

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY- -JULY 2, 2019- -6:00 P.M.

Mayor Ezzy Ashcraft convened the meeting at 6:01 p.m.

Roll Call – Present: Councilmembers Daysog, Knox White, Oddie, Vella and Mayor Ezzy Ashcraft – 5.

Absent: None.

The meeting was adjourned to Closed Session to consider:

(19-392) Conference with Legal Counsel – Liability Claims (Pursuant to Government Code § 54956.95); Claimant: Shelby Gattenby; Agency Claimed Against: City of Alameda

Following the Closed Session, the meeting was reconvened and the City Clerk announced that staff gave information to the Council and the Council gave direction to staff with no vote taken.

Adjournment

There being no further business, Mayor Ezzy Ashcraft adjourned the meeting at 6:47 p.m.

Respectfully submitted,

Irma Glidden
Acting City Clerk

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

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -JULY 2, 2019- -7:00 P.M.

Mayor Ezzy Ashcraft convened the meeting at 7:01 p.m. Councilmember Vella led the Pledge of Allegiance.

ROLL CALL - Present: Councilmembers Daysog, Knox White, Oddie, Vella, and Mayor Ezzy Ashcraft – 5.

Absent: None.

AGENDA CHANGES

None.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

None.

ORAL COMMUNICATIONS, NON-AGENDA

(*19-393) Steve Slauson, Alameda, discussed the Grand Jury Report and called for the resignation of two Councilmembers.

CONSENT CALENDAR

Councilmember Knox White moved approval of the Consent Calendar.

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

(*19-394) Minutes of the Special and Regular City Council Meetings Held on June 4, 2019. Approved.

(*19-395) Ratified bills in the amount of \$4,111,268.97.

(*19-396) Recommendation to Authorize the City Manager to Execute an Agreement with St. Francis Electric for Streetlight Conduit Replacement Project, Gibbons and Southwood Drives, P.W. No. 04-19-18, in an Amount, Including Contingency, Not to Exceed \$890,905. Accepted.

(*19-397) Recommendation to Approve an Interfund Loan of Up to \$1,200,000 from the General Fund to the Development Impact Fees (DIF) Parks Fund for the Repayment of the Parks DIF for the Cross Alameda Trail - Jean Sweeney Improvement Project and the Estuary Park Improvements. Accepted.

(*19-398) Resolution No.15561, "Determining That Special Taxes Shall Cease to be Levied on Property in the City of Alameda Community Facilities District No. 4 (Demolition and Back Bone Infrastructure – Fleet Industrial Supply Center (FISC) and East Housing Sites) and Directing Recordation of Notice of Cessation of Special Tax." Adopted.

REGULAR AGENDA ITEMS

(19-399) Resolution No.15562, "Appointing Hanson Hom as a Member of the Planning Board." Adopted;

(19-399A) Resolution No.15563, "Appointing Teresa Ruiz as a Member of the Planning Board." Adopted;

(19-399B) Resolution No.15564, "Reappointing Laura Giuntini as a Member of the Public Utilities Board. Adopted;

(19-399C) Resolution No.15565, "Appointing Tara Navarro as a Member of the Recreation and Park Commission." Adopted; and

(19-399D) Resolution No. 15566, "Appointing Kristin Furuichi Fong as a Member of the Social Service Human Relations Board." Adopted.

Councilmember Oddie moved approval of the resolutions of appointment.

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

The Assistant City Clerk administered the oath of office and presented certificates of appointment to Mr. Hom, Ms. Ruiz, Ms. Giuntini, Ms. Navarro and Ms. Furuichi Fong

(19-400) Introduction of Ordinance Amending Alameda Municipal Code Sections 8-8.5 and 8-1.2 to Authorize the Public Works Director to Improve Safety and Visibility at Alameda Intersections. Introduced.

The City Engineer gave a brief presentation.

Councilmember Daysog inquired whether the 300-foot noticing radius is being used for daylighting.

The City Engineer responded the requirement is being struck, but can be continued as a courtesy.

Councilmember Vella inquired whether there are plans to maintain the red paint.

The City Engineer responded a Capital Project has recently been approved to refresh striping and crosswalks throughout the western portion of the City; stated a master plan approach will enable staff to be more systematic with regular maintenance.

Mayor Ezzy Ashcraft stated the safety of residents is first and foremost.

Councilmember Oddie moved introduction of the ordinance.

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

(19-401) Introduction of Ordinance Establishing an Annual General Adjustment in Rent, a Rent Registry, Banking, and a Petition Process for an Upward or Downward Adjustment of Rents. Introduced.

The Community Development Director gave a Power Point presentation.

In response to Councilmember Daysog's inquiry, the Community Economic Development Director stated Costa Hawkins does not address regulating terminations or the requirement of relocation; concluded the presentation.

Councilmember Oddie inquired whether the Consumer Price Index (CPI) being used is Consumer Price Index for All Urban Consumers (CPI-U), to which the Community Development Director responded in the affirmative.

Councilmember Oddie inquired whether the CPI includes utilities, to which the Community Development Director responded in the affirmative; outlined the listed categories.

Councilmember Oddie stated rents are only included under the housing portion; conservative estimates stipulate one-third of income goes toward housing.

The Community Development Director stated the definition of an affordable unit equates to no more than one-third of income being spent on housing.

In response to Councilmember Daysog's inquiry, the Community Development Director stated the 2017 one-year estimate published by the US Census states that 48% of renters spend at least 30% of their income on rent; it is important to note the median income for a family renting is \$72,000 and the Citywide median income is \$92,000 for the City of Alameda; there is a disparity of rental households versus owners, which the rent program is striving to stabilize.

The Community Development Director stated the benefits of rent control accrue to all households in rent controlled property.

Vice Mayor Knox White stated the goal is to provide stable housing for all renters in Alameda.

Councilmember Vella inquired whether the American Community Survey numbers are nation-wide, to which the Community Development Director responded in the negative;

stated the numbers are for the City of Alameda.

Councilmember Vella requested the median household incomes be restated.

The Community Development Director stated the median renter income is \$72,063 and the Citywide median income is in excess of \$92,000.

Expressed support for a rent cap at 65% of CPI; outlined articles related to affordable housing; stated city governments can help residents stay in their homes; discussed the meaning of being a sanctuary city: Jeanne Nader, Alameda Progressives, Alameda Justice Alliance (AJA).

Expressed support for the annual general adjustment in rent; thanked City staff and Council for bringing the item forward; stated a cap at 100% of CPI is a good start but Council should consider ways to provide more to help the City's low income and most vulnerable population: Sophia DeWitt, East Bay Housing Organizations (EBHO).

Discussed general principles to maintain the affordable housing stock; stated 65% of CPI addresses rent cost increase; requested the number of tenants per unit be removed from the rent registry and square footage be added; stated a hearing officer is needed: Eric Strimling, Alameda.

Expressed support for rent caps set at 65% of CPI; outlined her experience renting in Alameda; stated a real rent cap is needed: Kaitlin Alcontin, Filipino Advocates for Justice (FAJ).

Outlined her experience as a teacher and renter in Alameda; discussed CPI increases; expressed support of no banking and no pass-through. Ayssa Morisato, FAJ.

Outlined her experience renting at 2510 Central Avenue; stated tenants are at risk due to a previous fire; more concrete measures are needed for rent control: Diana Cabcabin, FAJ.

Stated just cause and rent control go hand-in-hand; outlined her experience with friends moving due to rent increases; stated salaries of tech workers skew CPI above working class families affordability: Salina Igot, FAJ.

Outlined his experience living in Alameda; urged Council to approve 65% of CPI, no pass-through, no banking: Lester Dixon, FAJ, Alameda Renters Coalition (ARC), People of Bonanza (POB).

Stated there is no end in sight for the crisis of housing costs in Alameda; expressed support for 65% of CPI, elimination of banking, lowering the ceiling from 5% to 4%, and the appointment of an administrative law judge as a hearing officer; outlined her experience renting in Alameda: Laura Woodward, ARC.

Outlined her experience renting in Alameda; expressed support for 65% of CPI and legal oversight of rent reviews; stated there is a disproportion of elders on the streets: Tristen Schmidt, ARC, The Village (Oakland), Feed the People.

Outlined his experience living in Alameda; stated the proposal is better than current regulations, but can be improved; expressed concern about rent banking and pass-through; expressed support for 65% of CPI: Zac Bowling, Alameda.

Expressed support for 65% of CPI; stated Alameda is a beacon of hope for progressive values; people will be affected well beyond the limits of Alameda: Art Rodriguez, Central Valley Empowerment Alliance.

Outlined his experience as a renter; expressed support for 65% of CPI; stated that he spends 60% of combined income on rent; discussed debt statistics: Keegan Tatum, Alameda Progressives.

Stated Ordinance 3148 was enacted with well-meaning, but does not accomplish its purpose; the homeless population has increased by 40% in the last year; outlined her experience renting in Alameda: Toni Grimm, Alameda.

Outlined her experience as a landlord in Alameda: Jane Friedrich, Alameda.

Expressed support for 65% of CPI; discussed her experience losing neighbors due to rent increases; outlined rental rates: Camille Christian, FAJ.

Stated the information shown in the staff report is not current and is missing key points; raised questions about data for surrounding cities: Lester Cabral, Alameda.

Discussed support letters submitted; expressed support for 65% of CPI; stated there are two classes of people: homeowners and renters; if renters are not helped, there will be a deterioration of the community: Laura Thomas, Renewed Hope Housing Advocates, AJA.

Outlined her experience as part of a demonstration at I-Hotel; stated the housing problem has not gone away, but has worsened; housing is a human right; a rent cap of 100% of CPI will separate families: Cynthia Bonta, FAJ.

Expressed support for the cap on rent; expressed gratitude to Council for passing just cause; stated just cause and a cap on rent cannot exist without the other: Lana Rishina, Alameda.

Expressed support for a rent cap based on 65% of CPI; stated a stable community of renters filled with hope are likely to vote for revenue measures needed to protect properties; large wage gaps will cause renters to lose hope: William Smith, Alameda.

Stated that he regrets supporting Ordinance 3148; the ordinance has accomplished its

goal of limiting rent increases and created disincentive for no cause evictions; outlined his experience attending community meetings: Todd Wehmann, Alameda.

Stated that she has a house up for sale due to no cause eviction; one house per week is selling due to rent control; the housing stock will be reduced; senior landlords rely on rental income: Rosalinda Fortuna, Alameda.

Requested the record be kept open for another 15 days for smaller landlords to submit information to Council: Kristin Johnson, Alameda.

Outlined her experience with rent increases; urged Council to consider the recommendations of tenants: Mari Perez-Ruiz, Alameda Renters Coalition.

Mayor Ezzy Ashcraft called a recess at 8:40 p.m. and reconvened the meeting at 9:01 p.m.

Councilmember Daysog stated that he depends on data to make the best possible policy; data is at the heart of the policy-making decision; outlined data provided by staff gave a brief Power Point presentation.

Councilmember Oddie stated that his decisions are based on values; housing is a basic human right; there is a housing crisis and fines may be imposed on a State level if more housing is not built; people living in current housing stock must be protected; the homeless count is over 200; Alameda is in the top 5 of rent increases at 6.2%; rent caps and just-cause work together; outlined how the rent cap should be calculated at 65% of CPI; noted that he is not in favor of rent banking; stated banking may be acceptable in the future; noted that he is not in favor of pass-through; stated the CIP process can help take care of major improvements; expressed concern for the threat of repairs not being completed; stated landlords have a responsibility to keep property in a livable condition; expressed support for having a retired administrative law judge to oversee petition processes; stated the rent registry will not be defined at this meeting, but should come back to Council with a balance between efficacy and privacy; Costa Hawkins exempt units should have a non-mandatory processes; summarized supports for no banking, no pass-through, Annual General Adjustment (AGA) between 65-70%.

Councilmember Vella stated that she is a millennial; outlined an article “Millennials Didn’t Kill the Economy, the Economy Killed Millennials;” stated millennials and generations that follow are worse off than generations preceding; outlined homeownership requirements; stated the majority of millennials and generations that follow lack the requirements and will have to be renters; stated student loans are an expected added cost of living; close to 20% of millennials are under employed and not making enough wages to cover student loan debt, rent and cost of living; outlined founding principles of homeownership; stated housing is an absolute need; a system is needed for a fair rate of return; expressed opposition to banking; stated effective

evictions will occur if banking is allowed; banking should only be allowed by mutual agreement, but 5% in addition to CPI is too much; expressed opposition to pass-through; expressed concern about the rent registry; stated caution needs to be taken related to tenant privacy; expressed support for 65% of CPI; stated the range on caps should be discussed.

Vice Mayor Knox White stated policy is about desired outcomes; Council has been asked to stabilize rent for all Alameda renters; outlined an article from UC Berkeley Haas School of Business; stated it is time to listen to the immediate needs; policy should incentivize behavior with regard to banking; banking incentivizes landlords to lower rents now; if banking is taken away, landlords will raise rents to the maximum rent possible; a maximum amount that can be banked should be discussed; expressed support for the rent registry; stated more data should be collected, including rent being collected; expressed support for removing reporting the number of tenants per unit and other personal information; stated direction to staff can include keeping the greatest amount of data confidential and to consider confidentiality a key component in data collection; expressed support for collecting data on single family homes; stated the CIP pass-through process should be continued; pass-through is important when below CPI; pass-through will allow for climate and seismic mandated improvements; expressed support for staff recommendations.

Mayor Ezzy Ashcraft stated that she desires to achieve balance and fairness which includes considering the needs of tenants and landlords; pitting one group against the other is counter-productive; renters need decent landlords and landlords need good tenants; landlords feel under attack; all landlords should not be judged by the most egregious; expressed support for habitable rental units; stated 65% of the CPI is too low; expressed support for considering a percentage above 65%; landlords need the ability to keep units habitable; mechanisms should be in place to help keep landlords accountable; expressed concern for banking in relation to tenants receiving fixed incomes; inquired about a tenant incurring large medical expenses and receiving subsequent rent increases in the following years.

Vice Mayor Knox White responded the decision is up to the landlord; stated landlords should be willing to reduce and not raise rents for year one in a banking scenario; a cap on the amount of banking can be implemented; if a pathway is not created for landlords to want to give lower rents than allowed, they will ask for the maximum increase; many landlords are compassionate.

Mayor Ezzy Ashcraft inquired whether a cap would come before the petitioning process.

The Community Development Director responded the idea of banking is if the full maximum allowable rent increase is refrained from, the ability to bank the amount not taken is able to be passed along in a future year or years; stated the ordinance proposed is capped at 5% plus the annual general adjustment as the maximum annual amount for pass-through; it is possible that a tenant could not afford the combination of the two sets of rent increases; there is flexibility; the ordinance would reflect

requirements set forth by Council.

Mayor Ezzy Ashcraft inquired about the petitioning process.

The Community Development Director responded the petitioning process is different; stated there is an upward or downward adjustment reduction in housing services or a fair rate of return; banking is a mechanism for that flexibility and allows for a safety; there is a limit to the amount of times banking is allowed; outlined limitations to banking.

Mayor Ezzy Ashcraft inquired the limitations keeping a landlord from raising rents.

The Community Development Director responded the landlord must use it or lose it; the limitation is a maximum not a minimum.

Mayor Ezzy Ashcraft expressed support for banking, but at a lower ceiling; stated the rent registry is important; more data is needed; listing the number of tenants in a unit could be sensitive information; more data related to rent charges is needed; expressed support for a simple pass-through, with 50% of the program fee able to be passed through; inquired whether the petition process is to be decided.

The Community Development director responded in the affirmative; stated there could be a decision to include a hearing officer and the process to be utilized.

(19-402) Councilmember Oddie moved approval of extending the amount of time Councilmembers have to deliberate.

Mayor Ezzy Ashcraft stated the discussion clocks can move to 5:00.

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

Mayor Ezzy Ashcraft stated that she would like Vice Mayor Knox White to provide his Annual General Adjustment (AGA) percentage increase.

Vice Mayor Knox White stated that three members have expressed support for 70%.

Vice Mayor Knox White moved approval of setting the AGA at 70% of CPI.

Councilmember Vella seconded the motion.

Under discussion, Councilmember Oddie expressed support for the motion; stated 70% is the top of his range, but within his range nonetheless.

Mayor Ezzy Ashcraft stated that she would support 75%.

Councilmember Vella expressed support for 70%; stated that she would prefer 65%.

Vice Mayor Knox White stated that he could go up to 75%; stated if 70% is chosen, the discussion related to banking and pass-through becomes more important.

Councilmember Vella stated that she would like to hear the proposal for banking and pass-through from Vice Mayor Knox White.

Vice Mayor Knox White expressed support for banking; stated a cap should be discussed and is important; expressed support for allowing pass-through on capital costs that are State mandated.

Mayor Ezzy Ashcraft inquired whether the State mandated costs fall within CIP.

The Community Development Director responded there is a lot of flexibility in what Council may discuss; pass-through options were not outlined in detail, but the CIP stands alone in its policy and is separate from pass-through; staff has sought direction on changes to be made to the policy; outlined challenges from landlords trying to meet threshold dollar amounts for undertaking improvements to access the CIP process; noted if there is an interest, Council may provide staff direction to revise CIP policy while allowing the ordinance to currently move forward; stated adding multiple different pass-through options cannot be done tonight.

Mayor Ezzy Ashcraft outlined the ordinance processes.

The City Attorney stated Council has substantial flexibility regarding AGA; however, with regard to pass-through, staff is only seeking direction; Council may move forward with all items except pass-through.

Councilmember Vella expressed concern over changing the CIP process.

Mayor Ezzy Ashcraft stated that she would like to give staff direction to come back to Council.

Vice Mayor Knox White stated pass-through is not part of his motion.

Councilmember Oddie stated that he agrees with Mayor Ezzy Ashcraft and Councilmember Vella regarding directing staff to come back to Council for a discussion of pass-through.

Mayor Ezzy Ashcraft expressed concern for the banked amount being increased; outlined banking percentages.

Councilmember Vella inquired whether it is possible to require the tenant to agree to banking; expressed concern for banking causing constructive evictions.

Mayor Ezzy Ashcraft inquired whether the agreement being mutual has to be decided by Council.

The Community Development Director responded the ordinance would not require a tenant to sign-off on a landlord taking less than the annual maximum adjustment; stated as drafted, the ordinance would require the landlord to notify the tenant in advance of using banked time.

Mayor Ezzy Ashcraft expressed concern over the banking amount.

The Community Development Director stated Mountain View has a system which allows 10% of banking, but also has an exemption which allows tenants to petition for a hardship; staff anticipates difficulty in administration and enforcement due to misuse.

The City Attorney stated the tenant has to agree for the landlord to implement banking in any given year; if Council desires to implement hardships and hearings on banking, those items should come back for consideration.

Councilmember Oddie stated one option is to bring back the discussion as an amendment in September.

Mayor Ezzy Ashcraft stated that she would like to keep the AGA increase included in the discussion; expressed support for either option to agree to banking or not; stated Mountain View's approach appears to work; the hardship must be documented in a private and confidential way.

The Community Development Director stated the hardship concept would be regulated; Mountain View's ordinance is new.

Councilmember Oddie stated there could be a three-year grace period with no banking, giving the CPI time to catch up; there is no time limit as to how long banked rent can be kept.

Councilmember Vella stated there absolutely needs to be a cap on how long banked rent can be kept; that she opposes banking; if banking is to be implemented, the tenant should have input; expressed support for no more than two-years of banked rent; stated if rent is banked for too long, constructive evictions can occur; expressed support for decreasing 5% plus AGA.

Vice Mayor Knox White stated that he supports a limit to how much and how long rent is banked; he would like to keep the item as simple as possible; loss aversion is a powerful behavior pressure; the decision to keep rent as low as possible needs to be as easy as possible; banking is the reason; expressed opposition to tenant sign-off on banking.

Mayor Ezzy Ashcraft questioned how much and how long banking should be allowed to extend.

Councilmember Oddie stated the system could be gamed if not properly defined beforehand.

Mayor Ezzy Ashcraft stated Council cannot legislate every scenario.

The City Attorney stated Council may keep the ordinance as-is with the exception that once a landlord uses banked time, the remaining bank is wiped clean; there is no staff tracking, making for a simpler process.

Vice Mayor Knox White questioned what is being solved with the proposal.

The City Attorney stated the proposal attempts to solve concerns raised by Councilmembers related to adding and subtracting banked time, which becomes administratively difficult; the process keeps the ordinance as-is; once a landlord uses banked time, the remaining bank is wiped clean and the process starts again.

Mayor Ezzy Ashcraft expressed support for the concept and the simplicity; stated that she would prefer to steer clear of 5%.

Vice Mayor Knox White stated banked time may only be used once the full AGA has been accounted for; expressed concern over landlords being incentivized to take the maximum increase each year.

The Community Development Director stated Oakland only uses the banked increase 3 times over the term of tenancy; every jurisdiction with rent control, with the exception of San Jose, allows banking and it is viewed as a best practice; Oakland's cap for banked time must be used within three years; the 5% plus AGA is lower than many jurisdictions; Council may want to look into banking a limited number of times for the in-place tenant or to cap the number of years.

Mayor Ezzy Ashcraft stated there is value in looking at what is being done and what has been done in other cities; Alameda is not going as high as Oakland; expressed support for placing a cap on how many times banking may be used or over how many years, or both.

Councilmember Oddie expressed support for the ceiling staying at 5%; stated 70% of that is 3.5%; the most that may be accumulated over 3 years is 10.5%; expressed support for the remainder being eliminated once banking is used; urged the item be viewed from a practical perspective.

Mayor Ezzy Ashcraft stated the item should be viewed from both sides.

Councilmember Oddie stated in order to get 10.5%, a landlord would have to give zero

increases for three years.

Councilmember Daysog stated the proposal is odd; the sticker shock effect that people get when given a bill of 10-11% increase would be odd to institutionalize.

The Community Development Director stated an annual maximum may be established, as well as a cap over three years; a cap may be placed in two different places.

Mayor Ezzy Ashcraft questioned what is reasonable for Alameda.

Councilmember Vella stated a cap on the number of years is needed; expressed support for three years; stated that she supports the idea that once the banked amount is used, the remainder goes away; expressed support for capping the number of times throughout a tenancy to three times.

Mayor Ezzy Ashcraft expressed support for three years; stated sometimes a financial hardship occurs that does not solve itself in one year.

Councilmember Vella proposed the landlord be required to provide notice of banking to the tenant.

Vice Mayor Knox White expressed support for the landlord providing notice to the tenant; stated a form will be filed with the City that the bank is being used and notices of banking should be filed along with the form; inquired whether the landlord can bank once within three years or three years in a row; questioned whether it is better to use a formula reaching up to 8%; once 8% is reached, the bank is full without regard to how many years it takes to reach the maximum; proposed a cap on yearly increases of 3% in any given year; stated the landlord cannot bank and use bank in the same year.

Councilmember Oddie requested a recap.

Vice Mayor Knox White stated that his proposal has a max cap of 8%, and the cap can only be used in 3% increments [AGA plus 3%].

Councilmember Oddie questioned whether once any part of the bank is used, the rest is lost.

Vice Mayor Knox White stated that was not part of his proposal but can be discussed.

The Community Development Director stated banking will be capped at no more than 8% at any time; access to banking cannot be done in increments more than 3% above AGA; the banking cap is three times during tenancy; using banking results in wiping of the bank; the limit should be set at more than one during the tenancy; if a tenant moves out, the bank is wiped out and cannot be accumulated for a new tenant.

Councilmember Oddie stated the bank could be used once every three years.

Councilmember Vella expressed concern for constructive evictions; stated the bank should only be used once during a certain year period.

Councilmember Daysog stated Council should go back to have staff interview each of the Councilmembers to put together a cogent response; creating policy on the fly may create issues that Council is unaware of; the parameters are known, but staff should work with each Councilmember to figure out what works.

Mayor Ezzy Ashcraft stated that she cannot support Councilmember Daysog's proposal; the public should be involved in the process, and Council should not walk away from the discussion yet; inquired whether the cap would be three years in length.

The City Manager responded if banking is chosen, 8% as a maximum cap, maximum of 3% over AGA being used at any time; stated either one, two, or three years can be banked with no more than three times during a tenancy; the option includes banking but also has protections for tenants and requires a notice and form be filed.

Mayor Ezzy Ashcraft stated the number of times banking can be used during a tenancy needs to be established.

Vice Mayor Knox White expressed support for the number to be as big as possible; stated that he sees a benefit to banking; using banked amount three times over the course of tenancy seems a little restrictive but agreeable to most Councilmembers.

Councilmember Vella inquired whether the use of back-to-back banking should be limited; stated using a banked amount two times in a row is a lot of money and a big hit to tenants.

Vice Mayor Knox White expressed support for not more than every other year, with no limit.

Councilmember Vella expressed support for a limit; expressed concern for back-to-back use of banked rent increases.

Mayor Ezzy Ashcraft stated back-to-back is excessive; every other year is reasonable; the item may be re-visited after implementation.

Vice Mayor Knox White proposed no form be filed with the City for banking, just a notice to tenants; stated that he does not want bureaucratic hurdles for people reducing rent.

Councilmember Vella stated when initially applying for banking, landlords would have to notify tenants.

Vice Mayor Knox White clarified when the banking is being used.

Mayor Ezzy Ashcraft questioned what recourse is available if the tenant notes the program is not working as proposed.

Vice Mayor Knox White stated tenants may go to the rent program and file that a landlord is violating the rent laws, similar to exceeding AGA.

Councilmember Oddie stated it is helpful to have a form to keep record of what has been banked and what is to be used to hold accountability and not require the tenant to retain paperwork.

The Community Development Director stated the tenant would not have to keep paperwork because the landlord will have to register the rental unit annually in the rent registry; when a landlord uses their bank, they must notify the tenant and the rent program; most jurisdictions only require landlords to notify the rent program when banked time is accessed.

Mayor Ezzy Ashcraft expressed support for the proposal; inquired if there is agreement on the annual adjustment amount.

Vice Mayor Knox White stated 70% of CIP with adding the banking, as described.

The City Attorney requested the specific desires be re-stated.

Vice Mayor Knox White inquired whether the motions should be separate, to which the City Attorney responded in the affirmative.

On the call for the question setting the AGA at 70% of CPI, the motion carried by the following voice vote: Ayes: Councilmembers Knox White, Oddie, Vella and Mayor Ezzy Ashcraft – 4. Noes: Councilmember Daysog – 1.

The City Attorney restated the banking motion as follows: a landlord may bank up to 8% and at 3% could be implemented in any given year; however, banking may only be implemented at most every other year and implemented three times over the life of any tenancy; the Council also included a noticing provision; stated that his suggestion is Council provide direction to staff regarding regulations and not include noticing language in the ordinance.

Councilmember Vella inquired whether banking cannot be implemented in consecutive years, to which the City Attorney responded in the affirmative.

Mayor Ezzy Ashcraft inquired whether the noticing provision will be enforced by direction to staff, to which the City Attorney responded in the affirmative.

Vice Mayor Knox White moved approval of the restated banking motion.

Mayor Ezzy Ashcraft seconded the motion.

Under discussion, Councilmember Oddie questioned how the proposal is practical; questioned a 5% cap for the overall increase.

Mayor Ezzy Ashcraft stated 70% of CPI.

The Community Development Director stated 100% of CPI is 4% this year; 70% is 3.6%; the ceiling is 5% which would only be triggered if 70% of CPI was in excess of 5%.

Councilmember Oddie questioned whether 5% is the most that could be banked every year.

The Community Development Director stated the most that could be banked every year would not be 5%; the amount is 70% of CPI.

Councilmember Oddie stated this year, 70% of CPI is 2.8%; questioned whether 2.8% is the most that could be banked, to which the Community Development Director responded in the affirmative; stated it take a while until the 8% cap is met.

The City Attorney stated a landlord would have to bank for multiple years.

Councilmember Vella expressed concern at the number of caps being intimidating; stated that it would take several years for caps to be met; 70% of CPI is creating a substantial cap which changes the dynamics of the system and will prevent displacements; the compromise is better than what was proposed in the staff report.

Mayor Ezzy Ashcraft stated that she was initially opposed to banking but the Vice Mayor successfully articulated the rationale behind the need.

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

The City Attorney stated the ordinance specifically calls out on September 1, 2019 a 4% of CPI; Council voted 70% and the ordinance will now say the annual adjustment for September 1, 2019 will be 2.8%.

In response to Mayor Ezzy Ashcraft's inquiry about the items to be included in the rent registry, the Community Development Director suggested Council give staff direction about how to balance privacy; stated staff can take direction and implement the regulation or, if Council desires, staff can return with a proposed regulation; the ordinance states an initial registration and a re-registration when new tenancy is established; noted an annual unit registry was discussed; stated Council should make a determination related to frequency in order to be properly captured in the ordinance.

Mayor Ezzy Ashcraft stated annual registry seems a bit burdensome.

The Community Development Director stated the annual registry balances the desire for data against the administrative burden; registry for single family homes can be included; staff recommends very few registration questions for Costa Hawkins units; data for housing services will be helpful in tracking housing stock.

Vice Mayor Knox White stated there is benefit to having annual information about rent paid; expressed support for annual data collection on rent and providing a check box on the form for the option of “no changes;” stated the registry issue can come back off-agenda which can be agendized by request if needed.

Councilmember Oddie expressed support of the registry returning to Council; stated landlords and tenants should be engaged in the process.

Councilmember Vella expressed concern over collecting information related to number of tenants in one unit or other personally identifying information.

The City Attorney stated there is no plan to receive said information in the registry.

Councilmember Vella expressed support for providing direction to staff.

Mayor Ezzy Ashcraft expressed support for allowing staff to promulgate the direction provided.

Councilmember Oddie stated if he does not like the regulation, he will bring a Referral.

Vice Mayor Knox White stated that he would like to ensure stakeholders from both sides are engaged in the discussion.

Mayor Ezzy Ashcraft stated doing so is part of the direction to staff; inquired whether the regulation includes the petition process including a hearing officer.

The Community Development Director inquired whether Council desires an annual registry or initial with re-registry when new tenancy had been established.

Mayor Ezzy Ashcraft responded annual registry.

The Community Development Director inquired whether the Costa Hawkins exempt units should be included.

Councilmember Vella expressed support for the collection of information related to Costa Hawkins exempt properties.

The Community Development Director stated a hearing officer and an administrative law justice are the same thing; a Request for Proposal (RFP) would be issued yielding a

list of hearing officers that the City Attorney's office maintains; when a case is presented, it is assigned to a hearing officer.

The City Attorney stated there are currently three hearing officers on a list for rotation purposes; given the anticipated volume, those officers should be sufficient but the list will continue to be monitored.

Councilmember Vella stated that she would like to ensure none of the hearing officers also represent tenants that go before other hearing officers in the City.

The City Attorney concurred.

Mayor Ezzy Ashcraft stated the hearing officers may not be Alameda residents, to which the City Attorney responded in the affirmative.

The Community Development Director stated the hearing officers are assigned by the City Attorney's office.

Vice Mayor Knox White stated that he would like the CIP process brought back with a very narrowly construed proposal to account for seismic improvements.

The Community Development Director stated the components of the eligible expenses already include seismic upgrades and water and energy efficiency upgrades; expenses are not State mandated.

Vice Mayor Knox White stated that he understands the improvements are included for large projects; expressed support for lowering the thresholds for seismic, water and energy efficient upgrades to the State level.

Councilmember Oddie stated that he would like the CIP restriction kept to said proposal only.

The Community Development Director outlined the requirements for State thresholds.

Councilmember Oddie stated a way to lower the threshold should be reviewed.

Mayor Ezzy Ashcraft noted the item would return to Council.

The Community Development Director stated staff will look at lowering the threshold for any future State, local or federally mandated climate adaptation seismic safety.

Vice Mayor Knox White stated energy efficiency has not been added.

The Community Development Director clarified climate change; inquired whether there is direction related to Costa Hawkins exempt units.

Councilmember Oddie stated if the Rent Review Advisory Committee (RRAC) is disbanded, the mediation process can be changed.

Mayor Ezzy Ashcraft stated the issue can be addressed in September.

The Community Development Director stated staff needs direction for the September meeting.

Councilmember Oddie expressed support for an option to keep some kind of voluntary mediation process.

Councilmember Oddie moved approval of introduction of the ordinance establishing annual general adjustment in rent, a rent registry, banking, and a petition process for an upward or downward adjustment of rents as slightly modified by Council.

Councilmember Vella seconded the motion.

Under discussion, Councilmember Daysog stated Alameda's data from the Census shows that 51% of renting households have an affordable rent, in that they pay less than 30% of their income towards rent; expressed support for administering aid to the 49% paying an unaffordable rate; stated data supports modifications to the Ordinance 3148; data does not support abandonment of Ordinance 3148.

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

(19-403) Councilmember Vella moved approval of Council continuing the meeting past 11:00 pm [to hear the remaining agenda items], but to no later than 11:45 pm.

Vice Mayor Knox White seconded, which carried by unanimous voice vote 5-ayes.

(19-404) Public Hearing to Consider Introduction of Ordinance Amending Alameda Municipal Code Chapter XXVII, Section 27-3 Concerning Citywide Development Impact Fees. Introduced.

The Planning, Building & Transportation Director gave a brief presentation.

Carlos Villareal, Wildan Financial, continued the presentation.

Councilmember Oddie stated a letter has been submitted; inquired whether there is a standard on what is considered to be improved.

Mr. Villareal responded the general working definition is that improvements serve the

community and are open to the public; stated there are a range of amenities; the cost per acre of improvements is typical of a park within the City.

Councilmember Oddie stated the letter alleges some soccer fields are not available for public use; requested clarification related to the available use.

The Planning, Building and Transportation Director stated the soccer fields are available for public use; a permit is required; the fields are publically accessible spaces.

Councilmember Daysog expressed concern for the aggregate cost of improvements to serve new development being a function of projected growth and residence; stated the growth projected by Plan Bay Area (PBA) may not reflect reality; expressed concern over the fee amount.

Mr. Villareal outlined table data within the staff report.

Councilmember Daysog inquired whether the fee will be converted into an amount per square foot.

Mr. Villareal responded in the negative; stated the fee will be per dwelling unit; the growth in residence is only used to estimate the magnitude of fee revenue; the actual fee is driven by the existing standard and the existing cost on the ground.

The City Attorney requested the Planning, Building, and Transportation Director to elaborate on the permit process; stated the permit process for use of the soccer field is simple.

The Planning, Building, and Transportation Director stated there is an application to apply for a permit to use the field; stated PBA plays out through the regional housing need; Council does not have much discretion in regard to PBA; if less development is occurring, for any reason, the City collects less money; as a result, less parks are needed.

Discussed the letter submitted by Boatworks; expressed support for deleting environmental remediation; outlined court findings and remedial costs collected by the City: Tom Roth, Boatworks.

Mr. Villareal stated the cost per acre for park improvements is based on the City's actual experience for recent parks; the engineering news record is to adjust the cost of a planned facility; the figure only estimates the project cost; noted a typo in table 7.

The City Manager stated the City's remediation costs are present and continue; the Navy's cleanup costs are not always at the level needed by City standard, causing a difference in definition; there is enough non-clarity in relation to the fee, and a re-evaluation of the fee will occur before moving forward.

Mayor Ezzy Ashcraft inquired whether the item will return for consideration, to which the City Manager responded it may or may not, but the fee will be re-evaluated and would return to Council for consideration if justified.

Councilmember Daysog outlined previous project cleaning costs; inquired the purpose of Table 6.

Mr. Villareal responded Table 6 is used to estimate the cost of improvements if the amount of growth is achieved; stated Table 7 is driving the fee calculation along with Table 8.

Councilmember Daysog expressed concern for the implication of implementing PBA.

Councilmember Daysog moved introduction of the ordinance as modified by removing remediation costs.

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

(19-405) Recommendation to Provide Direction to City Staff on Enhancing Access to Lactation Facilities.

The Human Resources Director gave a brief presentation.

Councilmember Vella stated the proposal can be used for recruitment in the future to increase diversity efforts as well as an opportunity to make City Hall more accessible to the general public; expressed support for Option B; stated the proposal allows for volunteer board members and members of the public to use the pod; noted the pods are affordable in the sense of no major construction needed; the pods should be kept in mind for updates to other City buildings, such as Fire Stations and the Emergency Operations Center (EOC).

Councilmember Oddie concurred with Councilmember Vella.

Mayor Ezzy Ashcraft inquired whether there is a way to ensure the pods are only used for lactation purposes.

The Human Resources Director responded there is an app which allows for access.

Councilmember Daysog inquired whether there has been feedback from staff about the proposed pod.

The Human Resources Director responded there has been positive feedback; stated a smaller version is being developed that may work for City Hall.

Councilmember Vella stated that she has used a similar pod; outlined positive aspects

of having the pod.

Mayor Ezzy Ashcraft inquired who maintains the pod.

The Human Resources Director stated that staff would work with a cleaning crew.

Vice Mayor Knox White expressed support for the proposal; stated the proposed location may need to be re-visited.

The Human Resources Director confirmed the location will reside within City Hall.

CITY MANAGER COMMUNICATIONS

(19-406) The City Manager encouraged people to come to the 4th of July parade; announced a new Assistant City Manager would be hired by the end of July and on-board by August.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL REFERRALS

(19-407) Consider Authorizing Staff and a Council Subcommittee, Acting on Behalf of Council, to Work with the Alameda Health Care District to Maintain Acute Care Services During the Alameda Hospital Seismic Retrofit Project. (Councilmember Oddie and Mayor Ezzy Ashcraft)

Councilmember Oddie and Mayor Ezzy Ashcraft made brief comments regarding the referral.

Councilmember Vella moved approval of the item.

Vice Mayor Knox White seconded the motion.

Under discussion, Councilmember Vella questioned whether there are any additional items other Councilmembers may assist with; expressed support for the item; stated having emergency services is important as an island City.

Mayor Ezzy Ashcraft stated 20,000 people use Alameda Hospital's emergency services annually.

Councilmember Vella stated there are impacts to transport systems to consider; expressed support for the item coming back on a future agenda.

Mayor Ezzy Ashcraft stated Alameda Hospital staff has done great work; gave an

overview of a Health District Board meeting.

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

COUNCIL COMMUNICATIONS

(19-408) Councilmember Oddie stated the County has honored the City for the tobacco ordinance.

(19-409) Mayor Ezzy Ashcraft made an announcement about a call with Alameda County Mayors related to Assembly Bill AB1487 which provides funding for homeless services, and a Make a Wish East Bay event with Friends of Alameda Animal Shelter (FAAS); stated FAAS will have a float with Girls Inc. at the 4th of July parade; expressed support for a Pride Parade event.

(19-410) Vice Mayor Knox White made an announcement regarding the City Charter subcommittee meeting held with the League of Women Voters (LWV) at Mastick and Alameda Library.

Councilmember Daysog stated the LWV previously helped adopt the City Charter.

(19-411) Councilmember Vella stated that she attended the Lead Abatement meeting; money will be put into an account; the City has five years to spend the funds; direction has been given to submit a letter to the Lead Abatement Board requesting help from the State and Board of Supervisors for staffing, as well as a letter to the courts outlining related issues.

(19-412) Designation of Voting Delegates and Alternates for the League of California Cities Annual Conference.

Mayor Ezzy Ashcraft stated that she is currently the delegate and Councilmember Daysog is the alternate; questioned whether Councilmember Vella would like to be second alternate.

Councilmember Oddie moved approval of Mayor Ezzy Ashcraft being the voting delegate, Councilmember Daysog being the first alternate and Councilmember Vella being the second delegate.

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

(19-413) Consideration of Mayor's Nominations for Appointment to the Housing Authority Board of Commissioners, Recreation and Parks Commission and Transportation Commission.

Mayor Ezzy Ashcraft nominated Carly Grob for appointment to the Housing Authority

Board of Commissioners, Ronald Limoges for reappointment to the Recreation and Park Commission, and Scott Weitze for appointment to the Transportation Commission.

ADJOURNMENT

There being no further business, Mayor Ezzy Ashcraft adjourned the meeting at 11:42 p.m.

Respectfully submitted,

Ashley Zieba
Deputy City Clerk

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