

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -JANUARY 18, 2011- -7:00 P.M.

Acting Mayor Bonta convened the meeting at 7:48 p.m.

ROLL CALL - Present: Councilmembers deHaan, Johnson, Tam and Acting Mayor Bonta.

Absent: Mayor Gilmore – 1.

AGENDA CHANGES

None.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY & ANNOUNCEMENTS

None.

CONSENT CALENDAR

Acting Mayor Bonta announced that the Resolution Amending Resolution No. 12121 [paragraph no. 11-034] was removed from the Consent Calendar for discussion.

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

Councilmember Tam seconded the motion, which carried by unanimous voice vote – 4. [Absent: Mayor Gilmore – 1.] [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*11-025) Minutes of the Special and Regular City Council Meetings held on January 4, 2011. Approved.

(*11-026) Ratified bills in the amount of \$1,070,360.92.

(*11-027) Recommendation to Accept the Work of Marine Express, Inc. for the Alameda Harbor Bay Barge Replacement Project, No. P.W. 06-09-19. Accepted.

(*11-028) Recommendation to Authorize the Acting City Manager to Enter into the Second Amended and Restated Agreement for Maintenance and Management of the Harbor Bay Ferry Terminal. Accepted.

(*11-029) Recommendation to Authorize the Acting City Manager to Enter into the Landing Rights Agreement License to Land at the Port of San Francisco Ferry Terminals for Commuter, Excursion, and Other Ferry Services By and Between the City and County of San Francisco Operating By and Through the San Francisco Port Commission and the City of Alameda. Accepted.

(*11-030) Recommendation to Appoint Mr. Michael Krueger to the Oakland Chinatown Advisory Committee. Accepted.

(*11-031) Resolution No. 14541, "Authorizing the Acting City Manager to File an Application for \$62,500 in the Urban Forestry Grant Program Funding Through Propositions 40 and 84 Entitled, "An Urban Forest for Every City," Appropriate \$25,000 in General Funds as the Necessary Local Match, and Execute all Necessary Documents." Adopted.

(*11-032) Resolution No. 14542, "Approving an Agreement Between the City of Alameda and the State of California's Department of Boating and Waterways to Recover Costs for Dismantling and Disposing of Abandoned Watercraft." Adopted.

(*11-033) Resolution No. 14543, "Fixing the Annual Salaries for the Auditor and Treasurer Pursuant to the 2008 City Charter Amendment of Section 2-4." Adopted.

(11-034) Resolution No. 14544, "Amending Resolution No. 12121 Setting the Order of Business of City of Alameda City Council Meetings." Adopted.

Speakers: Adam Gillitt, Alameda; Jon Spangler, Alameda; and Michael John Torrey, Alameda.

Councilmember deHaan stated individuals have stayed until 1:00 a.m. to get a point across; Council would be willing to try the proposed change; nothing would be locked in stone; the 15-minute idea is bothersome but doable.

Councilmember deHaan moved adoption of the resolution.

Councilmember Johnson seconded the motion, which carried by unanimous voice vote – 4. [Absent: Mayor Gilmore – 1.]

CITY MANAGER COMMUNICATIONS

(11-035) Lawrence Berkeley National Laboratory's Request for Qualifications for a Second Campus

The Acting City Manager provided a handout and gave a brief presentation.

Councilmember Johnson inquired how the land transfer would be handled.

The Acting City Manager responded the City would enter into a long-term lease with a purchase option under the current Lease in Furtherance of Conveyance (LIFOC).

Councilmember Johnson inquired whether staff has discussed the proposed use with the Navy.

The Acting City Manager responded in the affirmative; stated staff would discuss site cleanup with the Environmental Protection Agency (EPA); the Environmental Consultant thinks the Navy would be supportive; staff is hoping to get support letters from the Navy and EPA.

In response to Councilmember Johnson's inquiry on whether the University of California is considered a government entity for the purpose of conveyance from the federal government, the Acting City Manager stated there would be a long-term lease with a purchase open upon conveyance.

Councilmember Johnson stated staff should not consider the sale as a private land sale; the City should almost be in the same position as Richmond.

The Acting City Manager stated staff would recommend a below market lease.

Councilmember deHaan stated thirteen years ago, the conveyance would have been a federal conveyance; the area does not have any historical buildings and would be new construction.

The Acting City Manager stated the area does not have environmental issues, is outside the Tidelands Trust area, and does not include a wildlife buffer; the area is one of the cleanest and easiest sites; the area would allow new construction and would be the best proposal.

Councilmember deHaan inquired what is the size of the property.

The Acting City Manager responded that she does not know; stated a planner is putting together site plans and different parking scenarios; staff is leaning toward having surface parking for Phase 1 and then structured parking.

Councilmember deHaan stated job generation is key.

The Acting City Manager stated the proposal would be a golden opportunity for Alameda Point as well as local business parks; staff is in the process of getting letters of support from as many associations as possible.

Councilmember deHaan stated negative responses have not been received; positive responses are important.

Councilmember Tam stated the opportunity is exciting and would provide benefits; the Request for Qualification [RFQ] would provide a private developer; the campus is a State and federal agency and would not generate property tax or sales tax; inquired how tax increment would be achieved if the Governor does away with redevelopment funding.

The Acting City Manager responded property taxes would be generated by private users of adjacent land; the Lawrence Berkeley National Laboratory (LBNL) site is a federal site owned by the University of California and would not generate tax; using tax increment as a financial incentive would be risky; a below market rent or land value write down could be used as financial incentives; staff is looking into the possibility of other tax revenues such as Utility User Tax rebates similar to the VF Outdoor project; fee waivers and other business deals could be discussed in future negotiations.

Councilmember Johnson stated emphasizing that the City has land that would be conveyed government to government is important; years ago, the land would have been conveyed; adjacent properties would increase in value as well as other parts of Alameda.

The Acting City Manager stated at some point, Alameda Point would receive an economic development conveyance; the whole concept would be to generate jobs.

Councilmember Tam inquired whether staff is considering a federal-to-federal transfer similar to that of the Veteran's Administration.

The Acting City Manager responded staff would recommend that the ARRA receive the land and then the land could be conveyed to LBNL.

Councilmember Tam inquired whether the approach would be to use the LIFO for a long-term lease.

The Acting City Manager responded the City needs ensure long-term control over the land through the LIFO; stated the City would provide the land to LBNL at no cost after receiving a conveyance agreement from the Navy; staff would recommend having the City in the middle.

Councilmember deHaan stated Coast Guard housing has gone back to the federal government; the City needs to control the land; adjacent properties are important; Richmond is campaigning and making strong overtures; inquired whether Alameda is doing the same.

The Acting City Manager responded Richmond has sent out press releases; stated the City is placing more focus on making its response as competitive as possible; staff is doing a detailed analysis of the other two sites to ensure Alameda is competitive.

Councilmember Johnson stated letters of support should be requested from business associations, the School District, and College of Alameda.

The Acting City Manager stated draft letters have been sent to a number of associations; that she has spoken to the Chamber of Commerce, Association of Realtors, and business parks; everyone is interested in sending letters of support.

Councilmember Johnson stated service clubs such as the Rotary and Kiwanis should be included.

The Acting City Manager stated staff is discussing whether or not to bring the entire response back to Council on February 15th, two weeks before the response is due which would allow the response to be viewed by others.

Acting Mayor Bonta inquired whether adjacent areas would be appropriate for office, laboratory, and business space.

The Acting City Manager responded in the affirmative; stated LBNL wants to ensure an adequate buffer from residential neighborhoods; the yellow and red areas are more contaminated and would not be zoned residential; mixed use might be a possibility.

Acting Mayor Bonta inquired whether quantifying possible financial benefits would be possible.

The Acting City Manager responded not now; stated technology transfer studies could be reviewed; the City could contract with a firm to calculate the impacts; staff could perform some calculations but would not be comfortable in estimating future land value.

Councilmember deHaan inquired whether the RFQ dovetails with the going forward process.

The Acting City Manager responded in the affirmative; stated LBNL wants to see a commitment to a plan that would create a mixed-use environment; having the City keep up with LBNL's planning process is important to ensure that LBNL would not be stuck by themselves; the timeline is coming together.

Councilmember deHaan stated the RFQ is a golden opportunity; community support is needed.

Speaker: Kathy Moehring, West Alameda Business Association.

REGULAR AGENDA ITEMS

None.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL REFERRALS

(11-036) Consider Providing Detailed Information to the Public regarding the December 28, 2010 Special City Council Meeting and Clarifying the Process and Brown Act

Compliance.

Acting Mayor Bonta read the January 13, 2011 press release on the matter.

Outside Counsel Edward Kreisberg, Meyers Nave, gave a brief presentation.

Councilmember deHaan gave a brief presentation.

Speakers: Red Wetherill, Alameda; Joan Konrad, Alameda (submitted handout); Eugenie Thomson, Alameda (submitted handout); Michael Krueger, Alameda; Susan Decker, Alameda; Gretchen Lipow, Alameda; Reyla Graber, Alameda; John Knox White, Alameda; Nick Cabral, Alameda; John Piziali, Alameda; Dorothy Freeman, Alameda; Kathy Moehring, Alameda; Richard Hausman, Alameda; Jim Oddie, Alameda; Dan Wood, Alameda; Alan Pryor, Alameda; Roberta Schutes, Alameda; Honora Murphy, Alameda; Frances Montel, Alameda; Barbara Kahn, Alameda; Michael John Torrey, Alameda; Rosemary McNally, Alameda; Kate Quick, Alameda; David Burton, Alameda; Domenick Weaver, International Association of Fire Fighters Local 689; Mike Henneberry, Alameda; Adam Gillitt, Alameda; Carol Gottstein, Alameda; Jean Sweeney, Alameda; Bill Gibbs, Alameda; and Jon Spangler, Alameda.

Councilmember deHaan stated Council was unanimous on one individual; what was presented that evening was that an individual took a job with another jurisdiction which left a lot of confusion for Council; Council tasked Legal Counsel to look at those elements.

Mr. Kreisberg requested that Councilmember deHaan limit the amount that was said in Closed Session.

Councilmember Johnson inquired when Outside Counsel would provide information to Council.

Mr. Kreisberg responded that he would be happy to meet with Council in Closed Session.

Councilmember Johnson stated that she would like the report to be in writing.

Acting Mayor Bonta stated utilizing the services of Meyers Nave was unanimous; Council needs to move forward in a way that is not divisive.

COUNCIL COMMUNICATIONS

(11-037) Councilmember deHaan stated Council requested community input regarding the City Manager selection process; information should be inclusive.

Acting Mayor Bonta inquired whether Councilmember deHaan has specific individuals in mind for a broader committee.

Councilmember deHaan responded a good cross section should be selected.

ADJOURNMENT

There being no further business, Acting Mayor Bonta adjourned the meeting at 9:50 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL JOINT CITY COUNCIL,
COMMUNITY IMPROVEMENT COMMISSION (CIC), AND HOUSING
AUTHORITY BOARD OF COMMISSIONERS (HABOC) MEETING
TUESDAY- -JANUARY 18, 2011- -6:59 P.M.

Acting Mayor/Chair Bonta convened the meeting at 7:02 p.m. Councilmember / Commissioner deHaan led the Pledge of Allegiance.

ROLL CALL – Present: Commissioner Allen and Councilmembers / Commissioners deHaan, Johnson, Tam and Acting Mayor/Chair Bonta – 5.

Absent: Mayor/Chair Gilmore – 1.

MINUTES

(HABOC/11-001 CIC) Minutes of the Special Board of Commissioners Meeting held October 19, 2010. Acceptance is recommended. Minutes of the Special Joint City Council and CIC Meeting Held on December 21, 2010. Approved.

Commissioner deHaan moved approval of the minutes.

Commissioner Johnson seconded the motion, which carried by the following voice vote: December 21, 2010 Minutes: Ayes: Commissioners deHaan, Johnson and Tam – 3. Abstention: Acting Chair Bonta – 1. Absent: Chair Gilmore – 1. The minutes of the October 19 Minutes were not adopted due to lack of affirmative votes: Ayes: Commissioners deHaan and Johnson – 2. Abstentions: Commissioners Allen, Tam and Acting Chair Bonta - 3. Absent: Chair Gilmore – 1.

AGENDA ITEM

(11-024 CC) Public Hearing to Consider: 1) Recommendation to Find the Project Located at 2216 Lincoln Avenue to be Exempt from the California Environmental Quality Act (CEQA) Pursuant to California Public Resources Code Section 21159.21, 21159.23, and 22159.24, as well as CEQA Guidelines Section 15332;

(11-024A CC) Recommendation to Approve the Summary Report Pursuant to Section 33433 of the California Community Redevelopment Law for an Owner Participation Agreement (OPA) between the CIC, Housing Authority, Satellite Housing and Housing Consortium of the East Bay (HCEB) and a Lease Option Agreement between the Housing Authority, Satellite Housing and HCEB;

(11-002 CIC) Recommendation to Approve the Summary Report Pursuant to Section 33433 of the California Community Redevelopment Law for an OPA between the CIC, Housing Authority, Satellite Housing and HCEB and a Lease Option Agreement between the Housing Authority, Satellite Housing and HCEB;

(11-002A CIC) Recommendation to Authorize Conveyance by Quitclaim Deed of the Property Located at 2216 Lincoln Avenue for Construction of 19 Units of Affordable Rental Housing to the Housing Authority;

(HABOC) Recommendation to Accept the Property Located at 2216 Lincoln Avenue via a Quitclaim Deed from the CIC;

(HABOC) Recommendation to Approve a Lease Option Agreement and Authorize the Acting Chief Executive Officer to Execute a 75-Year Ground Lease Based on the Lease Option with Satellite Housing and HCEB and an OPA and Other Related Documents between the Housing Authority, CIC, Satellite Housing and HCEB;

(11-002B CIC) Recommendation to Approve and OPA and Authorize the Acting Executive Director to Execute an OPA and Other Related Documents with Satellite Housing, HCEB and the Housing Authority; and

(11-002C CIC) Recommendation to Approve an Appropriation of \$1.4 Million from the Business and Waterfront Improvement Project (BWIP) Affordable Housing Fund Balance to Housing Project Development Funds;

(11-024B CC) Resolution No. 14540, "Approving (1) the Disposition of Certain Property Owned by the CIC of the City of Alameda at Not Less Than Its Fair Reuse Value in Connection with Development of an Affordable Rental Housing Project on the Site, and (2) Making Certain Findings with Respect to the Disposition of Such Property." Adopted;

(11-002D CIC) Resolution No. 11-173, "Approving (1) an OPA for Development of Affordable Rental Housing, and (2) the Disposition of Certain Property Owned by the CIC at Not Less Than its Fair Reuse Value in Connection With Development of an Affordable Rental Housing Project on the Site, (3) Making Certain Findings With Respect to the Disposition of Such Property, and (4) Authorizing the Executive Director to Execute the OPA and a Quitclaim Deed to Convey Such Property to the Housing Authority." Adopted;

(HABOC) Resolution No. 825, "Authorizing the Acting Chief Executive Officer to Execute (1) An OPA Among the Housing Authority, CIC, Satellite Housing and HCEB, (2) A Lease Option Agreement Among the Housing Authority, Satellite Housing and HCEB, and (3) to Accept a Quitclaim Deed From the CIC for the Project Site." Adopted; and

(11-002E CIC) Resolution No. 11-174, "Approving the Use of Housing Funds to Pay a Portion of the Costs of Development of a 19-Unit Affordable Rental Project within the City of Alameda on Certain Property Commonly Known as 2216 Lincoln Avenue." Adopted.

The Housing Department Executive Director; Dori Kojima, Satellite Housing Executive Director; and Darin Lounds, HCEB Executive Director, gave a Power Point presentation.

Councilmember/Commissioner Johnson inquired whether an Satellite Housing would be allowed to assign rights and obligations without prior written consent of the City.

The Housing Development and Programs Manager responded assigned rights and obligations could only be given to a new, single entity associated with Satellite Housing and HCEB.

Councilmember/Commissioner Johnson stated Satellite Housing and HCEB would have the ability to assign the Lease Option Agreement (LOA) before [the City gives] prior written consent.

The Development Services Division Manager stated language could be added to the LOA.

The Housing Department Executive Director stated said language would be added to the LOA.

Councilmember/Commissioner Tam inquired how varying loan terms would be factored in when determining rental rates; further inquired whether the Housing and Urban Development Department (HUD) would control rates.

Ms. Kojima responded the HUD Section 811 program provides federal dollars calculated per unit; stated a long-term HUD operating subsidy would ensure that enough funds would include enough funds to ensure proper maintenance and management; tenants would pay 30% of adjusted monthly income; HUD 811 would not require repayment of the loan as long as affordability is maintained; rental rates would not be affected by financing.

Councilmember/Commissioner Tam inquired whether 30% of adjusted gross income would cover various loans given varying terms and interest rates.

Ms. Kojima responded most sources are soft debt; stated loans would not require repayment during the operation of the development unless the project has excess cash; HUD would provide operational subsidy up to the amount of the operating budget; a development does not usually have excess cash because HUD controls the operating amount.

Councilmember/Commissioner Johnson inquired whether [LOA] renewal would be automatic.

The Housing Development and Programs Manager responded a six-month extension would apply if the lease is not executed.

In response to Councilmember/Commissioner's Johnson request to review the LOA

language stating that the original term would be automatically renewed unless the optionee gives 30 days notice prior to the end of the renewal period, the Acting City Attorney/Legal Counsel stated language would be corrected to reflect there is only one renewal.

Proponents: Laura Thomas, Renewed Hope Housing Advocates; Kathryn Neale Manalo, Alameda; Gary Struthers, Alameda; Mary and Marissa Erikson, Alameda; Art Kurrash, Housing Commission; Kelly Harp, Community Resources for Independent Living; Audrey Lord-Hausman, Alameda; and Mara Bearse, Regional Center of the East Bay.

Councilmember/Commissioner deHaan stated the process has been very fast.

The Housing Department Executive Director stated tours were conducted in 2009; the transfer started in June 2010; in July 2010, the City Council approved the sale of the property, and the CIC approved the purchase; the CIC purchased the property in September 2010.

Councilmember/Commissioner deHaan commended everyone for efforts made; stated the process has been quite impressive.

Councilmember/Commissioner Tam expressed her appreciation for bundling everything so quickly; stated the current \$1.4 million in redevelopment funds may not be available next year; the location is ideal for a project that is sorely needed.

Councilmember/Commissioner Tam moved approval of the staff recommendation with amendments to the LOA outlined by Councilmember/Commissioner Johnson [regarding assigning rights and renewal].

Councilmember/Commissioner deHaan seconded the motion.

Councilmember/Commissioner Johnson thanked everyone for their work on the project; stated purchasing the parking lot was not an easy task; that she hopes building would start soon.

Acting Mayor/Chair Bonta stated the proposed project is important from an affordable housing and community standpoint.

On the call for the question, the motion carried by unanimous voice vote – 5. [Absent: Mayor/Chair Gilmore – 1.]

ADJOURNMENT

There being no further business, Acting Mayor/Chair Bonta adjourned the meeting at

7:42 p.m.

Respectfully submitted,

Lara Weisiger, City Clerk
Secretary, CIC

The agenda for this meeting was posted in accordance with the Brown Act.