella is the alternate.

Mayor Spencer stated a motion is needed to decide the delegates for the League of California Cities Annual Conference.

Councilmember Matarrese moved approval of designating Councilmember Ezzy Ashcraft as the delegate and Vice Mayor Vella as the alternate.

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

(17-440) Consideration of Mayor's Nominations to the Commission on Disability Issues, Historical Advisory Board (HAB), Planning Board and Public Art Commission (PAC).

Mayor Spencer nominated Thomas Mills for the Commission on Disability Issues and Ruben Tilos and Steven Goertler for the Planning Board; stated she will make nominations for the HAB and PAC at a future meeting.

(17-441) Councilmember Ezzy Ashcraft stated that she attended the League of California Cities in Monterey; the Fourth of July parade was great; the Coast Guard has pins for sale that show Alameda scenes, inquired whether community members could buy one.

The City Manager responded anyone is interested in purchasing a pin can contact the City Manager's Office.

Councilmember Ezzy Ashcraft stated she is grateful the U.S. Coast Guard renewed their commitment to be a Coast Guard city for another 5 years.

(17-442) Vice Mayor Vella stated that she attended the Alameda County Lead Abatement Joint Powers Authority (JPA) meeting as the delegate from the City of Alameda; East Bay Municipal Utility District (EBMUD) has lead contamination in some of its pipes and in Lafayette; EBMUD is currently trying to remediate that the lead; the Food and Drug Administration (FDA) has publicized that there is lead contamination in baby food; the FDA will not release names of companies; Gerber is fighting the release of the names; the City is partnering with food banks and other groups to request release of the information and for more transparency with the test results; June was lead prevention awareness month; she would like to have a presentation done by the Lead Abatement Executive Director Larry Brooks to discuss work that the JPA is doing.

(17-443) Councilmember Oddie thanked Barbara Price and the parade committee for a great parade; stated that he attended a press conference last week; there is an effort to move all arraignments to Dublin; if moved, it would make it hard for defendants and people in custody in Alameda and their families; he would like Council to weigh in with a letter to the presiding judge.

Vice Mayor Vella stated moving the arraignments to Dublin would also affect staff's travel time.

(17-444) Mayor Spencer stated that she attended the Relay for Life and the League of California Cities in Monterey; one item that was raised was timing Councilmembers, not just the public speakers.

Councilmember Matarrese stated that a 3 minute time limit is already in the City.

Mayor Spencer stated maybe it should be implemented.

Councilmember Matarrese stated the time limit is already implemented; Council does not follow it.

(17-445) Mayor Spencer stated a delegate from the Sister City, Yeongdong-gun, visited and participated in the parade; Coast Guard Base Alameda/Pacific Area Ten did the inaugural festival which turned out really well.

(17-446) Councilmember Ezzy Ashcraft stated that she attended a ribbon cutting for the Center for Independent Living; a gift of a streamlined wheelchair was presented to Alameda Recreation and Parks Department.

Mayor Spencer stated she toured the facility and encouraged the Center to participate in a run to benefit Midway Shelter.

ADJOURNMENT

There being no further business, Mayor Spencer adjourned the meeting at 12:32 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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