

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY- -JULY 23, 2013- -6:00 P.M.

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

Roll Call – Present: Councilmembers Chen, Daysog, Ezzy Ashcraft, Tam and Mayor Gilmore – 5.

[Note: Councilmember Daysog arrived at 6:06 p.m.]

Absent: None.

The meeting was adjourned to Closed Session to consider:

(13-343) Conference with Legal Counsel – Anticipated Litigation; Initiation of litigation pursuant to subdivision (c) of Section 54956.9; Number of cases: One

(13-344) Conference with Legal Counsel – Existing Litigation (54956.9) Case Name: Ann Marie Gallant v. City of Alameda, et al.; Superior Court of California, Alameda County; Case No. RG11590505

(13-345) Public Employee Performance Evaluation; Pursuant to Government Code § 54957; Position Evaluated: City Clerk – Lara Weisiger

Following the Closed Session the meeting was reconvened and Mayor Gilmore announced that regarding Anticipated Litigation, direction was given to staff and regarding Existing Litigation, direction was given to staff.

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Mayor Gilmore called a recess at 7:01 p.m. and reconvened the meeting at 11:30 p.m.

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Following the Closed Session the meeting was reconvened and Mayor Gilmore announced that regarding Performance Evaluation, direction was given to the subcommittee.

Adjournment

There being no further business, Mayor Gilmore adjourned the meeting at 12:28 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -JULY 23, 2013- -7:00 P.M.

Mayor Gilmore convened the meeting at 7:10 p.m. Vice Mayor Ezzy Ashcraft led the Pledge of Allegiance.

ROLL CALL - Present: Councilmembers Chen, Daysog, Ezzy Ashcraft, Tam and Mayor Gilmore – 5.

Absent: None.

AGENDA CHANGES

(13-346) Mayor Gilmore announced that the resolution regarding formation of a Community Facilities District [paragraph no. 13-364] and the ordinance authorizing a Purchase and Sale Agreement with Catellus [paragraph no. 13-365] would be addressed after the Public Hearing to consider integrated waste collection rates [paragraph no. 13-363].

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY & ANNOUNCEMENTS

(13-347) Proclamation Declaring July 2013 as Recreation and Parks Month; and

(13-347 A) Presentation of Recreation and Parks Annual Report.

Mayor Gilmore read the proclamation and presented a Certificate to Bill Delaney, Recreation and Park Commission Vice-Chair.

The Recreation and Parks Director gave a presentation on the Annual Report.

Mayor Gilmore stated the annual report is being presented for the first time; parks play a central role in the City's life; an annual report should have been done before.

Vice Mayor Ezzy Ashcraft stated the Recreation and Parks Director has accomplished a lot, which is due to the great Recreation Parks Commission and the Director having innovative and exciting ideas; the department is running leaner, fees are paying for programs, while rates remain accessible; parks are one of the great assets of the community.

Councilmember Daysog stated that he loves that the old t-shirts from the 1970s and 1980s have been brought back.

Councilmember Tam stated the report is excellent; a lot of things previously on the back burner have been accomplished in one short year; along with Councilmember Daysog, hat she is particularly partial to the shirts; having more come to fruition for Krusi Park would be great.

Councilmember Chen stated that he has heard many great things about the Recreation and Parks Director and Commission; maintaining and keeping parks low cost or no cost to the residents is important; many people depend on community parks for exercise, entertainment, and socializing.

Mayor Gilmore stated a couple months ago, the library started the Food for Fines program; in a month's time, the library has collected over 5,000 pounds of food which has been put to immediate use in Alameda; due to the Food for Fines program, over 1,000 library accounts are now in good standing from people making a food donation; thanked everyone for participating.

ORAL COMMUNICATIONS, NON-AGENDA

None.

CONSENT CALENDAR

Mayor Gilmore announced that the Alameda County HOME Program Agreement [paragraph no. 13-350] was 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.]

(*13-348) Minutes of the Special City Council Meeting and Special Joint City Council and Successor Agency to the Community Improvement Commission Meeting Held on June 11, 2013; and the Special and Regular City Council Meetings Held on June 18, 2013. Approved.

(*13-349) Ratified Bills in the amount of \$3,823,986.96.

(13-350) Recommendation to Authorize the City Manager to Negotiate and Execute Related Documents, Agreements, and Modifications Related to the Alameda County HOME Partnership Investment Program (HOME) Consortium Construction Pool Funds for the Shinsei II Project.

The Housing Authority Executive Director gave a brief presentation.

Advocated for special funding to include Veterans in affordable housing programs: Richard Bangert, Alameda.

Urged approval of the staff recommendation: Diane Lichtenstein, Alameda Home Team; Catherine Relucio, Alameda Home Team; Helen Sause, Alameda Home Team; Bill

Smith, Renewed Hope Housing Advocates; and Lois Pryor, Renewed Hope.

Councilmember Daysog stated the Veterans' organization has been front and center as part of the Homeless Collaborative and has been a very integral part of planning Alameda Point housing; the housing is for Veterans who are at most risk of homelessness; the City should be able to improve [Veterans housing assistance].

The Housing Authority Executive Director stated the Housing Authority's tenant housing policy includes preferences; the top two preferences for selecting tenants are Alameda residents and Veterans; Veterans and Alameda residents are at the top of the list; an individual who is an Alameda resident and a Veteran receives top preference.

Vice Mayor Ezzy Ashcraft inquired whether the policy applies to all affordable developments, to which the Housing Authority Executive Director responded in the affirmative; stated the policy includes all developments and the Section 8 program, which is an independent housing subsidy.

Vice Mayor Ezzy Ashcraft inquired whether Shinsei is one of two newer developments at Alameda Landing, and whether Shinsei has a large Veterans' population.

The Housing Authority Executive Director responded Operation Dignity is one of the Shinsei development partners; stated Operation Dignity is an Alameda Point Collaborative non-profit which deals primarily with homeless Veterans; eventually property will be turned over to Operation Dignity for the homeless Veterans program.

Vice Mayor Ezzy Ashcraft inquired which property would be turned over to Operation Dignity, to which the Housing Authority Executive Director responded Shinsei Gardens; stated the site has 39 units next to Alameda Landing; another program, Veterans Affairs Supportive Housing (VASH), was set up by Congress about 5 years ago; unfortunately, the Housing Authority has not been able to obtain VASH vouchers and is trying to find out why; at a meeting, a Veterans Administration representative could not explain the reason; Oakland and Berkeley, Richmond, Alameda County, and San Francisco have been able to obtain vouchers; the Housing Authority is still trying to get vouchers.

Councilmember Chen inquired who does the recruitment and screening process; stated currently 1,700 applicants are waiting for 91 units; some people on the waiting list may never be able to move to Alameda; inquired whether an outside organization handles recruitment.

The Housing Authority Executive Director responded in the affirmative; stated properties developed in partnership with outside agencies, such as Resources for Community Development (RCD) and Satellite Affordable Housing, use the outside agency's property managers who apply the Housing Authority's policies to the waiting list.

Councilmember Chen inquired whether the outside agencies follow the Housing Authority's procedure, to which the Housing Authority Executive Director responded in

the affirmative.

Councilmember Tam moved approval of the staff recommendation.

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

(*13-351) Recommendation to Authorize the City Manager, or His Designee, to Enter Into Purchase Agreements Not to Exceed \$305,000 for the Replacement of Eight Police Department Vehicles and One Police Motorcycle. Approved.

(*13-352) Recommendation to Accept the Quarterly Report on Litigation and Liability Claims Settlements Paid During the Period April to June 2013. Approved.

(*13-353) Recommendation to Adopt Plans and Specification and Authorize Call for Bids for the Repair of Portland Cement Concrete Sidewalk, Curb, Gutter, Driveway, and Minor Street Patching, FY13-14, Phase 14, No. P.W. 05-13-15. Approved.

(*13-354) Recommendation to Award a Contract in the Amount of \$1,612,556 to Fort Bragg Electric, Inc. for the Group 1 – Sewer Pump Station Renovations for Reliability and Safety Improvements Project. No. P.W. 04-13-11 and Allocate \$241,884 in Contingencies. Approved.

(*13-355) Recommendation to Approve a Third Amendment to the Agreement in the Amount of \$150,000 to Ampco System Parking for Operation and Maintenance of the Civic Center Parking Garage. Approved.

(*13-356) Recommendation to Accept the Work of Fieldstone Construction Company for Woodstock Field Improvements, Phase 2, No. P.W. 11-06-23. Approved.

(*13-357) Resolution No. 14841, “Authorizing the City Manager to Submit CalRecycle Grant Applications and to Execute All Necessary Documents.” Adopted.

(*13-358) Recommendation to Authorize the City Manager to Execute a Contract with Municipal Auditing Services for Business License Audit and Enforcement Services; and

(*13-358 A) Resolution No. 14842, “Designating Municipal Auditing Services as an Authorized Representative to Examine Sales and Uses Tax Records.” Adopted.

(*13-359) Resolution No. 14843, “Requesting and Authorizing the County of Alameda to Levy a Tax on All Real and Personal Property in the City of Alameda as a Voter Approved Levy for the General Obligation Bonds Issued Pursuant to a General Election Held November 7, 2000.” Adopted.

(*13-360) Ordinance No. 3076, “Approving a Lease and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of a License Agreement with Antiques By the Bay, Inc., for Five Years in the Northwest Territories Located at 2900

Navy Way at Alameda Point.” Finally passed.

(*13-361) Ordinance No. 3077, “Amending Section 30-2 of the Alameda Municipal Code to Allow Cottage Food Operations as Required by Assembly Bill 1616 and Allow All Home Occupations to Include Up to One Employee and Delete Reference to Excessive Pedestrian Traffic.” Finally passed.

REGULAR AGENDA ITEMS

(13-362) Resolution No. 14844, “Appointing Shawn Shelby as a Member of the Golf Commission.” Adopted;

(13-362 A) Resolution No. 14845, “Appointing Amy Fann as a Member of the Youth Advisory Commission.” Adopted;

(13-362 B) Resolution No. 14846, “Appointing Alanei Jackson as a Member of the Youth Advisory Commission.” Adopted;

(13-362 C) Resolution No. 14847, “Appointing Amelia Khoo as a Member of the Youth Advisory Commission.” Adopted;

(13-362 D) Resolution No. 14848, “Appointing Shariff Youngblood as Member of the Youth Advisory Commission.” Adopted.

Councilmember Tam moved adoption of the resolutions of appointments.

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

The Assistant City Clerk Administered the Oath of Office to Mr. Shelby, Ms. Fann, Ms. Khoo and Mr. Youngblood.

(13-363) Resolution No. 14849, “Establishing Integrated Waste Collection Ceiling Rates and Service Fees for Alameda County Industries, Inc. (ACI) for Rate Period 12 (July 2013 to June 2014).” Adopted.

The Administrative Management Coordinator and Rick Simanson, HF&H, gave a presentation.

Councilmember Daysog thanked staff for discussing the issue with him prior to the meeting; stated that he is going to hold onto his methodological differences; based on his calculations, the ratepayer basis is between \$0.41 and \$0.50 per month; however, staff calculates the amount to be \$0.37, which is reached by going from \$0.47 to \$0.77; the amounts are in the same ball park; the agreement requires rates to be calculated by comparing total expenses to total anticipated revenues to determine the rate needed to fill the gap; he believes the 6 month venture, which is usually a good methodology, revealed a slight flaw; the better methodology would be to use incremental expenses versus incremental revenues to generate the necessary rate increase.

Councilmember Chen stated that he understands operating expenses change every year; cost of living adjustments, fuel costs and labor costs are all involved; the same factors apply to cable, electric and water bills; hopefully, rate stability will increase moving forward; the huge fluctuation, with some facing a 75% increase, is a burden to businesses and residents; hopefully, the rate increase will be more stable next year.

Vice Mayor Ezzy Ashcraft stated in the future, staff should look more globally when negotiating with ACI; a grant application to CalRecycle was approved on the Consent Calendar; CalRecycle administers various grant programs and furthers the State's efforts to reduce, recycle and reuse solid waste, preserve landfill capacity and protecting public health, safety and the environment; the matter is not just about setting garbage rates; incentives should be considered to get people to use the gray garbage bin less even though ACI would bring in less revenue; what goes in the gray bin goes into the landfill; what goes into the green bin is compostable and recyclables go into the blue bin; the City should encourage more composting and recycling, rather than apply for CalRecycle grants while keeping the gray bin rate lower for a larger bin; that she understand ACI incurs costs; some jurisdictions have trucks that pick up more than one bin; technology has changed; adapting the vehicles and not having so many trucks on the road might be better for the environment and roads; the City has done a good job of having residents use less and put less in the landfill, which is part of the reason ACI is not making as much revenue; the environment, City, and earth should be considered when looking at rates long term.

Councilmember Daysog stated the chart which breaks down the average monthly garbage rate is helpful; some things change, such as indexing jumping from \$7.45 to \$7.65 midyear; other things remain fixed, such as the fleet depreciation of \$1.91; \$0.77 corresponds to the rate increase covering the \$960,000 depreciation for the Compressed Natural Gas (CNG) vehicles.

Councilmember Daysog moved adoption of the resolution.

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

(13-364) Resolution No. 14850, “ Authorizing the Commencement of Proceedings for the Formation of a Community Facilities District, Designating Consultants, Approving an Acquisition Agreement and Directing Certain Related Actions with Respect Thereto - Alameda Landing.” Adopted.

The Acting Community Development Director gave a brief presentation.

Councilmember Tam moved adoption of the resolution.

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

(13-365) Introduction of Ordinance Approving and Authorizing a Purchase and Sale Agreement with Catellus Alameda Retail, LLC and Joint Escrow Instructions for Sale of Remnant Parcel. Introduced.

The Acting Community Development Director gave a brief presentation.

Councilmember Tam inquired whether the property transfer tax for City owned land is based on the appraised value, and whether Catellus would pay the tax.

The Acting Community Development Director responded the appraised value would be used for the property value on the tax rolls.

Vice Mayor Ezzy Ashcraft stated the matter is addressed in Paragraph 6/1 of the closing procedures.

The Acting Community Development Director read the paragraph: "Buyer shall pay all closing costs, escrow fees, recording costs and all City and County documented transfer taxes payable in connection with the purchase and sale of the Remnant Parcel. Buyer shall pay all premiums for the Title Policy, including costs of additional endorsements and surveys."

Mayor Gilmore inquired whether the amount is based on the one dollar sale price or the appraised value; stated documentary transfer tax can be read as the nominal fee paid to record the deed of trust as opposed to a transfer tax which is often thousands of dollars.

The Acting Community Development Director responded the reference says City and County documentary transfer taxes, so she believes the City's transfer tax is included.

Mayor Gilmore stated the term "documentary" gives her pause.

Vice Mayor Ezzy Ashcraft stated the amount is based on the sale price.

Councilmember Tam stated the question is whether the amount is one dollar or \$120,000.

The Finance Director stated documentary transfer tax is the transfer tax; both the County and City are mentioned because the county component is \$1.10 per thousand and the City's rate is \$15 per thousand.

Mayor Gilmore inquired whether the amount is based on the one dollar purchase price or the appraised value.

The City Attorney responded that she does not know if the matter was negotiated; stated the amount should be based on the full amount; \$120,000 is the value; one dollar is being paid, but the benefit is \$120,000, so the purchase price is \$120,000.

Vice Mayor Ezzy Ashcraft inquired whether the language should be modified to make the matter clearer.

The Acting Community Development Director responded that she believes the language can be clarified.

Mayor Gilmore stated the Acting Community Development Director indicated \$120,000 would go on the tax rolls.

The Acting Community Development Director stated the intent is to put the property on the tax rolls at its paper value; the transaction could be conducted so the City gets the advantage of adding the property, which has a zero value right now.

Mayor Gilmore stated the matter should be clarified; that she would assume if the property goes on the tax rolls as \$120,000, the transfer tax would be based on said assessed value; the matter needs to be clarified to ensure everyone is on the same page and the City gets what it is expecting, which is the transfer tax of that [\$120,000] value.

The Acting Community Development Director stated staff would make the adjustment.

Stated that she is not in favor of the ordinance; urged the Council to postpone the decision to allow more communication between CalTrans and the City: Patricia Ashley, Alameda.

The City Manager stated that he wants to assure the speaker that the left hand in the City knows what the right hand is doing; Catellus needs to negotiate additional phases of the project with the City; Catellus would not want to put the City in a corner because the ability to develop the balance of the project depends in large part upon the good will of the City; he has had extensive conversations with the College of Alameda regarding the crosswalk issue, which is a legitimate concern that will be solved; CalTrans has a 90 day period to fix the matter after the City present drawings; the property would not be developed until the next year; there is plenty of time to work out everything.

The Acting Community Development Director stated the portion of land that is being proposed to be sold to Catellus is 0.3 acres; the area is a triangle, skinny strip along Stargell Avenue; the crosswalk is in a different area that CalTrans is proposing to sell to Catellus; the transaction for Catellus to purchase areas from CalTrans is already underway.

Vice Mayor Ezzy Ashcraft inquired whether staff is working on securing the crosswalk.

The Acting Community Development Director responded the Planning Board approved all five Use Permits last night; an In-N-Out Use Permit condition includes working with CalTrans to address Stargell Avenue pedestrian safety issues.

Mayor Gilmore inquired whether the In-N-Out project is conditioned on the crosswalk being addressed, but the Safeway gas and Chase Bank are not, to which the Acting Community Development Director responded in the affirmative.

The Assistant City Manager stated Public Works staff began discussions with CalTrans regarding the crosswalk today.

Councilmember Tam inquired whether sale of the remnant parcel is not related to the CalTrans parcel, to which the Acting Community Development manager responded in the affirmative.

Councilmember Tam moved introduction of the ordinance.

Vice Mayor Ezzy Ashcraft seconded the motion, which carried by the following roll call vote: Councilmembers Chen: Aye; Daysog: Aye; Ezzy Ashcraft: Aye; Tam: Aye; and Mayor Gilmore: Aye. Ayes: 5. Noes: 0.

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Mayor Gilmore called a recess at 8:39 and reconvened the meeting at 8:44 p.m.

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(13-366) Recommendation to Receive a Report and Provide Direction to Staff Regarding a Strategy to Address Other Post-Employment Benefits (OPEB).

The Finance Director gave a Power Point presentation.

Mayor Gilmore inquired whether the City would be doing what CalPERS does if a trust fund, which would be invested, is created.

The Finance Director responded the City would make contributions to the trust fund, which would be like the City having 457 plan; stated the City would then tell the trustee to make the payments to retirees; the trust fund would somewhat be like PERS; the City makes the payment to PERS and PERS makes payment to the retirees.

Vice Mayor Ezzy Ashcraft inquired whether the unused balance would earn interest.

The Finance Director responded in the affirmative; stated the City has reviewed different pools; the two main firms are PERS and PARS; PARS has some really attractive options and allows selection of different types of pools; options range from very conservative to moderate to aggressive; the moderate approach would fit the City pretty well; a return of about 6% is the goal, as opposed to 7 to 8% on the aggressive side; 6% seems moderate but is better than what the City could earn; currently, the City's investment pool is not even earning 1% due to current market rates.

In response to Mayor Gilmore's inquiry regarding investment restrictions, the Finance Director stated the City is restricted and is primarily in U.S. government or treasury

securities.

Councilmember Daysog stated the situation remains the same; the City knows how much has to be set aside for OPEB annually, yet less is being set aside; tough decisions still have to be made.

The Finance Director stated Councilmember Daysog is absolutely right; the trust fund is a starting point; the appropriate funding level will have to be discussed; putting \$100,000 into a trust fund is a good starting point; bond agencies would recognize effort has been made, which is positive for the City; a tiered benefit program is another option, which has begun to be addressed under the current Memorandums of Understanding (MOUs); PERS has a tiered program; for each year of PERS experience, employees vest a certain percentage; for example, an employee who retires after 10 years would not receive 100% of the OPEB benefit; instead, with the rate of 5% per year, the employee would receive 50%; other cities have implemented such programs; the system rewards experience; a third option is capping the City's medical contribution rate; each year, the employer contribution goes up the same amount for both retired and current employees; restructuring could be done to have the City contribute \$1,000 per month for medical expenses for retirees and current employees; capping the amount at \$1,000 stops automatic increases, which could dramatically lower the OPEB liability; the fourth option is to have future employees on a defined contribution plan; instead of paying the benefit as long as an employee lives, the City's liability could end once the employee leaves the City; the employees could invest money in a health saving bank, such as a Voluntary Employees Benefit Association (VEBA); a VEBA is set up under Internal Revenue Services (IRS) regulations allows money to be pulled out tax free; other options include a plan to offer a buyout program similar the plan Beverly Hills started a couple of years ago; current employees receive either a onetime lump sum payment or OPEB upon retiring and new employees receive a defined contribution plan.

Mayor Gilmore inquired whether the City of Beverley Hills issued a bond to pay for the program, to which the Finance Director responded in the affirmative.

Mayor Gilmore inquired whether the City of Alameda has been dinged by credit agencies because of the OPEB liability, to which the Finance Director responded in the affirmative.

Mayor Gilmore inquired whether rating agencies would consider issuing a bond positive or negative since the City would be taking on additional debt.

The City Manager responded the City would not ever really know; stated that he believes credit agencies would look at issuing bonds as positive; rating agencies look at OPEB with a jaundice eye because nobody knows how much healthcare rates are going to increase or the potential impacts of Obama care; the Beverly Hills program locks in the present benefit value, which eliminates the danger of runaway premiums and buys out the liability early; the program allows cities to resolve not knowing how big

the problem is and calculates rates at present value, which is probably a good deal.

The Finance Director stated staff would definitely have to do a lot of analysis if Council is interested in the program; pension obligation bonds are typically taxable, which results in a significantly higher rate; the rates are probably around 4% if the City refinances bonds; however, pension obligation bonds are 6.5% to 7%; the rates would continue to go up to 10% to 12%; he is only aware of Beverly Hills, and no other cities in California, proceeding with the option.

The City Manager stated the debt would incur 6% or maybe a little more; however, medical premium estimates currently increase by about 11% to 14% every year.

Mayor Gilmore stated the Finance Director has indicated two main drivers cause costs to increase: one is a larger pool of retirees and the other is healthcare costs; discussed Obama Care; stated the City is presupposing premiums are going to continue to increase at the same rate, which might occur; in 2006 or 2007, Bartel and Associates thought there would be national healthcare, which the Council did not want included in estimates since it was far away and might have never happened; now national healthcare has sort of happened; more analysis is needed on what national healthcare might look like for the City; the City should have a better idea of exactly what is being tackled because Obama Care is probably going to make rates go down or up.

Councilmember Tam stated the Affordable Care Act is very complex; the Congressional budget office is completing estimates; Alameda Hospital has affiliated with the County in reaction to the Affordable Care Act because a competition increase is anticipated; healthcare premiums should go down by 10% to 18% in the next five years; that she does not know how projections are being done; the matter should be considered.

The City Manager stated in spite of the Affordable Care Act, the aging population believes it has a right to live forever, so he is not very optimistic; the Affordable Care Act might provide a mitigation to what would have been a larger increase; demographics cannot be changed; being 80 years old and feeling entitled to a third knee is not going to change because of legislation.

Councilmember Tam stated the City made significant progress with the last MOU negotiations; actuarials show 80% of public safety spouses outlive the retirees; retirees do not typically live longer than 12 years after retiring.

The City Manager stated healthcare is provided for current public safety retirees' spouses; most employees were hired before June, 2011; there will be relief in the long term; however, how to handle the next 30 years is the problem.

Mayor Gilmore stated that she would like more information about how Obama Care is likely to affect the City; the City might decide the information is not relevant or might not want to put all eggs in one basket in terms of rates; moving forward without that piece of the puzzle seems irresponsible.

The Finance Director stated Bartel and Associates is going to do an actuarial study update and review a number of different health factors; the study could include the effects of Obama Care and an update could be brought to Council.

Doug Pryor, Bartel and Associates, stated whether or not rates are coming down depends on who you talk to; Bartel and Associates has not adjusted projections on where premiums are going; the matter was raised as part of the discussion about cashing out similar to Beverly Hills; one of the advantages to keep in mind is the City would not cash people out at the full benefit value; a soft debt is being changed for a hard debt with bonds; Beverly Hills determined the worth and provided some fraction to entice people; the estimate might be to cash out 70%; however, based on the variable of healthcare reform the amount could be dropped by a little bit; Obama Care has so many variables that no one knows where go premiums will go.

The City Manager noted the Beverly Hills plan was optional and was not imposed on entire bargaining units; stated each individual makes a determination.

Vice Mayor Ezzy Ashcraft stated a vote of the entire bargaining unit would not be needed; the City does not know where the Affordable Care Act is going to lead; right now, the Act is on hold; assuming that medical rates and medical care costs are going to increase is safe; if rates do not increase, the City would be in better shape and the windfall could be added to the trust fund; however, she concurs with Mayor Gilmore; she would like information amplified when the matter returns; the City should not be frozen into inaction because the future cannot be shown in a crystal ball; actuarial studies are the best that can be done; concurred with Councilmember Tam that the Affordable Care Act would bring rates down by sheer competition even for a third knee for a 80 year old; not knowing should not keep the City from tackling a problem which is getting worse.

The Finance Director stated the City has been trying to tackle OPEB on a very incremental basis over time, which is continuing; OPEB cannot be solved in one day; the City is trying to take smart, reasonable steps to inch itself into a better position; a recent announcement about Obama Care indicated implementation has been delayed for one year from 2014 to 2015; the City is under PERS Health, which tends to be more comprehensive than other health plans; Obama Care may have some impacts; however, coverage is already higher than most standard plans; the City should go forward with reasonable, conservative assumptions about where healthcare is going in the future; having a little extra in the bank does not hurt.

Mayor Gilmore stated the goal is to have a plan to address OPEB liabilities; in the early 2000's, the liability was not even reported; the City started reporting the liability, then, noticed the number was really big and has become even bigger; the goal is to have a plan to address what has accumulated for 30 or 40 years; the City should have a plan rather than kicking the can down the road; hopefully, the plan will be viewed as a positive, not only by citizens, but by bond agencies because the City may need to float

bonds for infrastructure or other things; a plan needs to be in place to improve the City's bond rating.

Councilmember Daysog stated the public should realize there will be some sacrifices; residents have to be prepared; not meeting OPEB obligations right now has led to an unfunded liability of roughly \$90 million; questioned how the City would be able to fund the trust fund; stated during the budget sessions, the Library Director indicated both branch libraries cost around \$176,000 to run, which totals almost \$400,000; an example of a sacrifice would be rolling blackouts--closing one branch library to generate savings which would be dedicated towards the trust fund; the Council and community have to discuss such real life situations; narrowing the plan and the amount that has to be set aside is important because on one hand, the City needs a plan to meet long term OPEB obligations; on the other hand, the City wants to maintain services; something has got to give.

The Finance Director concurred with Councilmember Daysog; stated it is a balancing act; if the City were funding its arch, an additional \$4.5 million would have to be paid every year, which is 6% of the budget; continued the presentation.

In response to Mayor Gilmore's inquiry about the lowering delta, the Finance Director stated the City had its own pension plan for police and firefighters, called the 1079 and 1082 plans; the plans are closed, but still have retirees receiving benefits; the pension plan's population has become smaller and smaller, so the City has lower payments each year; the decrease in the amount paid could be used to offset some increases in OPEB payments.

Councilmember Tam stated the OPEB Task Force discussed the 1082 plan; the minutes indicated \$3.2 million was in the 1082 plan when the City moved into PERS in 1991; the \$3.2 million was to help pay for retiree healthcare and dental benefits; the minutes were vague about what happened to the fund; the prior City Manager discussed the possibility of leveraging funds to secure a pension obligation bond; inquired whether the matter would be analyzed.

The Finance Director responded that he does not know about the matter, but would speculate that the City probably negotiated with PERS to move the assets to PERS.

Councilmember Tam stated all the assets, except for the \$3.2 million surplus amount, were moved into PERS; that she understands only two employees remain under the 1082 plan; some funds should remain.

The Finance Director stated both the 1079 and 1082 plans are similar to OPEB; the City operates on a pay-as-you-go basis; further stated the City has set aside a couple hundred thousand in an OPEB internal service fund to get it started; every year efforts are made to contribute more into the fund; encouraged getting a mechanism in place and adhering to a plan.

Vice Mayor Ezzy Ashcraft inquired how much remains in the two funds.

The Finance Director responded that he would research the matter; stated the funds are at almost zero right now; the City started doing pay-as-you-go after funding ran out; the City pays around \$2 million per year for the 1079 and 1082 plans; using up the \$3.2 million would not have taken long and could have occurred over two years.

Vice Mayor Ezzy Ashcraft stated payments being made to the last retirees in the 1079 and 1082 plans should be considered like a car payment; when the car is paid off, the City should keep depositing payments into a savings account towards the next car; the City Council minutes from October 2008 address the delta; the Interim Finance Director offered several alternatives; one was a ramp up; the trust fund cannot be adequately funded overnight; anything set aside is going to help; any windfalls should be deposited to help grow the trust fund.

The Finance Director stated the idea is great; further stated Bartel and Associates does the actuarial for the 1079 1082 plans; projections are done over a 10 year period; future budgets could incorporate putting the amount by which the 1079 and 1082 plans go down into OPEB; Council can give staff direction and staff would be happy to do so.

Councilmember Tam stated that is the Council's direction.

Mayor Gilmore stated that she discussed another thought with the City Manager; Alameda Point is a big elephant in the room; the City sees development of Alameda Point as an economic engine; hopefully, a certain amount of sales tax will be generated; the last MOUs tied raises to certain funds so employees would share in the upside if the General Fund revenue increased; her idea is to dedicate some portion of the Alameda Point [sales tax] revenue stream to pay some of the OPEB liability.

The Finance Director stated the Council could definitely establish said policy for staff to implement; a onetime windfall from Alameda Point land sales could help fund OPEB.

The City Manager stated the Finance Director was not involved in negotiations with the Navy; revenues generated at Alameda Point through the sale or leasing of real property must remain on the former Base for 25 years; however, sales tax, business license tax or other revenue not tied to community benefits or infrastructure districts, would go into the General Fund; the Council could establish a policy to require a certain percentage of revenues to be set aside for OPEB.

Mayor Gilmore stated a lot of cities were awash in funds during the Internet boom; money was used to expand services and hire more staff; cities spent revenue coming in; additional revenue from Alameda Point development should not all be spent, some should be set aside for OPEB; noted that she would not oppose setting aside funds for maintenance either; stated the City should not spend all revenue to grow programs and add staff; funds should be applied to outstanding liabilities.

Councilmember Chen stated the agenda item is to direct staff; staff would come back with a solution; the OPEB Task Force presented a recommendation last October; commended staff for starting a dialog with public safety employees, which is long overdue; noted retired employees in their 60's, 70's and 80's would have difficulty obtaining affordable insurance elsewhere if the City does a buyout plan or cap; when working with labor unions, staff should keep in mind that senior citizens may be at the greatest risk because of their inability to find affordable healthcare somewhere else.

The Finance Director stated tough decisions have to be made; almost all the ideas, other than the trust, impact the City, retirees or current employees; staff would like the Council to provide feedback if there are options that should not be pursued in negotiations with employee groups.

Mayor Gilmore noted there are very strict legal restrictions for people who are already retired; retirees' benefits cannot change.

Councilmember Tam stated the City has been sued and adjudicated in the courts with the Police Officers Association.

The Finance Director stated several options relate to future employees; case law related to OPEB says employees vest the day employment starts; the City could review options, such as capping which do not decrease benefits, but change the structure; staff is presenting potential options; staff wants to know if there are any options the Council does not want staff to pursue going into employee negotiations; several different approaches will have to be used to reduce the liability; the City will not be able to reduce the liability in just one way.

Mayor Gilmore stated changing retired employees' benefit would be a long, drawn-out process with a lot of potential pitfalls; that she would put the idea at the bottom of the options; she hopes other, easier things can be implemented as there is a huge potential the City would be sued again and lose; changing retired employees' benefits is probably the one she would direct staff not to pursue.

The Finance Director stated staff would consult with attorneys on any recommendations; noted a couple of OPEB lawsuits are pending; stated Alameda will not be on the cutting edge; staff is looking at what other cities have done.

Councilmember Daysog stated nine ideas have been provided; encouraged members of the public to provide the City with additional suggestions; stated providing estimates for the nine items would be helpful; there is an annual unfunded liability of \$4.5 million; a chart should be presented showing how much closer each of the nine items brings the City towards closing the \$4.5 million annual amount; the analysis would allow him to prioritize; estimates are not easy and require assumptions, which is why the City has hired Bartel and Associates.

The Finance Director stated Bartel and Associates could complete some valuations to

determine the potential savings from suggestions; the range of savings would depend on different scenarios.

Councilmember Daysog stated the key issue with the trust fund is how to capitalize the fund; Councilmembers have discussed diverting savings from the 1079 and 1082 plans; analysis should include the possibility of rolling blackouts; provided examples of rolling blackouts, such as closing one or two parks or closing different branch libraries for periods of time; stated the savings which could be generated should be a part of the discussion or at least the analysis.

Vice Mayor Ezzy Ashcraft stated past Council direction has been to have budget cuts start furthest from the point of service; Councilmember Daysog's suggestions could be considered, but would be a long way down the road; staff report Table 2 separates OPEB costs for public safety versus miscellaneous employees; the amount is almost 10 times higher for public safety employees; suggested analysis include the number of employees in each group; inquired whether there are more public safety retirees than miscellaneous retirees, to which the Finance Director responded in the affirmative.

Vice Mayor Ezzy Ashcraft stated costs need to be brought down; knowing the numbers would be helpful; the potential solutions recommended by the OPEB Task Force were outlined in the report; in the future, the Fiscal Sustainability Committee's report should also be included; advantages, such as improving the City's credit rating, should be outlined to provide Council with a better understanding of what would work best; some sort of hybrid will probably be done, rather than selecting one solution; the dollar amount of savings should be provided; staff should do said calculations because the solution will involve sacrifices; the Council needs to know what it will get for sacrifices; Council might select different option after learning it is not as onerous to the public and has benefits; Council does not have enough information right now; the Beverly Hills plan is very interesting; however, she would be very hesitant to consider changing the OPEB benefit for future sworn public safety employees to the minimum; miscellaneous and public safety employees are not equal; public safety professionals are put in physical danger and may have more significant medical conditions than miscellaneous employees; in 2008, Mayor Gilmore suggested contracting out engineering services; questioned whether the matter was explored.

Councilmember Tam stated the 2008 matter addressed Planning and Building services.

The City Manager stated the same has been done with the Recreation and Park fund; revenue pays for programs; Planning and Building services are fee based and are under a separate revenue stream, rather than the General Fund.

The Finance Director stated engineering and community development activities are not greatly impacted by OPEB.

Mayor Gilmore stated the context is the City had a massive layoff in Planning and Building; the concept was the City could contract out services as permit work increased,

rather than hire more employees.

Vice Mayor Ezzy Ashcraft inquired whether benefits for employees hired after June 2011 are averaged on the three highest years of salary, to which the City Manager responded in the affirmative.

Vice Mayor Ezzy Ashcraft inquired whether the same could be done for current employees.

The City Manager responded the report suggests treating healthcare benefits for current employees more like a pension program; the premium percentage would depend upon years of service; at 5% per year, employees would get 100% coverage at 20 years and 50% at 10 years; the percentage could be another amount, such as 4% or 8%; the change would be subject to negotiation.

Mayor Gilmore stated employees vest after 10 years; inquired whether retirement is age 55 instead of 50.

The City Manager stated there are options; Alameda has selected 2.7% at age 57.

Mayor Gilmore inquired whether the tiered approach would mean that public safety employees would work longer, to which the City Manager responded in the negative; stated people will probably work longer and not retire at 50; in 30 years, safety employees will probably retire at 57; the new formula applies to employees hired after this past January and would not impact the OPEB benefit level; although the City uses PERS, the trust fund may not necessarily be a PERS trust fund; the question is whether Council wants to staff to engage unions about making the healthcare benefit more like the pension benefit.

Vice Mayor Ezzy Ashcraft responded in the affirmative.

The City Manager stated changes which impact current employees are all negotiable.

Mayor Gilmore requested the City Treasurer to address the type of investments that would be available to the City under a trust fund.

The City Treasurer stated the staff report indicates OPEB is the largest threat to the long term fiscal stability of the City; he concurs; OPEB needs to be solved by making cuts and finding revenue; a trust fund makes sense if the City has extra money; however, the City does not have extra money; the only way to directly impact the liability is to impact current employees' benefits, which is very difficult; employees have to be asked to make sacrifices; the idea of bonding involves risk; the City needs to find a balance that is the least painful for everyone involved.

Mayor Gilmore stated Council consensus seems to be that the City should move forward with the trust fund; how the trust fund would be funded is another issue; having

a trust fund is important because employees are going to want to know that money will go towards the benefit if they are asked to pay more for OPEB or receive reduced benefits; the trust fund is needed for transparency and credibility; the trust fund would be a starting place to ask employees what they would be willing to do.

The Finance Director stated Council has indicated staff should return with different trust fund firms and work with Bartell and Associates, as they work on the revised OPEB actuarial, to provide estimates and potential savings for each proposed solutions; establishing the trust fund is a critical first step.

Mayor Gilmore stated the plan should be developed with employees; some intense and long discussions with employees will be held throughout the process.

The City Manager stated staff would present a report on the proposed trust fund in the early fall; Council direction seems to be to proceed with the trust fund regardless of solutions that may or may not manifest through negotiations; staff has already begun talking to different firms; discussed his experience with pension reform in Oakland; stated unlike Oakland, Alameda has always paid its existing liability and has not borrowed money; the problem is the actuarials and assumptions indicate that numbers are going to rise very quickly and soon; there is a window of opportunity; the City is trying to get ahead of the wave before it crashes; there is no one solution in his opinion; staff has offered a menu of potential solutions; tonight, the Council has indicated staff should put anything which impacts existing retirees at the bottom of the priority list and a trust fund should be started; the problem took more than 50 years to develop; the goal is to do something that will make a substantial impact on the liability; the amount cannot get to zero in one shot unless there are massive cuts and layoffs; relations with bargaining units are excellent; bargaining units have demonstrated an understanding of the City's financial situation and have contributed in leading edge ways; a substantial reduction cannot be made without both revenue and contribution changes; he believes the City can create a program that will be above and beyond neighboring cities; the bonds market will reward the City, which will be very important as the former Base is developed; the Council direction tonight allows staff to prioritize; asked Council to authorize him to begin formal discussions with the bargaining units; stated that he hopes to begin discussions this summer.

Mayor Gilmore stated that she would like the Council to give the City Manager authorization to begin talking to bargaining units; the matter should be discussed cooperatively, rather than the City just presenting options; bargaining units might have suggestions that have not been raised.

The City Manager requested the direction from Council be a motion.

Councilmember Tam stated the agenda item is a recommendation to receive the report and provide direction; inquired whether the direction would be to provide the City Manager authority to begin discussions or reopen the MOUs.

The City Manager responded the direction should be to begin informal decisions consistent with the Council direction regarding options discussed.

Vice Mayor Ezzy Ashcraft stated the direction sounds like a good starting point.

Councilmember Tam stated that she would feel more comfortable proceeding when Council is provided with additional information in September.

Vice Mayor Ezzy Ashcraft inquired whether Councilmember Tam is proposing that the sequence should be Council receives the information first; then gives direction.

Councilmember Tam responded in the affirmative; stated that she would not object if the City Manager wants to meet and confer and start a dialog with the bargaining units as information is developed.

The City Manager stated staff would proceed with said direction; reopening the MOUs would be premature.

Mayor Gilmore stated Council has decided to move forward with the trust fund; the City Manager wants to inform bargaining groups that benefits will be discussed at some point; involving the groups from the beginning is more cooperative.

Vice Mayor Ezzy Ashcraft stated Council does not meet again until September; the City Manager may use the summer to engage in informal discussions and feel out the groups; several things can be done at once; staff will return to Council in September; receiving more information from staff is not being precluded.

Mayor Gilmore stated the bargaining are either present tonight or will watching the meeting; questions will come up.

Councilmember Tam stated that she has no objections; concurred dialog is important and informal conversations are needed; stated people need to know what is transpiring; that she does take some exception to giving direction to have groups comment on the nine suggestions to find ways to address the problem.

Mayor Gilmore stated said direction is not what she is hearing.

Vice Mayor Ezzy Ashcraft stated possibly ideas not yet proposed might even come from the discussions.

Mayor Gilmore summarized that the directions is: 1) staff would provide more information on the trust fund scenario, including the manager and set up; 2) informal discussions would be held between the City Manager and the bargaining groups regarding Council wanting information on the trust fund and explaining establishment of a fund would be likely.

The City Manager stated a solution would not be presented in September; only the trust fund and additional information about Beverly Hills would be presented in September.

Vice Mayor Ezzy Ashcraft inquired whether information requested would be provided, to which the City Manager responded in the affirmative; stated in September, staff would address the specific questions asked; theoretically, if bargaining units indicate there is no interest in the voluntary buyout, he would inform Council in September and a study would not be needed; an entire solution would probably not be presented to the Council until early spring; the dialog will take a long time because the situation is remarkably complex; noted the last MOUs were done quickly because there was a framework; stated charting the next round together is going to take quite a while; having a two year budget allows staff to devote resources to the problem during the time a budget is not being prepared.

Councilmember Chen stated the dialog is just beginning; the City is not limited to the nine solutions; inquired whether other solutions raised would be considered, to which the City Manager responded that he expects and hopes there will be other solutions.

The Financial Director noted coming up with estimates on the nine proposed solutions may take a little bit longer than September to obtain.

Councilmember Daysog stated that he would like to understand which rolling blackouts the Council and public are interested in; the City has to look at all the different solutions on the revenue side and expenditure side.

* * *

(13-367) Vice Mayor Ezzy Ashcraft moved approval of considering the remaining agenda items 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.

* * *

Vice Mayor Ezzy Ashcraft moved approval of requesting additional information on the trust fund and authorizing the City Manager to initiate informal discussions with the bargaining units.

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

(13-368) Recommendation to Receive a Report and Provide Direction to Staff on Potential Refunding of 2002 City Hall Project Certificates of Participation and 2003 General Obligation Bonds.

The Finance Director gave a Power Point presentation.

Councilmember Daysog stated the Fire Department held community meetings about the different Emergency Operations Center (EOC) possibilities; inquired what the cost would be and whether \$3 million would cover costs.

The City Manager responded the EOC would cost around \$2.8 million; the City owns the land, which is adjacent to Fire Station 3.

Councilmember Daysog inquired how much a new Fire Station [3] would cost, to which the City Manager responded the most recent estimate is \$6.5 to \$7 million; stated staff is working on reducing the figure.

Councilmember Daysog inquired whether there is a specific revenue source, to which the City Manager responded in the negative; stated having the site prepared when the EOC is done would help the project; the City would achieve some economies of scale.

Vice Mayor Ezzy Ashcraft stated the approach is sensible; the EOC price tag sounds good; the library bond estimate was \$15 per \$100,000 of assessed value; the rate dropped significantly by the time the City went out to market; people pay \$8.50 per \$100,000 instead; refinancing provides a savings; a lower tax bill would be appreciated in the current economy.

Vice Mayor Ezzy Ashcraft moved approval of providing direction on the two issues [refunding the 2002 City Hall Project Certificates of Participation and 2003 General Obligation Bonds].

Mayor Gilmore inquired whether the motion includes the \$3 million cash out.

Vice Mayor Ezzy Ashcraft responded in the affirmative; stated \$3 million would be cashed out to cover the cost of the EOC and the tax payers would still receive a little break, which does not happen often.

Councilmember Chen inquired whether the two [2002 Certificates of Participation and 2003 General Obligation Bonds] represent the only outstanding debt, to which the Finance Director responded in the negative.

Councilmember Chen inquired why the same is not being done for other bonds, to which Councilmember Tam responded the City has already done so.

The Finance Director stated a financial advisor reviewed all of the bonds; most of the other bonds are from the Community Improvement Commission; redoing said bonds is not feasible right now.

Mayor Gilmore noted the City does not have a lot of debt.

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

(13-369) Recommendation to Endorse Comments on Alameda Point Conceptual Planning Guide.

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

Vice Mayor Ezzy Ashcraft stated the Guide is really fun to read; the staff report noted the document represents 17 years of previous planning documents and efforts; the City has been working on the issue for a long time; moving forward is exciting; compressive planning information has gone into the Guide; the Planning Board has suggested specific changes to the Guide; one suggestion was to add language to clarify parks and open space are to be used for employees as well as residents; requested an explanation.

In response, the Chief Operating Officer - Alameda Point stated the Guide specifically states parks are for residents; stated a Planning Board member noted parks are also for employees; another solution would be to take out language about parks being for residents since parks are for everyone.

Vice Mayor Ezzy Ashcraft noted the Recreation and Parks Director's presentation tonight revealed parks are used by residents more than nonresidents, but parks are open for everybody; stated the list of stakeholders includes the West Alameda Business Association (WABA), commercial and residential development professionals, Alameda Point commercial tenants, and others; inquired why the Park Street Business Association (PSBA) is a stakeholder.

The Chief Operating Officer - Alameda Point responded both WABA and the Chamber of Commerce were included; stated PSBA was added just to be as inclusive as possible and to have all business associations involved in the process.

Vice Mayor Ezzy Ashcraft noted Park Street is a long way away; stated broad-based community outreach will use the website, social media and editorial board briefings in both the print and online media; listed media groups; questioned whether other journals, such as the San Francisco Chronicle, East Bay Business Times, and San Francisco Business Times, should be included; stated the net should be cast wider than the City limits to attract potential businesses and investors; that she is pleased there is room for new architecture in new areas while the historic nature of the historical zone would be respected; the Guide talks about business retention and attraction and notes initially, compromises need to be made to retain and attract business; inquired what is meant by compromises needing to be made initially.

The Chief Operating Officer - Alameda Point responded one idea was regarding parking pricing; stated transit use is encouraged in areas which have high parking demand; customers might not want to go to a retail location which charges for parking; charging for parking initially would only discourage people from going to the location; including parking pricing in the City's tool kit could be used to address concerns regarding successfully attracting retail customers long term.

Vice Mayor Ezzy Ashcraft stated the City would be flexible.

* * *

(13-370) Councilmember Daysog moved approval of the meeting continuing after 11:00 p.m.

Vice Mayor Ezzy Ashcraft seconded the motion which carried by the following voice vote: Ayes: Councilmembers Daysog and Ezzy Ashcraft and Mayor Gilmore – 3. Noes: Councilmembers Chen and Tam - 2.

* * *

Councilmember Tam stated that she likes the plan overall, including the revisions and suggestions; the Figure 7.A and 7.B cross sections are premature and should probably be eliminated, as well as the Zoning Designations which might be too confusing; said issues would be discussed at some point in the future; a phasing schedule or plan for the EIR, zoning, and infrastructure plan should be reviewed at the joint City Council and Planning Board meeting; the joint discussion should also address the disposition strategy and the various land which was conveyed at no cost.

Councilmember Chen stated that he enjoyed reading the draft Guide; inquired whether a lawsuit from the Chinatown Merchant Association is pending, to which the Chief Operating Officer - Alameda Point responded there is a settlement agreement.

Councilmember Chen inquired whether the City is reaching out to the Chinatown community, to which the Chief Operating Officer - Alameda Point responded in the affirmative; stated staff met with the group and has another meeting scheduled; staff intends to continue having meetings to discuss the project and work with the group over the next six months and probably a lot longer.

Councilmember Chen suggested outreaching to Asian organizations, such as the Alameda Chinese Club.

Mayor Gilmore stated the pictures being used in reports have greatly improved over the last two years; reading the Guide is very enjoyable; Section 4.2 calls attention to the waterfront area; a limited number of restaurants in Alameda overlook the water, which is unfortunate; Alameda Point is the last waterfront area to be developed; getting the development right is essential; she is really happy to see a lot of attention and detail being paid to the waterfront area; the normal tendency is to rush development; however, a waterfront area should not be done quickly; the City should be very selective about what is done on the waterfront.

Councilmember Daysog stated that he views Alameda Point through the lens of the recent national downturn; Alameda Point has to be more than a real estate deal; the City should consider opportunities which would create good paying jobs and economic and social justice angles; the built environment will have consequences which effect

different community segments; mitigations should be contemplated with social justice and economic angles; further stated the City Council should be more involved; the process needs to start and end with the City Council.

Urged adoption of the Conceptual Planning Guide; addressed the sailing program and suggested the program be moved to the seaplane lagoon area; stated the program is run by a nonprofit with the goal of making sailing available for everyone: Kame Richards, Alameda Community Sailing Center.

Stated the Base is an unprecedented opportunity; the Plan's vision needs more specificity and should have more clarity about how the next phase occurs; questioned what high environmental standards means; stated more process clarity and more public forums would be good to get the public at large join in: Chuck Kapelke, Alameda.

Councilmember Daysog inquired about the next steps, to which the Chief Operating Officer - Alameda Point responded the Council is considering endorsing the Plan with the potential modifications tonight; stated the final Conceptual Guide, including any modifications, would be produced and made available on the website; a number of documents would be released; hearings would be held with the Planning Board and City Council to present the documents; meetings are scheduled with Boards, Commissions and community groups; items would be presented to Council in January.

Councilmember Daysog stated staff could deal with economic and social justice issues by talking to people who worked at the Oakland Army Base.

The Chief Operating Officer – Alameda Point stated now is the time for staff to meet with organizations and encouraged the Council to let her know if there are any others.

Councilmember Tam moved approval of endorsing the Conceptual Planning Guide with the comments.

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

Councilmember Daysog inquired what would be done about the Council's comments.

Mayor Gilmore responded the joint meeting with the Planning Board would provide an opportunity to discuss issues.

Councilmember Daysog stated that he would be interested in seeing a framework for discussions.

The City Planner stated the joint meeting would be a good opportunity to have said discussion.

CITY MANAGER COMMUNICATIONS

(13-371) The City Manager announced an upcoming National Night Out would be held on August 2nd; addressed an article regarding Marina View Towers; stated eviction notice were given in order to complete a seismic retrofit; announced the Joint City Council and Planning Board meeting would be held on September 25th.

Vice Mayor Ezzy Ashcraft inquired whether an agenda would be posted, to which the City Manager responded in the affirmative.

The City Manager stated Councilmembers would receive the agenda, which would also be sent to various regional agencies to ensure everyone sees what the City is doing.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL REFERRALS

None.

COUNCIL COMMUNICATIONS

(13-372) Consideration of Mayor's Appointment to the Rent Review Advisory Committee.

Mayor Gilmore appointed Royl Roberts to the Rent Review Advisory Committee.

(13-373) Councilmember Chen announced that he would be holding a National Night Out event at his home.

(13-374) Councilmember Tam announced that she went to San Diego and was appointed to the Board of the League of California Cities.

(13-375) Vice Mayor Ezzy Ashcraft announced that she attended a ribbon cutting at the Alameda County Family Justice Center celebrating a new pop-up library.

ADJOURNMENT

There being no further business, Mayor Gilmore adjourned the meeting at 11:21 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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