

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY- -DECEMBER 2, 2014- -6:00 P.M.

Mayor Gilmore convened the meeting at 6:06 p.m.

Roll Call – Present: Councilmembers Ezzy Ashcraft, Tam and Mayor Gilmore – 3.

Absent: Councilmembers Chen and Daysog - 2.

The meeting was adjourned to Closed Session to consider:

(14-480) Conference with Legal Counsel - Workers' Compensation Claim (54956.95);
Claimant: Glen Anderson, Claim Against: City Of Alameda

Following the Closed Session the meeting was reconvened and Mayor Gilmore announced that direction was given to staff.

Adjournment

There being no further business, Mayor Gilmore adjourned the meeting at 6:45 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -DECEMBER 2, 2014- -7:00 P.M.

Mayor Gilmore convened the meeting at 7:08 p.m. Councilmember Chen led the Pledge of Allegiance.

ROLL CALL - Present: Councilmembers Chen, Daysog, Ezzy Ashcraft, Tam and Mayor Gilmore – 5.
Absent: None.

AGENDA CHANGES

(14-481) Councilmember Daysog stated that he received a request to consider the Del Monte Hearing first on the regular agenda.

Mayor Gilmore stated the two items were placed above it because they are supposed to go quickly.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(14-482) Proclamation Declaring December 14, 2014 as General Jimmy Doolittle and the Doolittle Raiders Day.

Mayor Gilmore read and presented the proclamation to Bob Fish, USS Hornet Museum, and Mark Cronenwett.

Mr. Cronenwett and Mr. Fish made brief comments and Mr. Fish submitted a letter.

Councilmember Daysog made brief comments on the history of Jimmy Doolittle and the Doolittle Raiders.

(14-483) Alameda Free Library Foundation Presentation of Check.

Eileen Bitten, Alameda Free Library Foundation, presented a check for \$50,000.

Mayor Gilmore thanked the Library Foundation; commented on the library patronage; stated the funds will be put to great use.

(14-484) Mayor Presentation of Check to the American Red Cross Bay Area for Disaster Relief.

Mayor Gilmore made brief comments and presented the check to Go Funai and John McCahan with the American Red Cross.

Mr. McCahan made brief comments.

ORAL COMMUNICATIONS, NON-AGENDA

(14-485) Paul Foreman, Alameda, encouraged that the Del Monte Hearing [paragraph no. 14-503] be continued to another date and outlined reasons for needing to do so.

(14-486) Jeff Cambra, Alameda, provided a brief report on the status of the community forum on rental housing; stated a meeting would be held on January 7, 2015 and a report would be provided to Council on January 20, 2015.

CONSENT CALENDAR

Mayor Gilmore announced that the contract with Perata Consulting [paragraph no. 14-490] and the purchase agreement with Tiburon [paragraph no. 14-492] were removed from the Consent Calendar for discussion.

Councilmember Tam moved approval of the remainder of the Consent Calendar.

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

(*14-487) Ratified bills in the amount of \$2,931,876.93.

(*14-488) Recommendation to Conduct the Affordable Housing Ordinance Annual Review Consistent with Section 27-1 of the Alameda Municipal Code and California Government Code Section 66001 and Accept the Annual Report. Accepted.

(*14-489) Recommendation to Accept the Annual Report for the Public Art Ordinance. Accepted.

(14-490) Recommendation to Approve the Three-year Contract with Perata Consulting, LLC, in the Amount Not to Exceed \$270,000, to pursue the City's State and Regional Advocacy Agenda.

Vice Mayor Ezzy Ashcraft stated that she would like to have seen a summary of the consultant's accomplishments to date; she would prefer a one year contract and a report back to the Council before the contract expires to assess the effectiveness of the work and evaluate whether or not to renew the contract.

The Assistant City Manager summarized Perata Consulting's prior year's accomplishments, including: the successful delay and killing of Assembly Bill (AB) 935; successful negotiation with the Alameda County Transportation Authority to move the Broadway/Jackson project forward within three years or funds would be reprogrammed for improvements on the Alameda side of the tube; Perata Consultants represented Alameda to advocate for AB 229 and Senate Bill (SB) 628 for the expanding use of

infrastructure financing bonds as a partial replacement for the loss of redevelopment which is urgent for infrastructure needs of Alameda Point.

Vice Mayor Ezzy Ashcraft moved approval of the contract with the amendment to have a list of objectives come back annually and the contract term be only one year.

Councilmember Daysog stated on a per-project basis, and given Senator Perata's long history serving Alameda, the contract seems reasonable; that he supports the staff recommendation.

Councilmember Tam stated that Vice Mayor Ezzy Ashcraft's request for a one year contract and reporting requirement was already done by Council in 2012-2013; Perata Consulting was approved for a one year contract to test former Senator Perata's accomplishments and determine whether or not to go forward with a three year contract, which is the issue before the Council tonight; the items noted would take a multi-year effort; Section 19 states: Council can terminate the contract at any time with a 30 day notice.

Councilmember Chen inquired whether the three year contract was requested by Perata Consulting, to which the Assistant City Manager responded in the negative, stated a three-year contract term is standard practice for lobbying firms.

The motion failed due to lack of second.

In response to Vice Mayor Ezzy Ashcraft's inquiry, the Assistant City Manager stated the work plan would come back annually with a progress report.

Councilmember Daysog stated that he has not had any interaction with Senator Perata in the last five years, but Perata Consulting's work stands on its own merit.

Councilmember Tam moved approval of the staff recommendation, with the emphasis that the contract includes a reporting and evaluation every year.

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

(*14-491) Recommendation to Authorize the City Manager or His Designee to Negotiate and Execute a Purchase Agreement in a Form Acceptable to the City Attorney in an Amount Not to Exceed \$180,000 for Microsoft Exchange and Outlook Email Platform Licenses. Accepted.

(14-492) Recommendation to Authorize the City Manager, or His Designee, to Negotiate and Execute a Purchase Agreement with Tiburon, Inc. on Forms Acceptable to the City Attorney to Furnish, Install, and Implement an Upgrade to the Police Department's Computer Aided Dispatch (CAD) and Records Management Systems

(RMS) including the Acquisition of Hardware and Software in an Amount Not to Exceed \$995,000.

The Police Captain gave a brief overview of the system.

Vice Mayor Ezzy Ashcraft inquired where the funds would go if not used for the CAD and RMS upgrade.

The Assistant City Manager responded the funds come from the equipment replacement account which is already budgeted; the Police Department contributes to the fund, which is an internal service funds; if the funds are not spent, the money can be rolled over to the next year.

Vice Mayor Ezzy Ashcraft noted the Sunnyvale Police Department is using the program and staff was able to see it in action.

Councilmember Tam inquired what would happen if the system fails.

The Police Captain responded the Police Department would not be able to function.

Councilmember Daysog stated as a matter of policy, anything above \$500,000 should be on the Regular Agenda, not on the Consent Calendar.

In response to Mayor Gilmore's inquiry, Councilmember Daysog stated his comment is a recommendation moving forward.

Stated the contract is a large amount; questioned whether the contract would create a savings, such as overtime: Kurt Peterson, Alameda.

Mayor Gilmore stated the contract is not being brought forward as a cost saving measure; rather it is a necessary upgrade because the software is at the end of its life and requires upgrade.

The City Manager stated the trend for overtime has been very good over the past several years.

The Police Chief stated staff has done a pretty good job of managing overtime; some overtime is generated for circumstances beyond control, such as court appearances; commented on the report time savings.

Vice Mayor Ezzy Ashcraft moved approval of the staff recommendation.

Councilmember seconded the motion, with direction for staff to place items over \$500,000 that have not gone to bid on the Regular Agenda in the future.

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

(*14-493) Recommendation to Authorize the City Manager to Purchase Playground Equipment and Safety Surfacing from MRC/GameTime for Longfellow Park in an Amount Not To Exceed \$133,000, Including Contingencies. Accepted.

(*14-494) Resolution No. 14983, "Authorizing Submittal of Application for All CalRecycle Grants for which the City is Eligible, which Authorizes the City Manager to Submit a Grant for the CalRecycle Tire-Derived Product Grant Program for Playground Surfacing at Longfellow Park and to Execute All Necessary Documents." Adopted.

(*14-495) Resolution No. 14984, "Approving the Application for Land and Water Conservation Fund Jean Sweeney Open Space Park Project, which Authorizes the City Manager to Submit a Grant Application to the Land and Water Conservation Fund to Design and Construct a Portion of the Jean Sweeney Open Space Park and to Execute All Necessary Documents." Adopted.

(*14-496) Resolution No. 14985, "Approving the Application for Land and Water Conservation Fund Estuary Park Project, which Authorizes the City Manager to Submit a Grant Application to the Land and Water Conservation Fund to Construct Phase 1 of Estuary Park and to Execute All Necessary Documents." Adopted.

(*14-497) Resolution No. 14986, "Amending Resolution 14512 to Update Signing Authority for the State's Local Agency Investment Fund." Adopted.

(*14-498) Resolution No. 14987, "Setting the 2015 Regular City Council Meeting Dates." Adopted.

(*14-499) Resolution No. 14988, "Declaring Canvass of Returns and Results of the Consolidated General Municipal Election Held on Tuesday, November 4, 2014." Adopted.

REGULAR AGENDA ITEMS

(14-500) Introduction of Ordinance Approving a Lease and Authorizing the City Manager to Negotiate and Execute Documents Necessary to Implement the Terms of a Lease with Bay Ship and Yacht Company for Sixty Months in Building 292 Located at 1450 Ferry Point at Alameda Point. Introduced.

Councilmember Tam left the dais at 8:09 p.m. and returned at 8:11 p.m.

The Economic Development Division Manager gave a brief presentation.

In response to Councilmember Daysog's inquiry regarding job creation, the Economic Development Division Manager stated Bay Ship and Yacht is not a job-creation facility; engineering staff is only temporary.

Vice Mayor Ezzy Ashcraft moved introduction of the ordinance.

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

(14-501) Introduction of Ordinance Amending the Alameda Municipal Code by Amending Chapter 2 (Administration), Article 2 (Board and Commissions) by Repealing Section 2-21 (Youth Advisory Commission) in Its Entirety Thereby Dissolving the Youth Advisory Commission. Introduced.

The Recreation and Parks Director gave a brief presentation and introduced the new staff member responsible for the teen programs.

Councilmember Chen inquired about the selection and nomination process for the new Executive Board.

The Recreation and Parks Director responded staff agreed developing the selection and nomination process would be a great learning opportunity for the Youth Committee.

In response to Councilmember Chen's inquiry, the Recreation and Parks Director stated primarily staff would be doing the interviews.

Councilmember Chen stated that he likes the expansion to 20 youth commissioners; encouraged staff be more inclusive and do aggressive outreach.

Vice Mayor Ezzy Ashcraft stated that she applauds involving more youth; her children benefitted from being members of the Youth Commission; thanked staff for report.

Councilmember Tam stated that she appreciates the reconfiguration which provides focus on youth needs; inquired whether there will be representatives from Charter schools, to which the Recreation and Parks Director responded in the affirmative; stated private schools would also be included.

Councilmember Daysog stated the issues and concerns of the youth community are the responsibility of City Hall, not just of schools; encouraged future commissioners to bring forward a range of issues.

Councilmember Tam moved introduction of the ordinance.

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

(14-502) Recommendation to Reject the Developer Finalists for Site B and Postpone the Decision on Development of Site B at Alameda Point for Six Months. Approved.

The Chief Operating Officer – Alameda Point gave a brief presentation.

The City Manager clarified staff would continue to be opportunistic regarding Site B, but would not commit to bring the issue back on a specific date.

Councilmember Daysog stated staff has clear goals, but most of the issues will still be the same six months from now; rejecting the finalists implies starting over; inquired what the argument is against just postponing the development of Site B and not rejecting the developers.

The Chief Operating Officer – Alameda Point responded rejecting the developers does not mean staff would not approach them at a future point; stated staff does not want to string the developers along.

The City Manager stated handing the property to a developer is not in the City's interest; bringing the issue back at a later date when market conditions change does not change the scenario of what the City would like at Site B; Site B is not sellable in the marketplace due to the infrastructure.

Councilmember Daysog stated the lack of, and need to, improve infrastructure will still be the same six months from now; staff does not need to reject the developers outright.

Vice Mayor Ezzy Ashcraft concurred with the City Manager; stated the Site A developers improving the infrastructure is a changed circumstance; staff does not want to keep the developer on hold if they want to direct their resources to another project; another Request for Qualifications (RFQ) could be done; the passage of time will help; there will be more to offer.

Councilmember Tam noted when Council discussed Site A with the developers, the developers stated they may be interested in Site B once the infrastructure is in place; the scenario of interested developers might change once Site A is developed.

Councilmember Chen stated staff has invested many hours and money already; the community would like to see more job creation; that he proposes to continue dialogue until the new Council is seated; completely rejecting the developers is premature.

The City Manager stated continuing the existing process does not yield a dime; the City would be telling other developers that Site B is not available right now in an effort to be more open; the policy is clearly jobs first at Alameda Point; other items do not drive economic development; the infrastructure is not there and subsidizing jobs would be foolish.

Councilmember Chen suggested continuing the dialogue in two weeks or one month.

Councilmember Daysog stated that he understands the problem; the City has clear objectives with regard to infrastructure; through the negotiations, the City determined that the developers could not meet the objectives.

The City Manager stated if the two developers came back to the City two weeks from now with numbers that work, the City would accept the proposal; the problem is not whether the developers could come back; the problem is the current proposal is not going to work; Alameda is better off being completely open to the market than sending mixed signals that the City is only working with the two teams.

Vice Mayor Ezzy Ashcraft stated staff is keeping the door open; if either of the two developers come up with a feasible plan, staff is open and would not reinvent the wheel.

Stated Mission Bay understands staff's viewpoint; the situation boils down to math; advancing Site A is essential; the East Bay does not have lots of new office buildings; Mission Bay would like the opportunity to work with the City for three years to look for tenants: Seth Hamalian, Mission Bay Development Group.

Commented on the Site B area, the importance of Site A and SRM: Former Councilmember Doug deHaan, Alameda.

Questioned how the developers became finalists: Kurt Peterson, Alameda.

Councilmember Daysog moved approval of the staff recommendation; noted the developers met certain criteria, but could not meet expectations when reviewing the details.

Councilmember Tam seconded the motion; noted staff tested the market.

Under discussion, Vice Mayor Ezzy Ashcraft thanked Mr. Hamalian for coming forward with ideas to work with staff.

Mayor Gilmore stated two prior processes did not pan out because the developers told the City what they wanted for the project; staff decided to do the process differently this time and the community told the developer what they want; due to certain thresholds and at no fault of the developer, the objectives were not met; rather than moving forward only to lead to disappointment, staff decided to pull back; this decision happened in open session and is how the public process works.

On the call for the question, the motion which carried by the following voice vote: Ayes: Councilmembers Daysog, Ezzy Ashcraft, Tam and Mayor Gilmore – 4. Noes: Councilmember Chen – 1.

(14-503) Public Hearing to Consider: 1) Resolution No. 14989, “Approving the Del Monte Warehouse Project Subsequent Mitigated Negative Declaration.” Adopted; 2)

Introduction of Ordinance Adopting the Del Monte Warehouse Master Plan and Density Bonus. Introduced; and 3) Introduction of Ordinance Adopting the Del Monte Development Agreement. Introduced.

The City Planner gave a Power Point presentation.

Mike O'Hara, Jim Meek and Paula Krugmeier representing Tim Lewis Communities gave a Power Point presentation.

Councilmember Daysog stated that he is not convinced the traffic plan is accurate; Table 16-1 adds retail and office; the overall impacts go down because the retail profile changes from 160,000 square feet of retail to 25,000 to 30,000 square feet; the proper unit of analysis should not include retail; Table 16-2 evaluates cumulative impacts in conjunction with other projects; given the changes being contemplated on the multi-family housing overlay, the analysis is inadequate; that he is concerned what happens if the project does not meet certain traffic targets; the Transportation Demand Management (TDM) Plan does not specify penalties; the City and the community would like the Del Monte building restored and reused; the plan should rest on solid policy analyses and recommendations.

The City Planner stated the environmental document has consistently stated there are transportation impacts from the reuse of the Del Monte building that need to be mitigated; the question becomes what is going to be done about the impacts; the City can do nothing, which causes another set of issues, or the City can continue to build housing and mitigate the traffic issues in the best possible way; the Del Monte project has been evaluated by an outside consultant hired by the City; the transportation program is very progressive; the City believes the program will work; other cities have used the same program to obtain significant reductions in traffic.

Councilmember Daysog stated the biggest deficiency with the Del Monte project TDM Plan is that it does not adequately provide any penalties for failing to meet certain benchmarks.

Mayor Gilmore stated setting a goal and penalty is hard if the baseline is not known; once a baseline is established, adjustments can be made.

Councilmember Daysog stated the City should create a transportation plan that identifies the penalties or mitigations, which is not in the proposed plan.

Councilmember Chen left the dais at 10:03 p.m. and returned at 10:05 p.m.

In response to Vice Mayor Ezzy Ashcraft's inquiry, Councilmember Daysog stated one example is if the development group does not meet expectations, the \$300 annual fee residents pay toward traffic mitigation could be increased; solutions cannot be made

right now; solutions should be made by dealing with the TDM first, independent of the Master Plan.

Vice Mayor Ezzy Ashcraft inquired whether a penalty program could be phased in during the project ramp up period.

Councilmember Daysog responded the project TDM is not only three quarters complete; the final quarter should address how to phase in a penalty program; that he cannot provide the final quarter on his own tonight; the penalty program should be discussed first before approving the project.

Councilmember Tam stated she is more solution focused; the TDM identifies a process in the Development Agreement (DA) which accommodates how changes, penalties, and adjustments are determined; inquired whether Councilmember Daysog is suggesting the Council be very clear with the TDM included in the Mitigated Negative Declaration.

Councilmember Daysog responded that he would like the Council to make a separate and final decision on the approval of the TDM before approving the project; stated that he is in favor of the project, but would like a proper analysis completed first.

Councilmember Tam stated there has been a 13 year process; that she would like clarity and constructive feedback from the community on what reductions, changes, or tradeoffs need to happen.

Mayor Gilmore stated Council can approve the project tonight or let one seismic event decide the fate of the building.

Councilmember Daysog noted the DA states impact fees do not include School District fees); inquired whether the project has school fees or not.

The City Planner responded the school impact fees are collected by the City for the School District; the project pay all the impact fees on the books today for Alameda; the DA freezes the current impact fees and prohibits any increases if new impact fees are adopted in the future.

Councilmember Daysog stated Item D in the DA states: "only the specific impact fees listed in Exhibit E of this DA shall apply to the project," and Exhibit E does not include School District fees.

The Assistant City Attorney stated the statement freezes impact fees from the City of Alameda from any future new fees or fee increases; the definition does not include the School District or any other public entity that might impose an impact fee; if the School District creates a new fee or increased its fee, the developer would be subject to the fees.

(14-504) Vice Mayor Ezzy Ashcraft moved approval of considering the budget resolution [paragraph no. 14-506] and the Mayor's nomination [paragraph no. 14-508] after 10:30 p.m.

Councilmember Daysog seconded the motion, which carried by the following voice vote: Ayes: Councilmembers Chen, Daysog, Ezzy Ashcraft and Mayor Gilmore – 4. Noes: Councilmember Tam – 1.

Stated the development needs to be truly transit oriented; stated the Planning Board meeting minutes should be part of the record; outlined the study's reliance on unbundled residential parking: Mayor Elect Trish Spencer, Alameda.

Stated the project has been long awaited; there is constant reference to the General Plan; however, 414 units are being proposed, which doubles the 200 units in the General Plan Housing Element; the Planning Board minutes have not been approved; other development projects should be factored in: Councilmember Elect Frank Matarrese, Alameda.

Discussed the change from unbundled to bundled parking; stated the total units being planned throughout the City would add at least 3,000 cars and impacts will be felt: Paul Foreman, Alameda.

Stated lack of clear responses lead to the creation of PLAN Alameda; the majority of the neighbors are excited to see the project proceed; however, the project needs to be considered on a whole with the other projects; community comprehension is needed: Heather Little, Alameda.

Stated the neighborhood has spent months studying the parking and fought hard to get bundled parking; that she shares Councilmember Daysog's concerns about the TDM; too much is trying to be accomplished and pinned on the Del Monte; the study should have neighborhood input; rather than a penalty, the impacts should be monitored: Alison Greene, PLAN! Alameda.

Stated the Chamber Government Relations Committee urges approval of the staff recommendation; outlined project benefits: Mark Sorensen, Chamber of Commerce Government Relations Committee.

Showed a Power Point; reviewed the State Secretary of Interior's Standards requirements: Rion Cassidy, Alameda.

Discussed the benefits the DA would provide for the Jean Sweeney Open Space Park, which could move forward quickly; urged approval of the DA: Bill Delaney, Recreation and Park Commission.

Urged the Council to turn the area into a proud residential area; expressed support for

the developer: Nick Cabral, Alameda.

Discussed the number of cars; compared the project to the SunCal project: Mike Kara-Vasilies, Alameda.

Stated progress is slow in Alameda; outlined delayed projects; urged approval: Don Sherratt, Alameda.

Stated that he is in favor of the project because of the trucking and blight; problems will be alleviated by the Clement Avenue extension: Robert Byrne, Alameda.

(14-505) Vice Mayor Ezzy Ashcraft moved approval of continuing the meeting after 11:00 p.m.

Councilmember Chen seconded the motion, which carried by the following voice vote: Ayes: Councilmembers Chen, Daysog, Ezzy Ashcraft and Mayor Gilmore – 4. Noes: Councilmember Tam – 1.

Expressed concern over the increase in the number of units: Patsy Baer, Alameda.

Expressed concern over following historic guidelines and traffic: Melvin Lim, Alameda.

Stated the matter should be delayed for the new Council; the public needs to understand the TDM plan, which has been changed; financial issues should be fully vetted: Jane Sullwold, Alameda.

Commended the architect; discussed height limits, live-work and parking: Stuart Rickard, Alameda.

Expressed concern over traffic: Kurt Peterson, Alameda.

Stated that he is opposed to the project because of transportation and parking issues; discussed bus service: Lester Cabral, Alameda.

Stated that he has waited 46 years for something to be done with the Del Monte building; urged approval: Art Lenhardt, Alameda.

Stated that he supports moving forward; discussed development; expressed support for the project, including affordable housing: Dong Kim, Alameda.

Stated the Alameda Home Team supports the project; discussed the decreased demand for parking and transportation: Patricia Young, Alameda Home Team.

Expressed support for the project; discussed the plans and project benefits; stated the

project will be a catalyst to improve the area: Marcela Veron, Alameda.

Urged approval of the project; outlined the history of three historic buildings: the Theater, the Red Brick Building and the Del Monte: Helen Sause, Alameda Home Team.

Expressed support for the project; stated Alameda should be at the forefront of transit projects; discussed sea rise: Doug Linney, Alameda.

Urged moving forward; outlined the benefits of the project: Michael McDonough, Chamber of Commerce.

Urged the vote on the project be delayed: Reyla Graber, Alameda.

Read letters in support of the project from County Supervisor Wilma Chan and East Bay Economic Development Alliance: Jessica Grossman, TLC.

Expressed support of the project; outlined the demand for the type of housing being proposed: Anne DeBardeleben, Alameda.

Urged approval of the Master Plan and DA; discussed access to the waterfront: Laura Thomas, Renewed Hope Housing Advocates.

Expressed support for the project; stated the Housing Element includes 24 sites with the multi-family overlay, which the site provides: Lynette Lee, Renewed Hope and Alameda Development Corporation Advisory Committee.

Stated air pollutants from trucks have been a problem; expressed support for the project: Jeanne Merrill, Alameda.

Discussed the proposed 2,000 new homes on the waterfront; expressed concern about the cumulative impacts on adjacent neighborhoods: Former Councilmember Doug deHaan, Alameda.

Stated AC Transit wants to play an active role in the Del Monte project transit; discussed transit programs: Robert Del Rosario, AC Transit.

Stated when he moved to Alameda in 1997, he would have purchased a unit in the Del Monte building; urged moving forward: Jon Spangler, Alameda.

Expressed support for the project: Lucy Gigli, Bike Walk Alameda.

Discussed his firm's review of the transit plans; stated TDM plans are living documents that need to be monitored and revised: Phil Olmstead, Nelson/Nygaard Consulting Associates.

Councilmember Daysog inquired what specific mechanisms lead to a successful transit program.

Mr. Olmstead responded the provisions listed in the TDM, including: shuttle service, direct connection to BART, transit passes, bike and car sharing service; stated the Transportation Management Association (TMA) would help coordinate the project and market the programs to tenants and residents.

Councilmember Daysog inquired situations where transportation goals of a project are not met.

Mr. Olmstead responded not every TDM program his firm developed has worked perfectly the first time; programs can take multiple iterations and years of fine-tuning; adjusting patterns and behaviors of a community is key to achieving goals.

In response to Councilmember Daysog's inquiry, Mr. Olmstead stated Alameda is a unique Island City; his firm has not worked on a project that can be directly analogous to Alameda's project; the monitoring program is emphasized to establish a baseline; then necessary adjustments can be made; being flexible is important for the success of any TDM program.

In response to Councilmember Chen's inquiry, Mr. Olmstead stated his firm looked at the specific site and site characteristics when the TDM program was developed.

Councilmember Tam inquired whether potential trips from surrounding projects were evaluated when doing the analysis, to which Mr. Olmstead responded in the negative, stated the analysis was specific to the Del Monte project.

The City Planner clarified that Nelson Nygaard did a third-party evaluation of the transportation plan for the project; a different consulting firm did the environmental documents which looked at the cumulative impacts of all the projects in Alameda.

In response to Mayor Gilmore's inquiry, the City Planner stated all of the environmental documents done for every project in Alameda in the last 15 years look at cumulative impacts, including: full build-out of Alameda Point, the Northern Waterfront, and South Shore; one set of consultants prepare the Environmental Impact Report (EIR) and the Mitigated Negative Declaration; the developer's consultants create a transportation plan; the City hired Nelson Nygaard to evaluate the transportation plan; the City's trip reduction goal is 10%; Nelson Nygaard determined the trip reduction would be 34%; traffic impacts need to be monitored and adjusted; travel habits will change; different programs will work and changes can be made to provide alternatives.

Councilmember Daysog inquired whether Nelson Nygaard has worked on situations where penalties can be calibrated upwards when certain goals are not met.

Mr. Olmstead responded in the affirmative; stated the TDM can include very specific language; Alameda has general language which states the program will be monitored and adjusted as needed; the adjustments can include a range of activities including increasing the fee and changing the TMA composition; including very specific language in a TDM before a baseline is established is challenging; that he recommends general language that includes provisions in case goals are not met, but leaving language flexible to allow response to specific needs.

Councilmember Daysog stated the TDM is the official document referenced in the DA; unless the language is changed now to incorporate the flexibility, Council cannot come back later and enforce changes.

The City Attorney noted the DA does not reference a specific, dated TDM plan and does allow for flexibility in the TDM.

Councilmember Daysog stated he would like to change language in the DA to state the developer implement a "Council approved TDM Program," instead of a "Planning Board approved TDM Program."

Vice Mayor Ezzy Ashcraft inquired what the mechanism is for allowing flexibility in the TDM.

The City Planner responded the DA states the City will implement a TDM plan approved by the Planning Board; the TDM Plan, approved by the Planning Board on November 11, has flexibility; the plan requires annual monitoring and the ability to shift services.

Councilmember Daysog inquired whether there is language stating the City Council has powers to enforce calibrated penalties.

The City Planner responded the surveys and annual monitoring gives the Planning Board and the Council the power and ability to find out if the TDM is not working; in consultation with the TMA, staff can put resources into the things that are working.

Councilmember Chen stated people's lives change and it is unfair to penalize residents for changing their driving or work habits.

Mayor Gilmore noted existing Alamedans may downsize to live at Del Monte.

Expressed support for the project, which has the ability to become the anchor of the Northern waterfront; outlined project benefits; urged approval: Karen Bey, Alameda.

Expressed concern over completion of the Clement Avenue extension and the height of the two new buildings: Debra Arbuckle, Alameda.

Stated the design lacks vision; parking in the area is difficult now; stated funding is needed for Little John Park; urged additional time: Jay Ingram, Alameda.

Stated development should be done properly; the Del Monte building looks nice; however, a five story building behind the building is not Alameda: Gail deHaan, Alameda.

Discussed developing something for seniors: Linda Weinstock, Alameda.

Councilmember Tam stated the project originally assumed 200 housing units; at full build out, the project proposes 414 housing units; inquired whether the Mitigated Negative Declaration analyzes the impact of the proposed housing units, to which the City Planner responded in the affirmative.

Councilmember Tam inquired whether there was close and frequent coordination between the School Board and School District staff regarding projections of the proposed demographic impacts on schools.

The City Planner responded staff contacted the School District at the beginning of the process and requested review of the environmental documents; conversations with the school district on calculating the impact fees are ongoing.

Councilmember Tam stated the potential full build out was reviewed, but might not happen all at once; inquired whether the Mitigated Negative Declaration reviews school enrollment and capacity, to which the City Planner responded in the affirmative.

Councilmember Chen stated the public needs more time to weigh in; inquired whether the 11 public hearings were well-attended, to which the City Planner responded in the affirmative, stated there were as many as 100 people in the first few meetings; the community was given ample opportunity to participate; the extensive public process does not end tonight.

Councilmember Chen stated a key component for the TDM to work is transit passes; inquired about the cost effectiveness of bus passes.

The City Planner responded AC transit has a program which offers the project a bulk discount.

Councilmember Tam left the dais at 12:34 a.m. and returned at 12:36 a.m.

Vice Mayor Ezzy Ashcraft inquired whether the City would be able to complete the Clement Avenue extension project.

The City Planner responded in the affirmative; stated the City is confident the Clement Avenue project will work; in 2008, the City approved completing the street extension project by project; Marina Cove I is already done, Marina Cove II is the second piece;

Del Monte is the third piece; an appraisal has been done on land that the City needs to acquire from Wind River; the next step would be to come to a mutual agreement on price; then, Tim Lewis Communities can purchase the land; the final piece is the Pennzoil property.

In response to Councilmember Daysog's inquiry regarding why certain projects are not included in the cumulative impacts, the City Planner stated Table 16-2 of the Supplemental Mitigated Negative Declaration is just the Del Monte project; the document evaluated the Tim Lewis Communities plan to determine whether assumptions and uses for the Del Monte were different than what was assumed in 2008; the cumulative impacts would be found in the original document.

Councilmember Daysog inquired whether the 2008 full build out included Northern Waterfront and Alameda Point, to which the City Planner responded in the affirmative; stated every EIR looks at cumulative impacts.

Mayor Gilmore noted Buildings B and C need to go through design review.

In response to Mayor Gilmore's inquiry regarding the 55-foot height of structures, the City Planner stated the Master Plan sets a parameter and process for Buildings B and C; the buildings would be three stories, not five stories; the 55-foot height allows parking underneath the buildings and is not required.

Mayor Gilmore inquired whether the height limit is part of the design review process, to which the City Planner responded in the affirmative; stated the Council can determine the height tonight, but the Planning Board wanted to make the decision in the future.

Mayor Gilmore inquired what the transit options would be for a resident moving in on day one.

The City Planner responded the transit options on day one would include AC transit passes, shuttle service directly from the site to BART, car share, and the bicycle kitchen.

Mayor Gilmore requested information on the affordable housing component of the Del Monte project.

The City Planner stated there are 24 moderate income units and 31 very-low and low income units on Pad B for a total of 55 affordable housing units; if the project is approved tonight, construction drawings and design on Pad B would begin in partnership with the Housing Authority (HA) so that the projects would be on the same construction schedule; the land and buildings would be permanently owned by the HA.

In response to Mayor Gilmore's inquiry regarding parking, the City Planner stated the original plan was to divide spaces among separate users; the plan was simplified to make the most effective use of all 680 spaces; 414 spaces are designated to each of

the 414 residential units, and the remaining 266 spaces would be shared between residents and business owners; the spaces would be managed by a parking manager to accommodate employees, visitors, overnight, and after hours, parking.

Councilmember Tam inquired how many affordable housing units would be lost if the City-owned Parcel B located on the corner of Sherman Street and Buena Vista Avenue was not included in the Del Monte Project.

Mr. Meeks responded the project would lose 16 affordable housing units if Parcel B is not included in the project.

Councilmember Tam inquired whether the total number of housing units would be further reduced in order to accommodate the affordable housing units and associated parking, to which Mr. Meeks responded in the affirmative; stated the units would be reduced to 380 without the City-owned property.

Mayor Gilmore inquired whether the 31 affordable housing units would go on Site C if Tim Lewis Communities could not acquire Site B, to which Mr. Meeks responded in the affirmative; stated the 31 units would go on a portion of Site B and partially on Site C.

Vice Mayor Ezzy Ashcraft inquired under what scenario would TLC not be able to acquire the City property, to which Councilmember Tam responded if Council decides to retain Parcel B for future use such as green or open space.

Mayor Gilmore noted approval of the Master Plan tonight does not include approval of the Parcel B acquisition, which would be decided later.

Councilmember Tam suggested modifying the DA to cap the total number of units to less than 414; stated Council should be responsive to the community's concerns about the number of units, while preserving amenities and public benefits.

Councilmember Daysog thanked City Staff and the public; stated the DA gives power to the Council to police the built environment and protects the developer in dealing with the City; the DA also protects the City; the DA is silent on certain subject matters which leaves both parties exposed; the analysis and mitigation plans of the TDM are inadequate; that he supports reducing number of units; suggested placing the issue on hold to strengthen the TDM plan so it is Council-adopted.

Vice Mayor Ezzy Ashcraft stated the Del Monte is a beautiful but decaying building with lots of potential; there are many complaints about truck and commute traffic; employees have challenges in finding a wider stock of housing; neighborhood groups worked with staff and the Planning Board to come up with workable alternatives; that she met with the developer team and is impressed with their planning process and the plans to reduce traffic impacts; other communities were successful by allowing flexibility; climate change an issue in Alameda and it is incumbent for everyone to find a workable balance; she would like AC transit to resume service at the ferry terminal and supports

completion of the Clement Avenue Extension to divert truck traffic; she respects the opinions of all citizens but supports the neighbors who are more greatly affected by the project.

Councilmember Chen stated that he likes the affordable housing stock and the 30,000 square feet of commercial development, which would be a low-trip generator and mitigate traffic; he likes the annual reporting; the City should not pass up on the opportunity to fix a historic landmark with a financially qualified developer; the project will eliminate 15 years of truck traffic; the impact fees of the project will contribute to the design and development of Jean Sweeney park; the TDM will work; it will not resolve all traffic concerns but will minimize traffic impacts of the project; he supports moving forward.

Councilmember Tam stated that she agrees with the concerns raised; there is a cost to everything wanted in the project; she is ready to move forward.

Mayor Gilmore stated the redesign of the major historic landmark would make Alameda proud; thanked the architects for their vision; stated that she is proud of the community for having civilized dialogue to move projects forward.

In response to Vice Mayor Ezzy Ashcraft's inquiry, the City Planner stated there are three multi-year parking studies being done in TDM plan.

Vice Mayor Ezzy Ashcraft read suggestions in a letter from Alison Greene; inquired whether there would be neighborhood representation on the Northern Waterfront TMA.

The City Planner responded the Board of Directors for the TMA has not been established; direction should be added to the CEQA document.

Councilmember Tam moved adoption of the resolution

Councilmember Chen seconded the motion.

Vice Mayor Ezzy Ashcraft requested the motion be modified to include direction to add a non-voting neighbor liaison on the Northern Waterfront TMA.

Councilmembers Tam and Chen agreed to amend the motion.

On the call for the question, the motion carried by the following voice vote: Ayes: Councilmembers Chen, Ezzy Ashcraft, Tam and Mayor Gilmore – 4. Noes: Councilmember Daysog – 1.

Councilmember Tam stated she is prepared to move approval of adding an addendum to modify both the Master Plan and the DA to not include the City-owned portion of Parcel B, reducing the number of housing units from 414 to 380.

The City Planner stated the amendment specifies the maximum units to be built on the land owned by the developer is limited to 380.

Councilmember Daysog stated that he would like an alternative amendment not to allow development of Parcel B or C.

Vice Mayor Ezzy Ashcraft stated that she is concerned Councilmember Daysog's amendment would eliminate the 31 low and very low affordable housing units.

Councilmember Chen inquired whether the units could be added back if Parcel B is acquired in the future, to which Councilmember Tam responded in the affirmative; stated a future Council can approve adding the units back.

Mayor Gilmore stated Councilmember Tam would like the project to be viable in the event Parcel B is not acquired by the developer.

Councilmember Tam concurred with the Mayor; stated the number of affordable housing units would be preserved.

The City Planner clarified that the number of affordable units would not change, but there would be a reduction in market rate units.

The City Attorney stated the DA does not commit the City to conveying Parcel B; Parcel B is identified as consideration for the Clement Avenue extension; if Parcel B is removed from the DA it might affect the benefit.

In response to the City Attorney's inquiry, Mayor Gilmore stated there is no change to the Master Plan or the DA, the Council is just stating that in the event the City parcel is not conveyed to the Developer, the project could still move forward and provide the affordable housing, reducing the number of units from 414 to 380.

The City Planner clarified the process; stated at a future date, the Developer and the HA would ask the City to convey land to the HA; the developer would then convey their portion of Parcel B to the HA; the HA would own all of Parcel B; with the amendments proposed by Councilmember Tam, the developer would still be responsible for all 55 affordable housing units and limited to 380 units on the land they own.

Mayor Gilmore called a recess at 1:44 a.m. and reconvened the meeting at 1:58 a.m.

Councilmember Daysog moved approval of focusing the Master Plan solely on the 300 plus units being built in the brick building and not allow development on Parcel B and C.

Mayor Gilmore inquired whether the motion would eliminate the 31 very-low, low income affordable housing units, to which Councilmember Daysog responded in the affirmative; stated the motion follows the logic of traffic and transit.

The motion FAILED for lack of second.

Councilmember Tam moved approval of reducing the number of maximum units to 380 from 414.

The City Planner listed the amendments: 1) Page 29, language should be: “not later than 36 months”; 2) Page 31 Phasing Approval section, add a new sentence: “Within six months of Master Plan approval, the Planning Board shall hold a public hearing to review progress on project implementation including, but not limited to, Wind River property acquisition for Clement Avenue Extension, first neighborhood parking study scope of work, and affordable housing development.”; and 3) Page 31 Phasing Approval section, add new sentence, “Prior to issuance of the first building permit, the applicant shall fund a dedicated building inspector with experience with large-scale historic rehabilitation and residential adaptive reuse construction projects; inspector shall work directly under the supervision and direction of the Chief Building Official.”

Councilmember Tam moved introduction of the ordinance adopting the Del Monte Warehouse Master Plan and Density Bonus with the amendments listed by the City Planner and restricting the housing to 380 units.

Councilmember Chen seconded the motion; stated that he supports the 8 to 9% reduction in housing units.

On the call for the question, the motion carried by the following vote: Ayes: Councilmembers Chen, Ezzy Ashcraft, Tam and Mayor Gilmore – 4. Abstentions: Councilmember Daysog – 1.

Councilmember Daysog moved to introduction of the Del Monte DA ordinance with amendment to page 9 changing the language from “Planning Board approved TDM program” to “City Council approved TDM program”.

In response to Vice Mayor Ezzy Ashcraft’s inquiry, the City Planner stated the TDM was approved by the Planning Board on November 11th and would have to come to Council in January; the project mitigation states before building permits are issued, the TDM program needs to be approved.

Councilmember Daysog stated the intent of the amendment is to pursue adding penalties to the TDM.

The motion FAILED due to lack of a second.

Councilmember Tam moved introduction of the ordinance to adopt the Del Monte DA

with a modification to be consistent with the Del Monte Master Plan ordinance which limits 380 units and maintain all the public benefits.

Vice Mayor Ezzy Ashcraft seconded the motion, which carried by the following vote: Ayes: Councilmembers Chen, Ezzy Ashcraft, Tam and Mayor Gilmore – 4. Abstentions: Councilmember Daysog – 1.

(14-506) Resolution No. 14990, “Approving and Adopting an Amendment to the City Of Alameda’s Operating and Capital Budget for Fiscal Year 2014-2015.” Adopted.

The Assistant City Manager and Interim Finance Director gave a Power Point presentation.

Councilmember Daysog inquired whether the additional 5% means increasing the reserve by 5%, to which the Interim Finance Direction responded in the affirmative.

In response to Vice Mayor Ezzy Ashcraft’s inquiry, the City Manager stated contributions could go toward paying off long term unfunded liabilities, including Other Post-Employment Benefits (OPEB) and PERS Smoothing, which is an increase in the premium; staff would be required to return to Council for approval on such a proposal.

Councilmember Daysog stated that he would support setting aside \$3 million for OPEB and PERS obligations.

Vice Mayor Ezzy Ashcraft inquired whether allocating funds for the Emergency Operation Center (EOC) is premature.

The Public Works Director responded with the breakdown of the funds for the EOC training and supplies: 1) training for all employees; there are 33 employees for each of three shifts; the City would contract with California Specialized Training Institute run by Office of Emergency Services (OES); 2) laptops, the EOC is currently structured in the basement using old technology; new EOC software would cost \$125,000, including maintenance and configuration; the total cost would be \$255,705.

Vice Mayor Ezzy Ashcraft thanked the Public Works Director for his oral report; stated other departments were able to itemize expenditures in the staff report; the public deserves to be informed about where money is being spent; that she would like to have seen the information included in the staff report.

Councilmember Daysog stated that he is satisfied with the way the staff report characterizes the \$250,000.

Councilmember Tam commended staff for their economic acumen for having a surplus.

Mayor Gilmore stated it is refreshing to have a budget surplus of \$11.5 million; thanked and congratulated staff.

The Assistant City Manager commended the former Finance Director, Fred Marsh.

Discussed using technology to make revisions to staff: Kurt Peterson, Alameda.

Mayor Gilmore stated that she appreciated Mr. Peterson's comments, however, 200 employees were laid off during the recession; the remaining employees work hard with less and maintain a full-service city; the City has not made investments in technology for ten years or more; technology is at the end of its useful life; the issue is not always about employees being more efficient, but software is failing.

Vice Mayor Ezzy Ashcraft stated Mr. Peterson mentioned Police Officers; that she has yet to hear any resident request fewer Officers on the street; there are compliments all the time regarding the Police Department; the citizens do not want to reduce the number of Officers patrolling the City.

Councilmember Tam stated the Police Chief built efficiencies into the system and should be commended.

Councilmember Tam moved adoption of the resolution.

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

CITY MANAGER COMMUNICATIONS

None.

ORAL COMMUNICATIONS, NON-AGENDA

(14-507) Kurt Peterson, Alameda, stated the Del Monte item should have been moved up; suggested planning the agenda more efficiently.

COUNCIL REFERRALS

None.

COUNCIL COMMUNICATIONS

(14-508) Consideration of Mayor's Nomination for Appointment to the Social Service Human Relations Board (SSHRB).

Mayor Gilmore nominated Mark Sorensen for appointment to the SSHRB.

ADJOURNMENT

There being no further business, Mayor Gilmore adjourned the meeting at 2:36 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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