

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -JUNE 3, 2014- -7:00 P.M.

Mayor Gilmore convened the meeting at 7:18 p.m. Councilmember Daysog led the Pledge of Allegiance.

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

Absent: None.

AGENDA CHANGES

(14-218) Mayor Gilmore announced the Public Hearing on waste fees [paragraph no. 14-229] was continued to June 17, 2014.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY & ANNOUNCEMENTS

(14-219) Proclamation Declaring the Month of June as History Museum Month.

Mayor Gilmore read and presented the proclamation to Judith Lynch, Alameda Museum; Seth Arp, California Historical Radio Society; Sieg Wrobel and Frank Musso, Naval Air Museum; Charles Howell, Meyers House and Garden; Michael Schiess, Pacific Pinball; and Kurt Zeigler, USS Hornet.

Ms. Lynch submitted information and thanked the City.

(14-220) Recognition of Alameda Municipal Power (AMP) for Receiving the Reliable Public Power Provider Designation from the American Public Power Association.

Mayor Gilmore congratulated AMP and presented a plaque to Public Utilities Board Members Madeline Deaton and Greg Hamm.

ORAL COMMUNICATIONS

(14-221) Cathy Leong, Alameda, discussed the proposal to move the Harbor Bay Club; stated Harbor Isle does not have to allow the club to move; submitted information.

(14-222) Mina Katoozian, Alameda, discussed the sewer pump station project; questioned what procedure was used to change the project.

The Assistant City Manager stated that he met with Ms. Katoozian and is reviewing the case; a response would be provided to Ms. Katoozian week.

(14-223) Dr. D.A. Tillman, Pure Anointed Kingdoms and TASC Inc., discussed a housing proposal her organization would complete at Alameda Point, submitted

information.

(14-224) Former Councilmember Doug deHaan, Alameda, discussed Alameda Point street names; stated former Navy employees would like names to reflect the history of the Naval Air Station.

(14-225) Trish Spencer, Alameda, stated that she spoke to the Council prior to the closed session to express concern about ensuring that housing units are allocated for the property which was transferred to the School District.

CONSENT CALENDAR

Mayor Gilmore announced that the quarterly sales tax report [paragraph no. 14-228] was removed from the Consent Calendar for discussion.

Vice Mayor Ezzy Ashcraft moved approval of the remainder of the Consent Calendar.

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

(*14-226) Minutes of the Special and Regular City Council Meetings Held on May 6, 2014 and the Special City Council Meeting Held on May 13, 2014. Approved.

(*14-227) Ratified bills in the amount of \$1,822,922.30.

(*14-228) Recommendation to Accept the Quarterly Sales Tax Report for the Period Ending March 31, 2014 Collected During the Period October to December 31, 2013.

The Finance Director gave a brief presentation.

In response to Vice Mayor Ezzy Ashcraft's inquiry, the Finance Director stated Alameda is half way through the reporting period; the last payment of sales tax reported for Fiscal Year 2013-14 is not received until September, the States is always one quarter behind; compared to the same time last year, the sales tax amount is similar.

Vice Mayor Ezzy Ashcraft inquired why Alameda Point reported a 15% decline in sales tax.

The Finance Director responded reasons for the decline in sales tax at Alameda Point include changeover in businesses and business-to-business sales fluctuation.

Vice Mayor Ezzy Ashcraft inquired whether the City receives sales tax revenue from Auctions by the Bay's monthly flea market, to which the Finance Director responded in the affirmative; stated the tax is mostly lease revenues.

Vice Mayor Ezzy Ashcraft inquired what “all other areas” listed on the sales tax table means.

The Finance Director responded “all other areas” are mostly one-time adjustments; stated when the State finishes audits, sometimes sales tax is reallocated from one jurisdiction to another.

Vice Mayor Ezzy Ashcraft inquired why the department store percent in change is confidential.

The Finance Director responded there is a limit to the type of information allowed to be reported; stated State law prohibits listing individual businesses; if there are less than five businesses in one category, the amount could be interpreted as sales tax of a specific retailer.

In response to Councilmember Tam’s inquiry, the Finance Director stated Alameda’s sales tax revenues is projected to be \$100,000 below budget this year; stated Target is on track but Alameda is subject to one-time adjustments and fluctuations in the Statewide pool which offset positive gains.

Councilmember Tam moved approval of the staff recommendation.

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

(*14-229) Recommendation to Set June 17, 2014, for a Hearing to Consider Collection of Delinquent Business License Taxes and Delinquent Integrated Waste Management Accounts Via the Property Tax Bills. Accepted.

(*14-230) Recommendation to Set June 17, 2014, for a Hearing to Consider Collection of Delinquent Administrative Citation Fees and Vacant Building Assessments via Property Tax Bills. Accepted.

(*14-231) Resolution No. 14926, “Approving the Long-Term Layoff Agreement for the California-Oregon Transmission Project.” Adopted.

(*14-232) Resolution No. 14927, “Approving Agreements between Alameda Municipal Power and the Northern California Power Agency (NCPA): Management and Administrative Services Agreement, Amended and Restated Facilities Agreement, Second Amended and Restated Pooling Agreement, and Amended and Restated Scheduling Coordination Program Agreement.” Adopted.

(*14-233) Resolution No. 14928, “Approving Amendment Number 1 to the Third Amended and Restated Northern California Power Agency (NCPA) Metered Subsystem Aggregator (MSSA) Agreement.” Adopted.

(*14-234) Resolution No. 14929, “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 for the Alameda Library.” Adopted.

(*14-235) Ordinance No. 3096, “Approving a Lease and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of Third Lease Amendment with Artemis Racing, USA for Twenty-Four Months with Two Additional Options for Eighteen Months and Six Months in Building 12 Located at 1050 West Tower, a Portion of Taxiway H and Access to the Seaplane Lagoon at Alameda Point.” Finally passed.

REGULAR AGENDA ITEMS

(14-236) Recommendation to Award a Contract in the Amount of \$431,200, Including Contingencies, to Brown, Reynolds & Watford to Provide Professional Services for the Design, Construction Documents, and Contract Administration for Fire Station Number 3.

The Public Works Director gave a brief presentation.

Councilmember moved approval of the staff recommendation.

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

(14-237) Adoption of Resolution Establishing Integrated Waste Collection Ceiling Rates and Service Fees for Alameda County Industries, Inc. for Rate Period 13 (July 2014 to June 2015). Continued to June 17, 2014.

(14-238) SUMMARY: Approve Actions Related to Proposed Open Space Initiative

Recommendation to Consider Options Pertaining to the Initiative Measure to Amend City of Alameda General Plan including the 2007-2014 Housing Element and the Zoning Ordinance to Classify Approximately 3.8999 Acres of Land Adjacent to McKay Avenue as Open Space: Option 1 - Adopt the Ordinance; Option 2 - Adopt a Resolution Submitting the Ordinance to the Voters, Decide Interest in Drafting Arguments and Direct City Attorney to Prepare Impartial Analysis; or Option 3 - Order a Report on the Effect of the Proposed Initiative Measure. Approved.

The City Clerk gave a brief presentation.

Mayor Gilmore inquired what the additional cost would be if Council puts the Initiative on the November Ballot, to which the City Clerk responded \$5,000; stated when Council calls the General Municipal Election, the total cost of the Election will be approved.

Mayor Gilmore stated the initiative would change the General Plan Zoning Amendment and Housing Element; inquired what would be the potential fiscal impacts of rezoning

the land.

The City Attorney responded the Council can order an impact report to allow staff to analyze impacts.

Councilmember Daysog stated Council ordered an impact report in 2000 regarding the Alameda Beltline/Jean Sweeney Open Space initiative.

The City Attorney concurred with Councilmember Daysog; stated in 2000, Council ordered an impact report and added a companion measure on the ballot as a mechanism to delay the effectiveness of the open space initiative until a funding source could be determined.

Councilmember Chen inquired whether the additional \$5,000 cost would cover all measures, to which the City Clerk responded in the negative; stated the cost was only for the initiative measure.

Vice Mayor Ezzy Ashcraft stated Council has a due diligence duty to inform themselves and the public about what the measure would involve; that she would like a companion measure; inquired whether the City Attorney would be allowed to make suggestions on what would be included.

The City Attorney responded in the affirmative; stated her office can lead the charge and provide a thorough analysis from a legal perspective.

Mayor Gilmore stated that she would also like to add fiscal analysis; the City does not own the property and there is potential to affect another entity's property rights.

The City Attorney duly noted Mayor Gilmore's comments.

In response to Councilmember Tam's inquiry, the City Clerk stated the initiative will be placed on the November Ballot whether Council approves the item tonight or July 1st.

Vice Mayor Ezzy Ahscraft concurred with Mayor Gilmore regarding a fiscal analysis.

Stated the community values open space: Doug Siden, Alameda.

Mayor Gilmore inquired whether Measure WW funds would be used to pay for the land.

Mr. Siden responded the answer could be found in the result of a study.

Stated Measure WW was adopted in 2008 and the area was designated a park; there is great support for the measure and submitted information: Gretchen Lipow, Friends of Crown Beach.

Urged the Council to order a complete report: Jane Sullwold, Alameda.

Discussed the background of rezoning the property and the East Bay Regional Park District lawsuit; urged adoption of the ordinance: Former Councilmember Doug deHaan, Friends of Crown Beach.

Stated the Sierra Club supports the measure and outlined reasons for the support; noted the site is no longer needed to meet housing requirements in the next Housing Element: William Smith, Alameda.

Discussed development: Alison Greene, Alameda.

Vice Mayor Ezzy Ashcraft stated that she would like the City Attorney's analysis to address limits on uses of property designated as open space, specifically whether parking lots for visitors, East Bay Regional Parks District (EBRPD) trucks, buses, and maintenance equipment storage, would be allowed; further stated she would like clarification on whether or not Tim Lewis owns the property.

Councilmember Tam stated that she would like the City Attorney's analysis to include the applicability of the zoning ordinance with regard to EBRPD.

Councilmember Daysog stated that he is confident Council and the Planning Board will work with the public; he supports pursuing an impact analysis which residents can understand.

Councilmember Chen concurred with Councilmember Daysog; stated that he is confident staff will return with a complete impact report.

Councilmember Tam moved approval of Option 3 [Ordering a Report on the Effect of the Proposed Initiative Measure] with direction to include a potential companion measure.

Vice Mayor Ezzy Ashcraft seconded the motion.

Under discussion, Councilmember Daysog stated a companion measure would not be an alternative measure, it would be a supplement for tax payers to understand there are options in the event of unforeseen circumstances, such as sticker shock occurring.

Mayor Gilmore concurred with Councilmember Daysog; stated lawsuits cost money; a companion measure protects the City budget.

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

CITY MANAGER COMMUNICATIONS

None.

COUNCIL REFERRALS

None.

COUNCIL COMMUNICATIONS

(14-239) Consideration of Mayor's Nominations to the Civil Service Board, Commission on Disability Issues, Golf Commission, Historical Advisory Board, Library Board, Planning Board, Recreation and Park Commission, and Social Service Human Relations Board.

Mayor Gilmore nominated Marguerite Malloy for reappointment to the Civil Service Board; Elizabeth Kenny for appointment to the Commission on Disability Issues; Timothy Scates for reappointment to the Golf Commission; Chee Chan and John Piziali for appointment to the Historical Advisory Board; Catherine Atkin for reappointment to the Library Board; David Burton and Kristoffer Köster for reappointment to the Planning Board; William Delaney, Mario Mariani, and Ruben Tilos for appointment to the Recreation and Park Commission; and Audrey Hyman and Jennifer Williams for appointment to the Social Service Human Relations Board.

(14-240) Written Communication from the League of California Cities Requesting Designation of a Voting Delegate and Alternates for the Annual Conference.

Councilmember Chen moved approval of designating Councilmember Tam as the voting delegate.

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

Vice Mayor Ezzy Ashcraft moved approval of designating Councilmember Daysog as the alternate.

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

ORAL COMMUNICATIONS, NON-AGENDA

(14-241) Former Councilmember Doug deHaan, urged Council to focus on finding solutions to shortfalls ; stated Alameda needs to recover sales tax leakage.

COUNCIL COMMUNICATIONS

(14-242) Councilmember Daysog stated that he would forward a communication about a beeping noise at 700 block of Lincoln Avenue to the City Manager.

(14-243) Vice Mayor Ezzy Ashcraft announced that she, Councilmember Tam, and Mayor Gilmore attended the opening ceremonies for the Valor Games.

(14-244) Councilmember Chen inquired whether street names are approved by Council.

The City Clerk stated the policy would be forwarded to Council tomorrow.

ADJOURNMENT

There being no further business, Mayor Gilmore adjourned the meeting at 8:53 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY- -JUNE 3, 2014- -6:00 P.M.

Mayor Gilmore convened the meeting at 6:03 p.m.

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

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

Absent: None.

Public Comment

Trish Spencer, Alameda, expressed concern over units being available for Alameda Unified School District to use for the Bachelor Officers Quarters (BOQ).

The meeting was adjourned to Closed Session to consider:

(14-216) Conference with Real Property Negotiators (54956.8) Property: Bachelor Enlisted Quarters and Portion of Seaplane Lagoon Taxiway, Alameda Point; City Negotiator: John Russo, City Manager; Organizations Represented: Alameda Commercial United, LLC and Salvatore Caruso Design Corporation; Issue Under Negotiation: Real Property Negotiations Price and Terms of Payment.

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

Following the closed session, the meeting was reconvened and Mayor Gilmore announced that regarding Real Property and Anticipated Litigation, direction was given to staff.

Adjournment

There being no further business, Mayor Gilmore adjourned the meeting at 7:10 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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

MINUTES OF THE SPECIAL JOINT CITY COUNCIL
AND SUCCESSOR AGENCY TO THE COMMUNITY
IMPROVEMENT COMMISSION (SACIC) MEETING
TUESDAY- -JUNE 3, 2014- -7:01 P.M.

Mayor/Chair Gilmore convened the meeting at 8:53 p.m.

Roll Call - Present: Councilmembers/Agency Members Chen, Daysog, Ezzy Ashcraft, Tam and Mayor/Chair Gilmore – 5.

Absent: None.

Oral Communications

None.

Consent Calendar

Councilmember/Agency Member Tam moved approval of the Consent Calendar.

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

(*14-245 CC/14-007 SACIC) Recommendation to Accept the Third Quarter Financial Report for the Period Ending March 31, 2014 and Approve Third-Quarter Budget Adjustments to the Fiscal Year 2013-14 Budget. Accepted.

Agenda Item

(14-246 CC) Public Hearing to Establish the Proposition 4 (Appropriations) Limit for Fiscal year *FY) 2014-15; and

(14-246 A CC) Resolution No. 14930, “Establishing the Appropriations Limit for FY14-15.” Adopted.

The Finance Director gave a brief presentation.

Councilmember Chen left the dais at 8:54 p.m. and returned at 8:56 p.m.

Councilmember Tam moved adoption of the resolution.

Vice Mayor Ezzy Ashcraft seconded the motion which carried by unanimous voice vote – 4. [Absent: Councilmember Chen – 1.]

(14-247 CC/14-008 SACIC) Resolution No. 14931, "Approving and Adopting the Mid-Cycle Update to the Operating and Capital Budget for Fiscal Years 2013-2014 and 2014-2015." Adopted.

The Assistant City Manager and Finance Director gave a brief presentation.

In response to Mayor Gilmore's inquiry, the Finance Director stated Memorandums of Understanding (MOUs) have two parts addressing vacation payouts: 1) employees' balances paid upon leaving the City, and 2) employees can cash out a certain number of hours as long as two weeks of vacation is used.

The Assistant City Manager added the vacation cash out is so that employees will not continue to hit accrual caps; vacation extensions are no longer granted.

The Finance Director continued the presentation.

Vice Mayor Ezzy Ashcraft inquired whether the recently hired lobbyist is included in the budget for staff advocacy in Washington D.C., to which the Assistant City Manager responded in the negative; stated the staff advocacy budget is in addition to the lobbyist and will be used for staff trips to Washington, D.C.

Vice Mayor Ezzy Ashcraft inquired if the \$50,000 staff advocacy budget is for a year's worth of staff travel, to which the Assistant City Manager responded in the affirmative.

Councilmember Chen inquired whether the staff advocacy budget is for future trips, to which the Assistant City Manager responded in the affirmative; stated more trips are expected this year.

In response to Councilmember Chen's inquiry, the Assistant City Manager stated all trips will require City Manager approval.

The City Manager stated Alameda's representatives in Washington, D.C. will direct staff; there are changes in the activity level; Alameda's representatives are more aggressive in chasing federal funding.

The Assistant City Manager continued the presentation.

Councilmember Tam left the dais at 9:14 p.m. and returned at 9:16 p.m.

Vice Mayor Ezzy Ashcraft inquired what type of water savings measures the Recreation and Parks Department is taking.

The Recreation and Parks Director responded staff is reaching the goal of a 20% reduction in water use; stated the budget is still being exceeded because there have been no adjustment in water expenses for six to seven years while water rates have continued to increase.

The Assistant City Manager continued the presentation.

Vice Mayor Ezzy Ashcraft inquired whether the \$100,000 for a new Recreation Specialist includes salary and benefits, to which the Recreation and Parks Director responded in the affirmative; stated the position is needed to handle the increasing volume of programs and activities.

The Assistant City Manager continued the presentation.

Councilmember Chen inquired whether a program for tobacco license retail tax that would recover cost could be included in the Police budget.

The Assistant City Manager responded staff is researching the issue; stated the issue would need to be brought back as a Council referral and cannot be done in time for the current budget process.

In response to Councilmember Chen's inquiry, the City Manager stated the tobacco license is a fee, and not a tax, which needs to be justified through expenses; fees should not have a net impact on budget either way.

The Assistant City Manager stated there is a wide spectrum of tobacco license fees in neighboring cities, ranging from \$200 to \$1,500.

In response to Councilmember Chen's inquiry, the Assistant City Manager stated legislation takes time and cannot happen in a short window.

Councilmember Tam stated she concurred with the City Manager; staff should move forward with research for basis to put forth a retail tobacco license fee; stated the fee would not cover the cost of enforcement; inquired whether Council can give direction to staff tonight to continue research and bring the item back.

The Assistant City Manager responded in the affirmative.

Councilmember Chen stated that he would like an e-cigarette and tobacco license retail tax; inquired what would be a sufficient timeframe.

The City Manager responded staff would have to do outreach.

The Assistant City Manager concurred with the City Manager; stated a sufficient timeframe to do research and outreach would be early fall.

Mayor Gilmore stated that the Youth Commission presentation given was impressive; she is in favor of studying and drafting a plan for Alameda.

Vice Mayor Ezzy Ashcraft stated proper outreach should be done; there are already enforcement issues with the A-Frame signs; placing the issue in the budget prematurely assumes foregone conclusions.

Councilmember Tam stated there seems to be a consensus to continue with research; the Alameda Police Department (APD) has \$12,000 grant funds for enforcement, but there is a concern that the funding source will disappear.

The Police Captain stated funding from Alameda County Department of Public Health does not cover all costs; APD has received grants from the California Department of Alcohol Beverage Control (ABC) which have depleted; depletion of funds would also occur with tobacco grants.

Councilmember Chen inquired where funding would come from if it is depleted.

Mayor Gilmore responded staff would appropriate funds when necessary and the Council would vote to find funding.

Vice Mayor Ezzy Ashcraft stated the City has lower sales tax revenue than forecasted; that she does not want Alameda to lose out on potential sales tax; suggested looking at new models of retail shopping.

The Finance Director stated the trend is internet sales; companies are devoting less space to retail and the City receives less direct sales; more sales tax goes into the County pool; VF Outdoors is redirecting catalog sales to City, which will be beneficial.

Vice Mayor Ezzy Ashcraft inquired whether online purchases are still subject to sales tax if the company has a brick and mortar retail in California.

The Finance Director responded in the affirmative; stated most retailers spread the sales tax by County; if the company is located in the City, sales tax must be reported based on the specific location.

In response to Vice Mayor Ezzy Ashcraft's inquiry, the Finance Director stated a lot of the County pool sales tax revenues comes from internet sales, and from items delivered to the City; for instance, if cash is paid for a car, the City gets direct sales tax, if the car is leased, the transaction is done through a leasing company and therefore sales tax goes to the County pool; Business to Business sales also flow through the County pool.

The Finance Director continued the presentation.

The Assistant City Manager concluded the presentation.

Mayor Gilmore stated that she appreciates the presentation including historical perspective and useful facts, and making the budget easy to understand.

Councilmember Chen concurred with Mayor Gilmore, stated the budget's structure is easy to follow; inquired how the culture of online purchases affects the City's goal of achieving balance with sales tax.

The City Manager responded that staff would come back to the Council with a sales tax revenue strategy; stated Alameda may favor a scenario of centralized collection and distribution of sales tax, and not accept variety retail; Oakland chased a downtown enclosed mall with four department stores that are no longer in business; Alameda has to be smarter and open to what comes.

Councilmember Daysog inquired why Alameda does not continue to hold down position vacancies in the five-year projections chart.

The City Manager responded vacancies happen naturally due to understaffing in Human Resources; refilling of positions will continue to be slow; staff is requesting an additional \$40,000 to help with recruitments; at the next two-year budget, Council can determine whether or not they are satisfied with the level of service given the level of vacancies; the budget cannot be achieved only through cuts, revenue needs to be raised.

Councilmember Daysog stated Alameda already has the skill set and experience to retain vacancies if necessary, or remove vacancies from the books altogether.

Councilmember Tam suggested looking at juxtaposing the performance measures against the vacancies and level of service.

The City Manager concurred with Councilmember Tam; stated the performance measures will do exactly that.

Mayor Gilmore stated past Councils had the same opinions about keeping the budget balanced with very little impact on the public: grow revenue or cut expenses; that she is not suggesting reducing the workforce, but there will be a time when Council will have to make a decision that would impact service to residents.

The Finance Director stated the five-year forecast is done so there are no surprises.

Mayor Gilmore thanked the Finance Director and staff; stated Alameda was supposed to be broke by 2011 but currently has a healthy fund balance.

Councilmember Tam moved adoption of the resolution.

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

Adjournment

There being no further business, Mayor/Chair Gilmore adjourned the meeting at 10:19 p.m.

Respectfully submitted,

Lara Weisiger, City Clerk
Secretary, SACIC

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