

MINUTES OF THE REGULAR CITY COUNCIL MEETING  
TUESDAY—OCTOBER 20, 2015—7:00 P.M.

Mayor Spencer convened the meeting at 7:02 p.m. and led the Pledge of Allegiance.

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

Absent: None.

AGENDA CHANGES

(15-607) Vice Mayor Matarrese inquired whether Council would consider hearing the Enterprise District [paragraph no. 15-629] before the leases [paragraph nos. 15-624, 15-625, and 15-626] to provide an overall vision of Alameda Point development, which would add some sense to the lease discussion.

Councilmember Ezzy Ashcraft agreed context would be provided.

Councilmember Daysog requested that the budget allocation [paragraph no. 15-615] be removed from the Consent Calendar.

The Interim City Manager suggested the Alameda Point leasing item [paragraph no. 15-630] also be moved above the leases.

In response to Mayor Spencer's inquiry whether anyone plans on addressing the leases, a member of the audience indicated that he would be speaking on two leases; stated that she would not support the motion.

Vice Mayor Matarrese withdrew his motion.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(15-608) Proclamation Declaring November 1, 2015 as Extra Mile Day in the City of Alameda.

Mayor Spencer read and presented the proclamation to Jennifer Williams, Social Service Human Relations Board, Community Service Awards recipients, and representatives from the College of Alameda and Bay Ship and Yacht.

Ms. Williams, College of Alameda representatives and Kari Thompson made brief comments.

(15-609) Proclamation Declaring October as Domestic Violence Awareness Month.

Liz Barela, Building Futures with Women and Children, made brief comments and

provided information.

Mayor Spencer read and presented the proclamation to Ms. Barela.

(15-610) Presentation by the United States Green Building Council (USGBC) to the City of Alameda for the Alameda Main Library.

The Library Director, Barry Giles, BuildingWise, and Kevin Hydes, representing the Green Buildings Council, made brief comments.

Councilmember Oddie recognized Vice Mayor Matarrese and Councilmember Ezzy Ashcraft who served as Library Project Co-Chairs.

Councilmember Ezzy Ashcraft briefly commented on the project.

#### ORAL COMMUNICATIONS, NON-AGENDA

Vice Mayor Matarrese thanked Alameda residents for voting to support the project.

(15-611) David Howard, Action Alameda News, discussed a story he wrote about cable public access funding; offered to answer Council questions.

Mayor Spencer stated Council cannot ask questions since the item is not on the agenda; noted the matter would be discussed at a City Council/School Board subcommittee meeting.

#### CONSENT CALENDAR

Mayor Spencer announced that the budget amendments [paragraph no. 15-615] was removed from the Consent Calendar for discussion.

Vice Mayor Matarrese moved approval of the remainder of the Consent Calendar.

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

(\*15-612) Minutes of the Regular City Council Meeting Held on September 15, 2015. Approved.

(\*15-613) Ratified bills in the amount of \$2,261,333.10.

(\*15-614) Recommendation to Authorize the City Manager to Amend the Professional Services Agreement Between the City and Vavrinek, Trine, Day and Co., LLP (VTD) Adopted on January 20, 2015 by Adding \$4,000 Annually, Plus 3% CPI for Fiscal Years 2015-16 and 2016-17, for Additional Independent Auditing Services. Accepted.

(15-615) Recommendation to Amend the General Fund and Other City Funds for the Fiscal Year 2015-16 Budget by Allocating the \$14,500,500 in Excess of 20% Reserve Requirement from the General Fund Reserve.

Councilmember Oddie stated the \$6 million, which includes \$2 million for PERS smoothing, \$2 million for existing retirees and \$2 million for current employees, would return to Council for discussion.

Councilmember Daysog expressed concerns regarding money set aside for the emergency water supply and study; stated the analysis has not been done; that he questions spending \$800,000; suggested everything but emergency water supply.

Mayor Spencer suggested a motion be done; stated multiple items which were not unanimous are being presented as one item.

Vice Mayor Matarrese moved approval of allocating the funds; stated difference between the recommendation and Measure O is Measure O indebted the City; money has already been collected, the City is not asking to indebt \$14 million.

Councilmember Ezzy Ashcraft seconded the motion; stated Measure O has a \$10,600,000 million dollar bond; property owners voted to tax themselves.

Under discussion, Councilmember Oddie stated everything would be voted as a package; stated originally, he voted for the water supply, in hindsight there should be more public discussion.

Mayor Spencer stated in regards to \$800,000 for the emergency water supply, there will be a more comprehensive discussion; that she plans to support the motion; Council operates by majority giving direction to staff; she would have liked to see the September 15<sup>th</sup> vote included in the presentation to see the breakdown; many items benefit the public; the public will see a noticeable change and improvement in the community; moving forward with Alameda Point buildings is critical; multiple items are important to move forward for the benefit of the community.

Councilmember Daysog stated that he will support the motion; the community will benefit.

Councilmember Ezzy Ashcraft concurred with the Mayor; stated one time expenditures are one time; with the fire season, need to look into the emergency water supply.

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

(\*15-616) Recommendation to Authorize the City Manager to Enter into Purchase Agreements Not to Exceed \$265,000 for the Replacement of Six Police Department Vehicles and One Police Motorcycle. Accepted.

(\*15-617) Recommendation to Authorize the Interim City Manager to Execute an Agreement with Ruggeri-Jensen-Azar for Survey and Mapping Services in Connection with the Proposed Transfer of the Oakland Inner Harbor Tidal Canal for a 10-Month Term in an Amount not to Exceed \$198,000; and Recommendation to Authorize the Interim City Manager to Execute an Agreement with Chicago Title Company for Title and Escrow Services in Connection with the Proposed Transfer of the Oakland Inner Harbor Tidal Canal for a 10-Month Term in an Amount not to Exceed \$60,000 Paid Prior to Close of Escrow, Plus Title Premiums and Escrow Fees Paid at Close of Escrow. Accepted.

(\*15-618) Resolution No. 15091, “Appointing Wendi Poulson as Trustee to the Alameda County Mosquito Abatement District Board.” Adopted.

(\*15-619) Ordinance No. 3135, “Approving a Lease and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of a 3-Year Lease with CSI Mini-Storage, LLC, a California Limited Liability Company, for Buildings 338, 608, and 608A-C Collectively Located at 50 and 51 West Hornet Avenue at Alameda Point.” Finally passed.

(\*15-620) Ordinance No. 3136, “Approving a Lease and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of a 10-Year Lease with Power Engineering Construction Company for Building 166 located at 1501 Viking Street, Suite 200 at Alameda Point.” Finally passed.

#### REGULAR AGENDA ITEMS

(15-621) Resolution No. 15092, “Appointing Kenji Tamaoki as a Member of the Housing Authority Board of Commissioners.” Adopted.

Vice Mayor Matarrese moved adoption of the Resolution.

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

The City Clerk administered the Oath of Office and presented a certificate to Mr. Tamaoki.

(15-622) Adoption of Resolution Appointing Jerome Harrison and Karin Lucas as Members of the Rent Review Advisory Committee (RRAC), to Four Year Terms

Beginning October 20, 2015 and Appointing Thuy Nguyen and David Perry as Members of the RRAC to Two Year Terms Beginning October 20, 2015. Not adopted.

The City Clerk gave a brief presentation.

Expressed concern with the RRAC members approving 10% rent increases; stated members being reappointed consistently voted 10% as an acceptable mediated settlement, which is not a reasonable amount; urged the Council to protect renters; outlined neighboring cities' protection for renters; stated over half the island are renters; not just low and very low income are being displaced, but moderate: Catherine Pauling, Alameda Renters Coalition (ARC).

Concurred with Ms. Pauling; stated that he provided a letter on RRAC votes; suggested the RRAC vote for lower rent increases; discussed the RRAC membership and expressed concern; stated the composition of the RRAC is not diverse; urged appointment of activists and single mothers to increase diversity; urged the City Attorney attend RRAC meetings: John Klein, ARC.

Expressed his frustration over rents being raised 10% and the Council dragging its feet; urged a moratorium; provided an example of seniors being evicted: Jason Buckley, Alameda.

Councilmember Oddie moved approval of tabling the matter until November 4, 2015; suggested an elected rent board be reviewed; stated given the gravity of RRAC, makes sense to put off reappointment until after November 4<sup>th</sup>.

Councilmember Daysog seconded the motion; stated that he concurs with putting off the matter until November 4<sup>th</sup> because of the magnitude of the housing situation; stated the RRAC should understand the needs of the community; responsibility lies with the Council, not the RRAC.

Under discussion, Mayor Spencer stated that she would continue to proceed with the nomination to fill the vacant tenant seat; the RRAC is a 5 member board with one resignation; she has attended every RRAC meeting since becoming Mayor, and she feels they try to meet the needs of the community; she is comfortable reappointing other four members of the RRAC.

Councilmember Ezzy Ashcraft concurred with Councilmembers Oddie and Daysog; requested staff compile data requested by Council; stated different cities are coming up with ways to address the situation; Council may decide to give the RRAC a different function at the November 4<sup>th</sup> meeting; that she wants to ask questions of Ms. Lucas regarding some statements she made; she agrees with putting the matter off until after November 4<sup>th</sup> meeting.

Mayor Spencer urged Councilmembers to attend RRAC meetings; in response to Mr. Klein's comments regarding questions of diversity on RRAC, inquired whether there are

some legal restrictions with the applications.

The City Attorney responded there are some privacy issues and certain questions one cannot ask.

In response to Councilmember Oddie's inquiry regarding seats two tenant positions available or two landlord positions available, Mayor Spencer stated Council voted on the compositions at September 15<sup>th</sup> meeting.

The City Attorney stated that the Council did not want the RRAC to stop and have appointed as quickly as possible.

Mayor Spencer stated the appointment was to fill vacant position.

Councilmember Ezzy Ashcraft stated only two of the five members are actually renters, which should be discussed.

Mayor Spencer stated the seats are two landlords, two renters and one homeowner.

Vice Mayor Matarrese stated whether elected or appointed, the RRAC still needs to function without interruption; concurred with waiting until after the November 4<sup>th</sup> meeting.

The City Attorney stated the ordinance is actually silent on the transition; members would remain there until successors are appointed.

Mayor Spencer stated the fifth appointee is a renter, which is the position she would like to continue with appointing.

The City Clerk stated, to clarify for City Council, Mayor Spencer can make her nomination on November 3 and the vote would not occur until the following meeting.

Mayor Spencer stated that she would like to proceed with current process and make a nomination to get one more renter on the committee.

Vice Mayor Matarrese concurred with the Mayor on the urgency of appointing fifth member of RRAC, which has to meet.

Mayor Spencer, noted meetings are canceled when a tenant files a postponement request.

Councilmember Ezzy Ashcraft has stated that she asked staff to capture data about what happens when someone files an application and withdraws it; discussion should be as data driven as possible for the November 4<sup>th</sup> meeting.

Mayor Spencer asked for public comment quickly.

Mr. Klein noted cancellations are because negotiations are occurring; the RRAC should retain jurisdiction after an agreement is reached; the tenant should be required to appear.

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

(15-623) Recommendation to Consider Ballot Measure Options and Advise Staff on Next Steps.

The Finance Director gave a brief presentation and responded to questions.

Mayor Spencer stated that she would prefer a presentation with visuals to educate everyone in a more visual way.

Vice Mayor Matarrese stated taxation does not matter how you collect the money, it is how the City spends the money.

The Finance Director stated a special tax measure which restricts the revenue collected requires two-thirds voter approval.

Regarding the Utility Users Tax (UUT), Mayor Spencer stated it is important to note that the 11% is outside Alameda County; Alameda County's highest rate is 7.5%.

Councilmember Ezzy Ashcraft stated the 7.5% would not be increased but another tax for cellular telephones would be added to provide more opportunity to capture revenue.

The Finance Director noted within California, 85% of cities with UUT did modernize UUT ordinances.

Councilmember Ezzy Ashcraft inquired whether capturing cellular telephone technologies would increase revenue.

The Finance Director responded the goal is not to increase the UUT but to maintain it and not lose revenue.

Mayor Spencer stated the chart from the staff report indicated the City collects telecomm.

The Interim City Manager responded the City would only be modernizing the language of the ordinance; not levying any other category.

Mayor Spencer requested another category be added to the chart to show a subcategory under telecom to show how many cities in the County have modernized ordinances.

The Finance Director stated Alameda cannot ask for an increase in sales tax because the City is already at the cap.

Councilmember Oddie inquired why San Leandro was allowed to increase its sales tax to 10%.

The Finance Director responded four cities within the County have a 10% rate; the cities either had the sales tax in place or Measure BB caused the percentage to go above.

Councilmember Oddie stated if Alameda would have to ask the State for legislation to go above the cap.

Councilmember Ezzy Ashcraft stated impacts on our residents should be considered.

The Finance Director continued the presentation.

Councilmember Daysog stated regarding altering the Transparent Occupancy Tax (TOT), the possibility of doing a Tourism Business Improvement District (TBID) working with property owners satisfies him, the language should include Air B and B.

Councilmember Ezzy Ashcraft stated that she is intrigued by the TBID; can quickly and easily cause voter fatigue placing too many measures on the ballot; questioned who would manage the TBID and if the Chamber of Commerce could perform said function; the TBID would provide a stable funding source for tourism promotion; the TBID would be governed by those who pay the assessment and could not be diverted for government programs; even if the economy fluctuates the funding source would be there; the steps identified in Exhibit 3 of staff report, for formation process, owner outreach and education district plan, would be a good model for the Business Improvement Associations (BIAs).

Mayor Spencer requested clarification on who could be a part of the TBID; is it limited to hotels, motels and other lodging, or could it include different business groups; stated the City has many businesses that sell things and generate a sales tax that goes into a pot to benefit the community in different ways; the TBID sounds as though they themselves would generate the tax and they themselves would decide how it is spent, which is very different from other taxes, requested clarification.

The Community Development Director discussed how assessment Districts work; stated the entities that are assessed have to be the entities that make the decision on how the funds are expended; it would be possible for the Chamber to be the entity but they would have to form a committee or subgroup to decide how to expend of funds; money would range from \$167,000 to \$350,000 annually based on current TOT projections; of this year; the West Alameda Business Association (WABA) and Park Street Business Association (PSBA) have boards made up of the business representatives from their assessment district which decide how funds are expended.



Mayor Spencer stated on Park Street businesses pay a tax on the revenue and do not tax products they are selling; the difference is authority would be given to hotels in Alameda to allow them to tax and decide how the money is spent.

The Community Development Director stated the assessment for PSBA and WABA is supplemental to business licenses.

Mayor Spencer stated businesses write a check and are not increasing sales tax to cover the cost because they do not have that power.

Councilmember Daysog stated the directly affected stakeholder are the hoteliers; the theory is TOT would increase from 10% to 12% and revenue generated by the 2% increment would be used to bring more visitors to Alameda whether they are coming here for business or tourism related reasons; the hoteliers have a self-interest to work with entities such as the Chamber of Commerce or PSBA; within the business districts there are a set of services which these hotel visitors might want to access, such as dining and movies; in raising the TOT, the City would be arming the hoteliers to work in conjunction with local service providers.

The CDD Director stated the incremental increase in the TOT is not a tax, it is an assessment that members of the district would vote to assess themselves.

Mayor Spencer inquired when someone comes to rent a hotel room do they pay an extra tax.

The CDD Director responded in the negative; stated they pay an assessment.

Mayor Spencer stated it is similar to a sales tax because it is passed on to the visitor.

Councilmember Ezzy Ashcraft stated the proposal for the possible increase should be in the range of surrounding cities so that people do not stay elsewhere because Alameda is too expensive; a 1 or 2% increase would be used to form a TBID, the rest would go to the General Fund.

The CDD Director concurred; stated the existing tax would go to the General Fund; the assessment amount would flow to the District for expenditure on visitor related activities.

Councilmember Daysog inquired if the TBID would not be subject to the Balanced Revenue Index (BRI)?

The CDD Director responded in the negative; stated the City is simply a pass through entity collecting the assessment and then rebating it back to the District.

Mayor Spencer requested someone clarify Councilmember Daysog's comment for the public.

The Interim City Manager clarified the revenue would not affect the raises the Council is contemplating for their employees, which is based on the BRI composed of five of the major revenue sources.

Councilmember Oddie inquired whether the hoteliers have to assess themselves, but once a district is created on a 50% plus one vote all businesses would be assessed.

They CDD responded in the affirmative.

Mayor Spencer requested City Staff to explain Council action is needed.

The Interim City Manager stated once the Finance Director finishes the presentation, staff wants direction on plans to move forward, including the TBID.

Mayor Spencer stated the recommendation is that Council make a motion to consider all ballot measure options and advise staff on next steps including working with the hotel industry to assess interest in forming a TBID; inquired if a timeline requires Council action tonight.

The Interim City Manager responded action is not being taken; staff is requesting that Council approve the strategy and express interest in staff pursuing the items; staff is working with polling consultants and would come back early next year based on the polling the CDD will have preliminary discussions with the hotels and staff will come back to Council with a potential TBID.

Mayor Spencer inquired if staff is requesting Council to give direction and would come back with regards to the UUT options more, specifically.

The Interim City Manager responded staff is hoping to work with a polling consultant to identify the appetite for the measures; the School District is doing a parcel tax measure; maybe community will not be interested; staff does not want to spend time, energy and resources without polling information.

Mayor Spencer inquired whether updating the UUT would be the same as other cities regarding landline versus cell phone, to which the Interim City Manager responded in the affirmative.

Mayor Spencer inquired if staff would be looking at sales tax, to which the Interim City Manager responded in the negative.

Mayor Spencer inquired if staff will be checking with hotel owners regarding TOT.

The Interim City Manager responded staff would like to know if Council would be okay with staff starting conversations with hoteliers.

Mayor Spencer stated staff will address the parcel tax and assessment district next.

The Finance Director continued her presentation.

Councilmember Ezzy Ashcraft inquired if the City does not fix storm drains it would cost even more.

The Finance Director responded in the affirmative; stated staff is trying to find potential funding sources for projects, otherwise the General Fund will be used.

Mayor Spencer read an example from staff: total revenue from a \$25 parcel tax would be approximately \$520,000 annually; stated \$25 is significantly lower than the School District parcel tax.

Councilmember Ezzy Ashcraft stated that she does not want Council to decide between the two options of parcel tax versus assessment district without an analysis of revenue generated; inquired when will Council receive said information.

The Finance Director responded it would depend on the direction.

Councilmember Ezzy Ashcraft stated Council needs the information to make an informed decision.

In response to Councilmember Ezzy Ashcraft's inquiry, the Interim Public Works Director stated an assessment district is where property owners pay an assessment and receive enhanced maintenance or some special benefit through the paid assessment; the question of how much the property owner will pay and how much revenue would be generated depends on how far the City goes; if the City tries to recover the \$45 million shortfall and upgrade the storm drain system in the next 20 years, that cost would be \$200 per parcel.

Councilmember Ezzy Ashcraft stated staff wanting to go the poll; she would not move forward without any polling data.

Expressed support for the TBID which puts money in the hands of the people that are trying to bring in tourism; urged Council to direct staff to continue with said project: Kari Thompson, Chamber of Commerce.

Urged the tourism funds come from business other than just hotels; her vision is a hybrid plan where not only the hotels, but all businesses included in tourism to make more money; marketing people would know how to brand and focus on tourism; discussed the City of Oakland's model, which should be followed and is managed by a Board of Directors: Karen Bey, Alameda.

Councilmember Oddie stated it would be good to see the expansion to different services for the UUT; a sales tax increase should not be pursued; he agrees with the TBID idea; as with other districts, staff would have a presence on the board that runs the TBID and

the City would have a say with requiring a 50% vote of the hotel owners; parcel tax polling should be done for June versus November cognizant of the fact that the School District will have a measure; he would like to see a park parcel tax combined in same measure as the School parcel tax; parks are popular.

Councilmember Daysog urged staff to modernize the UUT; requested staff be clear on what would be funded; stated TBID has to involve lodging providers on whom the extra assessment is placed, working in conjunction with business associations, businesses providing services, and recreational destination venues; he spoke with four hoteliers intrigued by an increase; TOT rate is lower than neighbors; a 2% would put Alameda at a competitive disadvantage; he appreciates staff coming up with different options; he does not support increasing the sales tax; he supports a \$25 parcel tax, as long as it is targeted.

Mayor Spencer stated that she agrees with staff about doing polling on the UUT; requested a chart that has what other cities in the County are doing; she is comfortable with polling.

Mayor Spencer stated if staff is not interested in polling on certain issues, she is fine with that; inquired is there a possibility that any funds would go to funding healthcare and pension costs.

The Interim City Manager responded in the negative; stated the UUT goes into the General Fund, which pays that type of thing.

Mayor Spencer stated that her preference on any of the taxes would be to have funds go to other things, such as the parks; the community would be more on board if the tax were for something specific; regarding TOT she agrees with Karen Bey and would like other types of businesses to weigh in on how to spend the money; she would support a parcel tax for something specific.

Vice Mayor Matarrese moved approval of directing staff: 1) to eliminate the sales tax as a possible option, 2) to do a poll by a reputable firm to test the questions brought up in meeting, and 3) to research, including polling and other options, the TBID.

Councilmember Ezzy Ashcraft questioned how Walnut Creek funds park maintenance on their parks; stated Ms. Bey's suggestions to tax local business because tourists frequent them gives her pause; she favors a TBID approach that starts small and ramps up; the polling could include sales tax.

Mayor Spencer stated the majority is not interested in sales tax.

Vice Mayor Matarrese clarified the motion, as approval of directing staff to eliminate the sales tax as a possible option, to research and conduct polling on other option listed in staff report, including taking a polling approach to the TBID that does consider a broader scope than just the hotels and to bring the results of the plan back to Council in

a timely fashion so that the polling conducted allows the data to be applicable to the election that is being targeted.

Councilmember Daysog seconded the motion, which includes an expanded view of the TBID fee and trying to find out how others could participate; other cities have a visitor's fee, which is worth reviewing.

Under discussion, Councilmember Oddie stated the June election should be compared to the November election and staff should research if it is legal to combine the parcel tax for both schools and parks on one measure.

Vice Mayor Matarrese concurred; stated the matter should be addressed in the poll; he wants objective polling questions, not a direction.

The Interim City Manager inquired about the polling for the TBID; stated the TBID is voluntary.

Vice Mayor Matarrese responded that he is addressing using a polling approach; City has seven to eleven hotels; he wants to make sure hoteliers are interested in TBID; stated the City should ensure it can get 50% of the vote.

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

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Mayor Spencer called a recess at 9:26 p.m. and reconvened the meeting at 9:32 p.m. and Councilmember Ezzy Ashcraft returned at 9:34 p.m.

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(15-624) Introduction of Ordinance Approving a Lease and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of a 10-Year Lease with 707 West Tower Avenue, LLC, a California Limited Liability Company, for Building 9 Located at 707 West Tower Avenue at Alameda Point. Introduced.

The Economic Development Division Manager, gave a brief presentation on the Building 9 lease and the Building 91 lease [paragraph no. 15-624].

Mayor Spencer inquired if the leases have an option to purchase.

The Economic Development Division Manager responded in the affirmative; continued the presentation.

Mayor Spencer inquired how the option to purchase would be exercised, to which the Economic Development Division Manager responded City staff is going through the internal process to create legal parcels to offer to the tenant for purchase.

Mayor Spencer inquired that if the purchase option is part of the lease, to which the Economic Development Division Manager responded in the affirmative.

Mayor Spencer stated the option to purchase is not in the title; not every lease has an option to purchase; requested that the option to purchase be in the title and made very clear.

Outlined the project and plans for Buildings 9 and 91; stated there is tremendous growth in locally grown food products; two challenges are production and capital; capital and retail opportunities will be offered; companies can plug in equipment, develop product and grow; nearly 25 companies toured the space, and he is in negotiations with 80% of the companies; the plan is to have 30 to 45 companies in the project; approximately \$40 million would be invested in the project: Joe Ernst, SRM Ernst.

Mayor Spencer requested a breakdown on how money would be spent for each building.

Mr. Ernst responded Building 91 will be approximately \$9 million and the balance would be in Building 9.

Mayor Spencer inquired whether \$31 million would be invested in Building 9.

Mr. Ernst responded in the affirmative; stated SRM Ernst brings knowledge of Alameda Point, development capability, food experience and market knowledge.

Discussed having adequate facilities to help businesses scale to the next level; stated Buildings 9 and 91 will provide entrepreneurs a space to collaborate and a sense of community: Harv Singh, SRM Ernst.

Stated that she would like to produce wine in Alameda; urged moving forward: Alexandra Cohn, Jeff Cohn Cellars.

Urged approval of the leases with the option to buy; stated that he owns Thirsty Bear Brewery in San Francisco; that he will be leasing 20,000 square feet in Building 91; outlined what he would be doing and other aspects of the project: Ron Silberstein, California Craft Maltings.

Urged approval; discussed the investment and developer: Michael McDonough, Chamber of Commerce.

Mayor Spencer stated, the option to purchase was not noticed; having a visual for 707 West Tower Avenue would have been nice; a \$14.5 million investment for 81,000 square feet on 4.2 acres is questionable; for 651 West Tower Avenue, 41,000 square feet on 2.2 acres with \$31 million investment is \$1 million per square foot, which is significantly higher.

Mr. Ernst stated the cost for Building 91 is \$220 per square foot, which exceeds costs for comparables; the investment is very significant.

Mayor Spencer questioned \$9 million for 41,000 square feet; stated in Alameda homes are selling for \$1 million for 2,000 to 3,000 square feet.

Mr. Ernst stated the two are very different; price is a function of the rents.

In response to Mayor Spencer's inquiry regarding Building 9, Mr. Ernst stated a second floor would be added to the building, which is a significant capital improvement.

Mayor Spencer requested staff to provide two different tables on the cost per square footage to purchase.

Councilmember Oddie stated that Council gave direction to staff on negotiating the option to purchase.

The Chief Operations Officer - Alameda Point stated staff believes given the condition of the properties, the buildings are in market range; the Building 9 purchase price of \$5.5 million equates to \$65 per square foot; brokers advise the amount is the high end range for a class C warehouse building in that condition; Building 91 equates to \$75 per square foot; given the condition of the buildings, the infrastructure burden and the amount of investment required to bring up code, staff believes the amount is market value.

Vice Mayor Matarrese moved approval of authorizing the City Manager to execute the documents; stated investors are ready to make these buildings usable, inhabitants are ready to lease them; buildings will be removed from the City's ownership and on to the tax poll and will grow a commercial sector which has had problems growing in last 30 years; moving on the properties is critical.

Councilmember Ezzy Ashcraft second the motion.

Under discussion, Councilmember Oddie stated two separate motions are needed.

Vice Mayor Matarrese clarified the motion is approval of the first item [introduction of the ordinance approving a Lease and authorizing the City Manager to execute documents necessary to implement the terms of a 10-year lease with 707 West Tower Avenue, LLC, a California Limited Liability Company, for Building 9 located at 707 West Tower Avenue at Alameda Point].

Councilmember Ezzy Ashcraft stated Building 9 was last occupied in 2003; there is a cost to the City to have buildings vacant; she would like to see more of a retail component; concurs with the Vice Mayor it is a great opportunity and urged movement on the project.

Councilmember Daysog stated the two Caruso projects and the West Hollywood projects fell by the wayside; stated it is difficult to get developers and the type of business the City wants; bringing the buildings to market will require an extensive investment; SRM Ernst is a strong team that has demonstrated success; Wrightspeed and JC Cellars have track records that engender confidence; SRM Ernst will bring along local businesses, which will bring Alameda Point forward; he is satisfied with proposals put forward by staff and is ready to move forward.

Mayor Spencer stated that she will support the motion; in the future when a lease is presented to Council that includes an option to purchase, it should be clear and include financial analysis investments by the developers and cost per square foot; sharing the information with the community is important to show where the numbers make sense, more food options are needed for the benefit of the community; she looks forward to the green part of the business and healthy food options for the community.

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

(15-625) Introduction of Ordinance Approving a Lease and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of a 10-Year Lease with 651 West Tower Avenue, LLC, a California Limited Liability Company, for Building 91 Located at 651 West Tower Avenue at Alameda Point. Introduced.

The matter was discussed under the Building 9 lease [paragraph no. 15-624].

Councilmember Oddie moved introduction of the ordinance.

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

(15-626) Introduction of Ordinance Approving a Lease and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of a 10-Year Lease with Matson Navigation Company, Inc., a Hawaii Corporation, for Building 167 Located at 1500 Ferry Point at Alameda Point. Introduced.

The Economic Development Division Manager gave a brief presentation.

Vice Mayor Matarrese stated the lease is consistent with the City's policies and with the Base Reuse Plan to bolster the maritime industry; moved approval [of introducing the ordinance] with the condition that there are no containers stacked, no containers stored outside the fenced area or adjacent to the fenced area.

Councilmember Oddie seconded the motion.

Under discussion, Mayor Spencer inquired if Matson would agree to have no more than 12 containers.



The Economic Development Division Manager responded in the negative; stated Matson will only have a couple dozen at a time, but they have ample yard space.

Mayor Spencer inquired if any of the containers will be visible to the public.

The Economic Development Division Manager responded the containers will be in the screened, fenced area; stated she does not know if the tops of the containers will be visible over the screen.

Vice Mayor Matarrese inquired if the space will not be used for logistics.

The Economic Development Division Manager responded in the affirmative.

Mayor Spencer inquired if the containers are brought over to Alameda by the Park Street Bridge.

The Economic Development Division Manager responded in the affirmative; stated the truck route is Park Street Bridge.

Mayor Spencer stated the day after Thanksgiving 2014, there were many trucks going across Alameda; inquired if a provision could be added to the lease agreement to prevent said occurrence from happening.

Councilmember Ezzy Ashcraft responded the event last year occurred when there were port stoppages up and down the coast, which is not a regular occurrence.

Mayor Spencer stated that she has concerns with regards to the lease to not have that happen.

The Economic Development Division Manager responded; Matson is not a large truck transit business; stated Matson will be using Pier 3, 3 days a month for items that cannot be transported via container.

Mayor Spencer inquired if Matson has trucks going back and forth, will the City be able to limit truck traffic.

The Economic Development Division Manager responded an extreme change in the use of the facility would have to occur to generate the number of truck trips; the City could bring the lease back for review if the use significantly changed; consistency and use change would be felt immediately and the lease could definitely be reviewed.

Councilmember Daysog expressed concern with stacked cargo containers in the Enterprise District; stated that he does not want cargo containers anywhere in the harbor area; he cannot support the measure.

Mayor Spencer urged staff or representatives from Matson to address the issue; stated

staff does not know if the height of the containers exceeds the fencing; she would like someone to clarify the issue.

Robert Hawke, Matson, responded there will be no stacking of cargo or parts outside the building; the lease could be amended to specifically say cargo will not be stacked and the building will not be used as a logistics facility; the facility is used strictly for warehousing ship repair parts.

Vice Mayor Matarrese inquired if Matson would be willing to restrict the number of containers; stated the lease could be revisited if the need arises.

In response to Councilmember Ezzy Ashcraft's inquiry, Vice Mayor Matarrese stated that he would like a way to quantify the number of containers.

Councilmember Ezzy Ashcraft inquired if Vice Mayor Matarrese was concerned with the percentage or the actual number of containers.

Vice Mayor Matarrese stated that he is concerned with truck traffic.

Mayor Spencer stated that she would like to hear from Mr. Hawke.

Mr. Hawke stated most of the containers used are approximately 40 feet in length, 8 feet wide.

Mayor Spencer inquired on the height of the containers.

Mr. Hawke responded the containers are 8 to 10 feet in height; a single container would cover approximately 240 square feet of space outside the building; width 30 in total, a small fraction of the outside area would be covered; does not see having more than 25 to 30 containers outside at a time.

Mayor Spencer inquired what is the height of the screening.

The Economic Development Division Manager responded she believes the fencing is 6 feet in height.

Mayor Spencer inquired how many containers are currently at the site.

Mr. Hawke responded they are at a rarely high number at 30 containers currently.

Mayor Spencer inquired what the average number of containers would be for the site, to which Mr. Hawke responded 30 containers is the average.

Mayor Spencer inquired even though it was stated there is currently an unusual amount of containers because of the move, 30 is also anticipated to be the average at the new site.

Vice Mayor Matarrese stated he is satisfied that the use is compatible with the zone; tidelands allow maritime public use or recreation; the City will not get recreation in the location; he would like to see the lease amended prohibiting stacking of any containers; would like the lease to state the site is not a logistics area and that the 30 containers may enter and sit; he would like the matter to come back for review after a year of operation, including tracking truck trips and the containers.

Mayor Spencer stated that she would like to see a cap of 30 containers.

Councilmember Oddie stated the screening should also be included in the motion.

Mr. Hawke stated fencing has already been agreed upon and is in the plan.

The Economic Development Division Manager inquired, for clarification, if in one year staff would come back with information on truck trips, screen the facility would be screened and the lease would be amended to say no stacking of the cargo containers.

Mayor Spencer responded that the facility would not be used for logistics should also be included.

Councilmember Oddie inquired since different amounts were mentioned, if Mr. Hawke would agree to 30 containers.

Mayor Spencer inquired if Matson could limit the containers to 30.

Mr. Hawke responded the number of containers could be limited to 30.

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(15-627) Mayor Spencer stated a motion is needed to consider the remaining items: the Enterprise District [paragraph no. 15-629] and the Alameda Point leasing [paragraph no. 15-630].

Vice Mayor Matarrese moved approval [of considering the remaining items].

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

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Councilmember Ezzy Ashcraft inquired if Mr. Hawke would be satisfied with the limit of 30 containers.

Councilmember Oddie inquired would 36 containers work better; inquired what number would make Matson comfortable.

Mr. Hawke responded 36 is comfortable for him if Council would agree.

Mayor Spencer stated the motion requires four votes to pass; she appreciates three Councilmembers are enthusiastic and one Councilmember is not; she is in between and is concerned the containers will be seen driving around.

Councilmember Oddie inquired if the screening could be increased in size.

Mayor Spencer responded that she prefers the view and would not want to increase the screening; the space is large; the original amount stated was 30 containers.

Councilmember Oddie stated 36 containers are being requested.

Mayor Spencer stated Mr. Hawke originally requested 30 containers.

Councilmember Ezzy Ashcraft stated the use is maritime the City should not tie the hands of tenants; inquired if the water is behind the building.

Mayor Spencer inquired if Matson work with 30 containers.

The Economic Development Division Manager responded 36 containers will take up 86,000 square feet of the outside area, which is approximately 15%.

Mayor Spencer inquired if the containers will be together or scattered.

Robert Hawke responded the containers would be set very neatly, side by side, with doors facing in a single direction for access; they could be lined up perpendicular to the building.

Mayor Spencer inquired where the containers would be located.

The Chief Operations Officer-Alameda Point, clarified Matson stated the containers would be on 6% of the outdoor land area.

Mayor Spencer requested details on the containers location; inquired whether the containers would be adjacent to the building.

Mr. Hawke responded in the affirmative.

Mayor Spencer inquired would the containers be in the back of the building as opposed to the front.

Mr. Hawk showed an exhibit and explained the containers would be stored west to east perpendicular to the building.

Urged Council not to go forward; stated the view of the ships brings her a sense of

peace; expressed concern over the use not being the highest and best use; stated it is a great piece of property and Council should do something wonderful with it: Karen Bey, Alameda.

Mayor Spencer inquired that Matson previously stated they had 30 containers for moving, now they are requesting 36 containers.

Councilmember Ezzy Ashcraft stated the lease is for 10 years; the process to build out the Base is a 20 to 30 year process; Google is looking to expand their operation in the building Matson is looking to vacate; the lease would bring in decent revenue while Alameda Point development moves forward.

Mayor Spencer inquired how many jobs would be created by this move.

The Economic Development Division Manager responded there will be no jobs created, there are currently 6 employees who are Alameda residents; Matson tries to limit the number of people coming in and out of their facility.

Councilmember Oddie stated Google wants to expand into Matson's current space at Building 23 after Matson moves to the new site; inquired whether Google expansion would increase jobs.

The Economic Development Division Manager responded the company moving into Building 23 anticipates creating over 100 new jobs.

Councilmember Oddie stated if Matson remains in the current site then the possibility of 100 new jobs would be lost; asked the Mayor if she is satisfied with the limit of 36 containers stored in the space identified.

Mayor Spencer responded that she does not understand why 30 containers being are used because of the move and now Matson is requesting 36 to do business; stated there is a disconnect in the number of containers.

The Chief Operations Officer-Alameda Point responded businesses like to have flexibility for special circumstances that might exceed normal and Matson would like the lease to reflect that.

In response to Mayor Spencer's inquiry regarding the average number of containers in the last 5 years, the Economic Development Division Manager stated Matson representative stated 30.

Mayor Spencer stated there has not been an increase because of the move; 30 is the average.

Vice Mayor Matarrese amended his motion to include: the lease will explicitly state the location not a logistics center; no stacking of containers; a maximum of 36 containers on

the site location indicated; screening; 1 year revisit, including number of truck trips.

Councilmember Oddie seconded the motion.

Vice Mayor Matarrese stated the use is fitted for zoning, keeps jobs in Alameda and provides potential for additional jobs.

Councilmember Oddie stated it is good to get the industrial use out of Spirits Alley and place it where the ships and tidelands industrial use is more appropriate.

Councilmember Daysog stated that he does not see the containers as fitting the vision along the waterfront.

The Chief Operations Officer-Alameda Point stated staff feels the use is good; it is in a tidelands area that does not have a lot of use potential; Matson is willing to pay market value; the use is restricted and there is less potential for demand; the building has been vacant for 2½ years and needs a \$500,000 roof; Matson is putting \$4,000,000 into the building; removing a previous tenant cost the City over \$1,000,000; Matson would put significant dollars of investment into a building that is falling apart.

Mayor Spencer inquired about the current lease term.

The Economic Development Division Manager responded Matson is a subtenant to West Coast Novelty, who terminated their lease, the sublease will terminate at the end of the year.

Mayor Spencer inquired whether Matson is looking for a new lease.

The Economic Development Division Manager responded in the affirmative; stated Matson is a maritime use and the new site is a maritime building; other interest in the building passed when they found out how much they would have to invest; the City has tried to lease building for 2½ years; Matson needed a new building.

Mayor Spencer inquired if a 5 year lease is possible.

The Economic Development Division Manager responded in the negative; stating the entire agreement would have to be renegotiated; Matson has to finance the improvements.

Mayor Spencer inquired how much the improvements would be.

The Economic Development Division Manager responded the roof is \$500,000 and Matson plans to put \$4,000,000 more into the building.

Vice Mayor Matarrese stated it is an investment into a building the City owns that no one wants to invest in; the tenancy will attract other marquee names; getting cruise

ships out of the Port of San Francisco is a daunting task and not realistic in the next 10 years; the site is not in the Enterprise Zone, which provides the proper buffer between the neighborhood and the working waterfront; he would hate to lose the tenant for something doable for the next 10 years.

Councilmember Daysog requested clarification on the sublease with Matson; inquired whether any tenant can go into Building 23 after Matson vacates it, to which the Economic Development Division Manager responded in the affirmative.

Councilmember Oddie stated Matson might want to stay in Building 23; that he has a hard time denying a lease to someone that has been operating without any problems.

Mayor Spencer stated there have been problems; complaints about the containers.

Councilmember Oddie stated that he has not heard complaints; he thought steps were taken to alleviate concerns.

Mayor Spencer inquired if the containers could be stored between the two buildings to be less visible.

The Economic Development Division Manager responded in the negative; stated Matson indicated the items inside need to be accessible.

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(15-628) Mayor Spencer stated a motion is needed to consider the meeting past 11:00 p.m.

Vice Mayor Matarrese moved approval [of continuing the meeting past 11:00 p.m.]

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

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Vice Mayor Matarrese stated the fence will help mitigate; if there is a problem, he would like to be able to come back and adjust provisions; the most important thing is no using the site for logistics, not stacking containers, counting truck trips and limiting to 36.

Mayor Spencer stated the containers need to be as invisible as possible.

Councilmember Oddie confirmed that he would second the amended motion.

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

(15-629) Recommendation to Proceed with a New Development Strategy for the Enterprise District (Formerly Site B) at Alameda Point.

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

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Mayor Spencer left the dais at 11:03 p.m. and returned at 11:05 p.m.

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Councilmember Daysog stated end users should pay their share of infrastructure costs; the overall infrastructure cost for Alameda Point is \$566 million; Phase One which, at the time, included Site A and Site B, was estimated to cost \$183 million predicated on land use and intensity of uses; now the City is not sure of the land use; inquired how the City is ensuring the end user will pay their fair share of infrastructure costs for Site B.

The Chief Operating Officer – Alameda Point responded the infrastructure burden is approximately \$1 million an acre; stated it is codified in ordinances that any development which occurs in the district would have to pay a development impact fee equivalent to \$1 million per acre; the City hopes to get land value in addition; the benefit of being a public owner is that the value of the land can be lowered to the value of the infrastructure; policy decisions can be made on a case by case basis.

Councilmember Daysog stated infrastructure costs are important because one of the selling features for Alameda Point is that there will be a sports complex and a regional water ferry; sacrifices on the land sale would be worth it because would have amenities; inquired how cherry picking can be avoided at Site B; people will pick the sites closest to the water.

The Chief Operating Officer – Alameda Point stated the City is not marketing waterfront land; the City wants to benefit from land being developed; staff anticipates starting closer to Main Street; ultimately the Council decides whether or not a deal is good.

Vice Mayor Matarrese stated that he likes the approach but would like a development agreement with a formalized description of the responsibilities of the City and the contractor Cushman and Wakefield; goals stated the costs should include: jobs, catalyst occupant and end user occupant; he would like 6 month reporting to measure progress against the goals; would like to see what lease revenues are available for installing the water main; having the costs codified is helpful, but he would still like it mentioned in the plan and formalized in a development agreement.

The Chief Operating Officer – Alameda Point stated staff could include the costs in the documents.

Vice Mayor Matarrese responded that he would like the Plan to be approved by Council, which allows Council to measure, adjust, terminate or expand it.



Councilmember Oddie stated it is a smart move to be the land banker as the value goes up.

Councilmember Ezzy Ashcraft stated her questions have been answered and she is convinced of the approach, which should be turned into a document for Council to approve.

Mayor Spencer stated how much Cushman and Wakefield has been paid or the contract was not provided, which is critical information; the presentation indicated Cushman and Wakefield was involved in the VF Outdoor campus, which she thought it was Joe Ernst.

The Chief Operating Officer – Alameda Point responded Cushman and Wakefield were the broker for Joe Ernst; the City did a Request for Proposals (RFP) and the City Council selected Cushman and Wakefield and PM Realty; the current contractor includes a 5% commission on land sales.

Mayor Spencer stated the report needs to include the contract, projects and how much has been paid; a statement cannot be made that it is cost efficient without numbers; how much Cushman and Wakefield has been paid in the past two years.

John McManus, Cushman and Wakefield, corrected one comment; stated they represented VF Outdoor; the contract ends in 2018 and includes provisions if City is not happy with performance; the lease schedule is 5% the value of the lease for years 1 to 5 and 2½% of years 6 to 10; tonight, Matson was represented by Transwestern Group; half of the fees would be paid to Transwestern and half to Cushman and Wakefield; in every case there are outside brokers; fees would be reduced if there are not outside brokers.

Mayor Spencer stated that she was looking for the contract to be included; Matson is an existing customer; Cushman and Wakefield did not find them; inquired the percentage is the same whether or not Cushman and Wakefield finds tenant.

Mr. McManus responded the schedule is 50% for a renewal if the tenant stays in the building; the fee is half for relocation.

The Chief Operating Officer – Alameda Point stated for the new lease Cushman and Wakefield will be receiving full commission, which is standard industry practice; stated Cushman and Wakefield does all the front line work, not the City.

Mayor Spencer inquired what incentives Cushman and Wakefield have to bring new clients to the City; stated that she understands Joe Ernst is bringing tenants to the City, not Cushman and Wakefield.

Mr. McManus provided examples of new tenants: Wrightspeed, Winery 43, Fred Grandy, Universal Studios, and Restoration Hardware.

In response to Mayor Spencer's inquiry regarding Universal Studios, Mr. McManus stated space was rented for the Steve Jobs movie.

Mayor Spencer stated that the City should broadcast and advertise wider than existing customers and Joe Ernst.

The Chief Operating Officer – Alameda Point responded Council selected Cushman and Wakefield and felt they were highly qualified.

Mayor Spencer inquired if an RFP was done when they were selected, to which the Chief Operating Officer – Alameda Point responded in the affirmative.

Mayor Spencer stated that she was not a part of Council at that time; she would like background information on how Cushman and Wakefield were selected, casting a wider net and how much money Cushman and Wakefield have been paid.

The Chief Operating Officer – Alameda Point stated that she could have provided a better back story.

Mayor Spencer stated there is not sufficient due diligence in committing to use Cushman and Wakefield for Site B.

Councilmember Ezzy Ashcraft moved approval of proceeding with the new development strategy for the Enterprise District at Alameda Point following the specifications set forth by Vice Mayor Matarrese.

Councilmember Daysog seconded the motion; stated bringing Wrightspeed to Alameda was a homerun; that he is confident with moving forward with Cushman and Wakefield.

Under discussion, Vice Mayor Matarrese stated that he would like a measurement of the progress of the goals, which will answer some of the Mayor's questions; the number of new inquiries and commitments can be measured and will allow Council to judge performance.

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

(15-630) Report on Leasing at Alameda Point.

The Economic Development Division Manager gave a brief presentation; outlined properties on a map.

Ted Anderson, Cushman and Wakefield, gave a Power Point presentation.

Councilmember Daysog stated there is great progress at Alameda Point.

Councilmember Ezzy Ashcraft stated Alameda is becoming a great place to attract new business.

Councilmember Oddie stated Council needs to not lose sight of the big picture; adaptive reuse buildings need a lot of work; Council needs to not micromanage or businesses will not want to come to Alameda.

Vice Mayor Matarrese stated periodic reports are a good idea and should continue on a regular basis; the raw data should be provided, including details about square footage, option to purchase and investment in the building in the future; requested reports be provided on a quarterly or semi-annual basis.

Mayor Spencer noted Google purchased Makani, which has been an Alameda company since 2006; there is a higher level of due diligence when an action requires four votes.

Councilmember Daysog stated it seems that a lot of businesses that come to Alameda are related to existing businesses; inquired if there is a business organization at Alameda Point.

The Economic Development Division Manager responded the tenants are working on a business association.

Councilmember Daysog requested Council be provided an update on the Main Street District.

#### CITY MANAGER COMMUNICATIONS

(15-631) The Interim City Manager made an announcement about a job fair recently hosted by the City.

#### ORAL COMMUNICATIONS, NON-AGENDA

None.

#### COUNCIL REFERRALS

None.

#### COUNCIL COMMUNICATIONS

(15-632) Councilmember Ezzy Ashcraft made brief comments about the recent job fair.

(15-633) Consideration of Mayor's Nominations to the Commission on Disability Issues (CDI).

Mayor Spencer nominated Jennifer Linton and Anto Aghapekian for appointment to the CDI.

ADJOURNMENT

There being no further business, Mayor Spencer 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 SPECIAL CITY COUNCIL MEETING  
TUESDAY- -OCTOBER 20, 2015- -6:00 P.M.

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

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

Absent: None.

Public Comment

Former Councilmember Doug deHaan, Alameda, discussed the Council's recent Harbor Bay decision, which he believes will be the subject of litigation; urged the City Council not to buckle under pressure of litigation.

The meeting was adjourned to Closed Session to consider:

(15-605) Conference with Real Property Negotiators (54956.8); Property: Tidelands at Encinal Terminal, 1521 Buena Vista, Alameda, CA; City Negotiator: Andrew Thomas; Organizations Represented: State of California; Issue Under Negotiation: Real Property Negotiations Price and Terms of Payment

(15-606) Conference with Labor Negotiators (54957.6); City Negotiator: Elizabeth D. Warmerdam; Employee Organizations: International Brotherhood of Electrical Workers, Local1245 (IBEW), Electric Utility Professional Association of Alameda (EUPA), Alameda City Employees Association (ACEA), Alameda Police Officers Association, Non-Sworn (PANS), Management and Confidential Employees Association (MCEA); Under Negotiation: Salaries and terms of employment

Following the Closed Session the meeting was reconvened and the City Attorney announced that regarding Real Property, before the discussion, Vice Mayor Matarrese objected to hearing the matter in closed session; the matter was heard and direction was given to staff; and regarding Labor, direction was given to staff.

Adjournment

There being no further business, Mayor Spencer adjourned the meeting at 6:42 p.m.

Respectfully submitted,

Lara Weisiger  
City Clerk

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