

MINUTES OF THE CONTINUED FEBRUARY 16, 2016
REGULAR CITY COUNCIL MEETING
TUESDAY- -MARCH 1, 2016- -7:00 P.M.

Mayor Spencer reconvened the continued meeting at 5:39 p.m.

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

Absent: None.

CONTINUED REGULAR AGENDA ITEM

(16-072 Continued) Summary title: Related to the Rent Review, Rent Stabilization and Limitations on Evictions Ordinance Consider: 1) A Resolution Adopting Policy Concerning Capital Improvement Plans (CIP), and 3) An Appropriation of Funds.

(16-072A Continued) Adoption of Resolution Adopting Policy Concerning Capital Improvement Plans (CIP). Not adopted; and

(16-072B Continued) Appropriation of \$300,000 from the General Fund to Fund a Rent Program Fee Study and to Cover the Cost to Administer the Rent-Related Programs through June 30, 2016.

Mayor Spencer proposed re-opening the public comment from the February 16th meeting for students to speak and be able to leave the meeting early.

Councilmember Ezzy Ashcraft inquired how much time did the students request to speak, to which Mayor Spencer responded six minutes.

Councilmember Oddie stated the first reading has already been passed; comments would not be germane; Council is deciding about the appropriations and CIP tonight; the public hearing portion of the item has been closed and a vote has been taken.

Mayor Spencer stated the issue is broadly connected to rent; Councilmembers can weigh-in.

Councilmember Ezzy Ashcraft stated tonight's agenda informs the public that there will be no additional public comment because the item was continued from February 16 and the public comment was closed; Council should not carve out an exception; she is concerned that there could be members of the public watching who would have come to speak as well, had they known Council was going to make an exception and re-open the public speaking.

Mayor Spencer stated the public is welcome to come at 7:00 p.m. to speak on the rent issue on the regular agenda; inquired whether a motion is required on the issue.

The Assistant City Attorney responded only a consensus of the Council is required, but that a motion may be the best way since it seems the Council is divided on the issue.

Vice Mayor Matarrese moved approval of re-opening the public comment and allowing the youth to speak.

Councilmember Daysog seconded the motion which carried by the following voice vote: Ayes: Councilmembers Daysog, Matarrese, and Mayor Spencer – 3. Noes: Councilmember Ezzy Ashcraft – 1. Abstention: Councilmember Oddie – 1.

Expressed support for the Alameda community during the rent and housing crisis: Jay Feria, San Leandro.

The Community Development Director gave a brief presentation.

Mayor Spencer suggested discussing the CIP first.

In response to Councilmember Ezzy Ashcraft's inquiry, the Community Development Director stated that she did not have the revised language until Friday, thus hardcopy was not provided to the Council.

In response to Mayor Spencer's inquiry, the Community Development Director stated the language now reads: "a capital improvement, for purposes of the capital improvement plan policy."

Mayor Spencer inquired whether the eight words are the only change, to which the Community Development Director responded in the affirmative.

Councilmember Oddie inquired who would determine whether improvements are mandatory, to which the Community Development Director responded the Program Administrator.

Councilmember Oddie inquired if the Council would be providing guidance to the Program Administrator, to which the Community Development Director responded in the affirmative.

Councilmember Oddie inquired whether any provisions allow the tenant to move back in when the repair is done.

The Community Development Director responded the affirmative; stated the tenant can be temporarily relocated if there is a vacant unit on site; if there are no vacant units, tenants will be permanently relocated and receive the relocation benefits; the tenant could return to the improved unit if desired.

Councilmember Oddie that stated he is concerned that the provision of returning to the improved unit is not spelled out in the plan; there are no time limits on improvements; inquired how will a reasonable improvement and time frame be determined.

The Community Development Director responded the Program Administrator would render judgments on the CIP, including the decisions regarding appropriate rent increase, whether or not a temporary or permanent relocation is required, and the length of time reasonable to make the improvements.

Councilmember Oddie stated that he is concerned there are no standards; a temporary relocation could turn into a huge loophole for mass evictions if the improvements take an excessive amount of time; he would like to see a provision allowing a tenant to move back in to the improved unit without an excessive amount of time.

In response to Councilmember Ezzy Ashcraft's inquiry, the Community Development Director stated that she finished the CIP portion of the presentation.

Mayor Spencer stated Council agreed to bifurcate the CIP and appropriation issues since they are two separate votes.

Vice Mayor Matarrese stated the termination of tenancy and relocation should be a mediated process; every case is different; a City Program Administrator be a daunting task; temporary relocation depends on the case and the relationships between the landlord and tenant; that he strongly believes in a mediated, instead of mandated, approach; there is some protection of limiting activity by presenting a real plan.

The Community Development Director stated a staff person approving a CIP is more appropriate because there are technical aspects to the review and approval of a CIP; a Program Administrator has the expertise that the RRAC does not; each proposed CIP would be evaluated on its merits alone so the process would be done on a case-by-case basis.

Councilmember Ezzy Ashcraft stated that she understands Vice Mayor Matarrese's proposal, but that she would be reluctant to have items decided by the RRAC; suggested a mediator instead.

The Community Development Director stated a staff person who would have the technical expertise has been proposed, but if Council decides a mediator could contribute to the analysis of the technical documents, staff could contract for the service.

Councilmember Daysog inquired whether only the portion within the prime interest rate is subject to be recovered by rent.

The Community Development Director responded in the affirmative; stated the prime rate plus 1% is a formula based on the standard business interest rate for renovation loans.

In response to Councilmember Daysog's inquiry, the Community Development Director stated the owner of 470 Central Avenue stated his interest rate for his balloon loan is 10%; the proposed formula prevents rewarding business decisions that do not make sense to the tenants; a bank that offers commercial construction loans as a routine part of doing business would have a good interest rate; she does not want to encourage high interest rates that would drive up rent.

Councilmember Daysog inquired whether staff sensed that a landlord seeking renovations in the millions of dollars will go after a higher interest rate.

The Community Development Director responded in the negative; stated that it could happen, which was the case for 470 Central Avenue; the owner had a proposal to evict all tenants to do substantial rehabilitation which included a doubling of rents due to the financing he had arranged; the financing structure the owner obtained to undertake substantial rehabilitation was not appropriate; staff was looking for standard business procedures.

Councilmember Daysog stated the language should be re-written to capture various possibilities.

Councilmember Oddie stated there are one-off circumstances; there should be some mediation if the tenant would like to return; issues should not be resolved at a public hearing or by the RRAC; having a trial or pilot program is a good opportunity, especially if a tenant wants to return; there are a lot of combinations to deal with in the interim period.

The Community Development Director inquired whether Councilmember Oddie is proposing a mediator who could handle the CIP and mediate temporary relocation, to which Councilmember Oddie responded in the affirmative; stated having a mediator would give Council the opportunity to mediate evictions on a trial basis.

Mayor Spencer stated the use of the word "landlord" instead of "housing provider" should be consistent.

In response to Mayor Spencer's inquiry, the Community Development Director stated staff reviewed City of Berkeley and City of Los Angeles as a model for the CIP program.

Mayor Spencer inquired whether other cities have a staff person, to which the Community Development Director responded in the affirmative; stated most cities with rent control have a staff hearing officer; Alameda proposes a contract hearing officer.

Mayor Spencer stated the position would require expertise; inquired whether it would go through the Planning Department.

The Community Development Director responded it would go through the Program Administrator; stated staff is hoping the Housing Authority would administer the program; the Housing Authority would hire staff with the expertise.

In response to Mayor Spencer's inquiry, the Community Development Director stated there would be coordination with the Planning Department as permits would be the basis to understand the CIP valuation and project time length.

Mayor Spencer inquired what expertise is needed for a hearing officer versus a mediator, to which the Community Development Director responded the hearing officer and mediator could have the same skill set; stated the person would have to be familiar with the construction and bidding process and have an understanding on how to calculate the interest rate for the allowable rent increase.

Mayor Spencer stated determining the financing is a separate issue from determining the length of time for a project; the Planning Department is familiar with how long it takes to complete the jobs.

The Community Development Director stated the Planning Department does not typically weigh-in or opine about the length of time of a project.

Mayor Spencer stated the interest rate should be based on the real number that is being financed.

The Community Development Director stated interest rates change all the time; the idea is to set a formula.

Mayor Spencer stated the landlord should find the best interest rate possible; the rate information plugged into the formula should be the actual number.

In response to Mayor Spencer's inquiry, the Community Development Director stated a tenant who notifies the landlord that they would like to remain in their unit after improvement have been made could be temporarily relocated to an available vacant unit onsite; the tenant could move back into the renovated unit and pay the higher rent; if there is no vacant unit, the tenant would be permanently relocated.

Mayor Spencer stated the tenant should be able to come back to the renovated unit whether or not the landlord has another vacant unit for a temporary relocation; the unit would eventually be available and the tenant should have first right of refusal.

The Community Development Director stated one criteria when evaluating a CIP would be to hash out the temporary relocation.

In response to the Interim City Manager's inquiry, Mayor Spencer stated that she is referring to the tenant's option to return to the renovated unit; relocation assistance is also included in the proposal.

Councilmember Oddie stated there is a precedence that the tenant should be compensated for loss of use of their unit during a temporary relocation as in situations like mold remediation where the tenant is not at fault.

The Community Development Director stated if no temporary relocation is available, permanent relocation is provided.

Mayor Spencer stated that she prefers to have the ability for the tenant to return regardless of the relocation situation; the caveat being the repairs should be done in a timely manner.

Councilmember Ezzy Ashcraft stated every situation is different; she favors the proposal in cases where the tenant may want to return; depending on the circumstance, a negotiation could be done with a mediator; cautioned about limiting the length of repairs, especially on older homes that need special supplies; stated property owner's hands should not be tied inordinately; rather than a set formula for the interest rate, the policy should not penalize building owners for improving old and decaying buildings, which might require a loan with an unfavorable interest rate; a set formula is too cookie-cutter.

Vice Mayor Matarrese stated he would like two things: 1) termination of tenancy and evictions should be subject to mediation; 2) property owner must prove any renovation; he strongly supports mediation, which the ordinance does not contemplate; a CIP should be subject to proof; no landlord wants their building empty during renovations; the proposal seems impossible to administrate.

Councilmember Oddie stated that he would like to treat all parties equally; the tenant would be penalized if the landlord has bad credit and can only get unfavorable financing rates; perhaps there is a middle ground; he does not like using the word "penalty."

In response to Mayor Spencer's inquiry, Vice Mayor Matarrese stated that he thinks the interest rate should be the real rate; banks will not lend at a favorable rate if a building is dilapidated.

Mayor Spencer stated Council would have to agree on principles and have the matter brought back; inquired whether there is consensus on imposing actual interest rate.

Councilmember Daysog stated the interest rate formula by which all possible reimbursements would be done is hard and fast at prime rate plus 1; there are many different property types; the ultimate rate is subject to a variety of conditions and market factors such that instead of 7% plus 1, the real rate turns out to be 8.5%, which is not captured; the formula was created based on the situation related to the 470 Central Avenue property; he is looking for more flexibility regarding the interest rate.

The Community Development Director stated that she understands the Council would like staff to return with a policy which reflects the actual interest rate.

Mayor Spencer stated that is the consensus.

In response to Councilmember Daysog's inquiry, the Community Development Director stated without doubling the rents, the 470 Central Avenue project would be upside down.

Mayor Spencer stated Council needs to assume everyone is acting in good faith.

Councilmember Ezzy Ashcraft stated the issue falls along the same lines as documenting the actual construction work; these are the cases that are more appropriately handled in semi-private setting with mediation or arbitration, rather than at the RRAC.

The Community Development Director stated the proposal is to have issues handled by a mediator or trained staff; the three key things should be accomplished by a CIP: 1) a mechanism for approving the work; 2) setting the allowable rent increase; and 3) resolving any relocation issues.

In response to Mayor Spencer's inquiry, the Community Development Director stated the proposal states CIP issues would be handled by staff, but does not specify who the staff is; the Program Administrator should determine who the best qualified staff would be to handle the situations, based on training and expertise, which could be a skill set to search for in a staff person.

Vice Mayor Matarrese stated the CIP is a technical exercise; the relocation is a negotiation; the two issues could be understandable if separated and described better.

In response to Councilmember Oddie's inquiry, the Community Development Director stated that she understands the distinction being requested, but does not think there needs to be two separate people; she understands the Council's desire is to have mediation.

Councilmember Oddie requested a recap of the Council direction, to which the Community Development Director responded staff would modify the proposal to include the eight word definition of a capital improvement, language on the interest rate being the actual rate of the loan secured, more guidance on whether or not the proposed work triggers the need for relocation, a negotiation process for discussing options for temporary relocation beyond just a vacant unit on site, and consider a cap on temporary relocation and fees if improvements would take longer to complete.

In response to Councilmember Ezzy Ahscraft's inquiry, the Community Development Director stated staff would return to Council with a revised plan on April 5th to avoid a

gap in coverage of the moratorium and so there would not be any evictions before the CIP is in place.

Appropriation and Fee Study:

The Community Development Director continued the presentation.

In response to Councilmember Ezzy Ashcraft's inquiry, the Community Development Director responded the three full time staff being considered includes two attorneys and one paralegal.

Councilmember Ezzy Ashcraft stated that she would like to see comparison done on what it would cost to outsource the work; benefits paid for a staff person need to be factored into cost.

The Assistant City Attorney stated the cost estimate is very conservative; the cost is based on a dollar perspective, not a body perspective; the intent would be to hire outside counsel as needed in the initial stages of the program; a job allocation would be brought before Council at a later time if staff determines there is a need for full-time staff.

In response to Councilmember Ezzy Ashcraft's inquiry, the Assistant City Attorney stated the Full Time Estimate (FTE) positions would include an advice counsel to help educate landlords and tenants on the program, supported by a paralegal; and one litigator specializing in the area.

Councilmember Oddie inquired whether Council has to approve the \$300,000 appropriation before second reading of the ordinance, to which the Community Development Director responded in the affirmative.

Vice Mayor Matarrese stated the appropriation has to be administered between now and June; if something changes, the amount could be unencumbered; the budget is conservative.

Councilmember Oddie stated that he is hoping there are different options when the study is completed.

Councilmember Daysog stated that he does not support a fee study; Council should find the money within the budget for the program; it is fundamentally unfair to impose fees on small mom and pop landlords.

Mayor Spencer stated that she is concerned about who should bear the cost of the program; she would like to see arbitration beyond RRAC be shared between the parties at a minimum of 25% and would like the focus to be on meaningful participation at the RRAC level.

The Interim City Manager stated the fee study is going to indicate how much the program will cost, not who will pay for the program; staff would decide who will pay.

In response to Mayor Spencer's inquiry, the Community Development Director stated the assumption for the number of arbitration cases is 20, which is \$90,000; paying for the hearing officer process could be reviewed after the fee study analysis.

Mayor Spencer stated the issue is not a simple landlord/tenant one; the issue is a community issue; some of the money should come from the General Fund.

In response to Councilmember Ezzy Ashcraft's inquiry, the Community Development Director stated staff will look at the whole range of options since there is not consensus of the Council on the program fees.

Councilmember Daysog stated the fee structure is potentially split; recommended the tenant write a check to City Hall instead of rolling the fee into the rent; stated the tenant would understand the program is City-run.

Councilmember Oddie moved approval of the appropriation of \$300,000 from the General Fund to fund a Rent Program Fee Study and to cover the cost to administer the rent-related programs through June 30, 2016.

Councilmember Daysog suggested an alternative to bifurcate the motion.

Mayor Spencer inquired whether Council would agree to two separate motions.

Councilmember Ezzy Ashcraft responded that she would prefer to keep one motion.

Vice Mayor Matarrese seconded the Councilmember Oddie's motion.

Mayor Spencer stated a Councilmember can request to bifurcate a motion in order to vote yes on one and no on the other.

Vice Mayor Matarrese withdrew his second in favor of bifurcation.

Council Member Daysog moved approval of the appropriation of \$250,000 from the General Fund to cover the cost to administer the rent-related programs through June 30, 2016.

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

Vice Mayor Matarrese moved approval of appropriating \$50,000 from the General Fund to fund a Rent Program Fee Study.

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

Noes: Councilmember Daysog – 1.

ADJOURNMENT

Mayor Spencer adjourned the meeting at 6:55 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -MARCH 1, 2016- -7:00 P.M.

Mayor Spencer convened the meeting at 7:10 p.m. Youths from the Boys and Girls led the Pledge of Allegiance.

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

Absent: None.

AGENDA CHANGES

(16-089) Mayor Spencer announced that the wetlands mitigation bank [paragraph no. 16-112] would be continued to March 15, 2016.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(16-090) Mayor Spencer did a reading on the Season for Non-violence daily word: praise.

(16-091) The Interim Assistant City Manager introduced the new Information Technology Director, Carolyn Hogg.

(16-092) Proclamation Declaring March 2016 as American Red Cross Month.

Mayor Spencer read the Proclamation and presented it to Jack McCredie and Public Works staff member Laurie Kozisek.

Mr. McCredie and Ms. Kozisek made brief comments.

(16-093) Proclamation Declaring March 7 through 12, 2016 March as Boys and Girls Club Week.

Mayor Spencer read the Proclamation and presented it to Marc Morales and members of the Boys and Girls Club.

Mr. Morales made brief comments.

(16-094) Proclamation acknowledging and thanking Interim City Manager Elizabeth Warmerdam for her service.

Mayor Spencer read the Proclamation and presented it to Ms. Warmerdam.

Ms. Warmerdam made brief comments.

The Councilmembers made brief comments.

ORAL COMMUNICATIONS, NON-AGENDA

(16-095) Former Councilmember Barbara Thomas, Alameda, thanked the Council for the long hours; suggested that the Mayor and Council salaries be increased and each have part time staff members.

(16-096) April Squires, Alameda, expressed concern over late Council meetings not being accessible to seniors and Americans with Disability Act.

CONSENT CALENDAR

Mayor Spencer announced that the three items regarding the Jean Sweeney Park [paragraph nos. 16-102, 16-103, and 16-104] were removed from the Consent Calendar for discussion.

Councilmember Ezzy Ashcraft moved approval of the remainder of the Consent Calendar.

Vice Mayor Matarrese seconded the motion, which carried by unanimous voice vote – 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.] [Note: The motion was prior to Oral Communication.]

(*16-097) Minutes of the Special and Regular City Council Meetings Held on February 2, 2016. Approved.

(*16-098) Ratified bills in the amount of \$3,672,205.66.

(*16-099) Recommendation to Accept the Quarterly Sales Tax Report for the Period Ending December 31, 2015 Collected During the Period July 1, 2015 to September 30, 2015. Accepted.

(*16-100) Recommendation to Authorize the City Manager to Amend an Agreement with Moffatt and Nichol to Add the Amount of \$100,035 for a Total Contract Amount of \$170,035 for Marine Engineering and Design Consulting Services for the Proposed Seaplane Lagoon Ferry Terminal at Alameda Point and Amend the Base Reuse Fund Revenue and Expenditures Budget by Increasing Each by \$100,035. Accepted.

(*16-101) Recommendation to Authorize the City Manager to Purchase Playground Equipment and Safety Surfacing from NSP3/Playworld Systems Inc. for Godfrey Park in an Amount Not To Exceed \$270,000. Accepted.

(16-102) Recommendation to Authorize the City Manager to Execute a Consultant Agreement with SLR International Corporation to Provide Site Investigation and Environmental Report Services for the Jean Sweeney Open Space Park, Including

Contingency, for a Total Amount Not to Exceed \$363,610 and to Amend Project Revenue and Expenditures Budget by \$170,610.

The Placeworks agreement and Alameda Food Bank Memorandum of Understanding [paragraph nos. 16-103 and 16-104] were addressed with the SLR agreement.

Thanked the Council and Interim Assistant City Manager for supporting the project: Dorothy Freeman, Jean Sweeney Open Space Park Fund.

Expressed support for signing the agreements and MOU with Alameda Food Bank;
urged approval of agreements: Jim Sweeney, Alameda.

Councilmember Ezzy Ashcraft moved approval of the three agreements.

Vice Mayor Matarrese seconded the motion, which carried by unanimous voice – 5.

(16-103) Recommendation to Authorize the City Manager to Execute a Consultant Agreement with Placeworks Landscape Architects to Provide Design Services for Jean Sweeney Open Space Park, in an Amount Not to Exceed \$665,828 and to Amend Project Revenue and Expenditures Budget by \$465,828 from Development Impact Fees - Recreation and Parks.

Note: The matter was addressed under the SLR Agreement [paragraph no. 16-102].

(16-104) Recommendation to Authorize the Interim City Manager to Execute a Memorandum of Understanding with the Alameda Food Bank for Its Facility Expansion Planning on a Portion of the Jean Sweeney Open Space Park.

Note: The matter was addressed under the SLR Agreement [paragraph no. 16-102].

(*16-105) Recommendation to Authorize the Interim City Manager to Execute a License Agreement with the Alameda Unified School District for a Fire Safety Access Route Through Otis Elementary School to Krusi Park. Accepted.

(*16-106) Resolution No. 15128, “Authorizing the Interim City Manager to Accept an Easement from the Alameda Unified School District for a Portion of the Encinal Boat Launch Facility.” Adopted.

(*16-107) Resolution No. 15129, “Authorizing Execution of the State Standard Agreement for the Housing Related Parks Grant from the State Department of Housing and Community Development for Estuary Park Athletic Fields.” Adopted.

(*16-108) Resolution No. 15130, “Consenting to Leasehold Mortgage for Property Located at 2900-3000 Main Street and Leased to Bay Ship and Yacht Company and Authorize the Interim City Manager to Execute the Consent to Leasehold Mortgage and Related Documents.” Adopted.

REGULAR AGENDA ITEMS

(16-109) Resolution No. 15131, "Approving a 15-Year Concession Agreement, with a 10-Year Renewal Option, with Dialemi, Inc. (known as Jim's on the Course), for the Provision of Food and Beverage Service at the Chuck Corica Golf Complex." Adopted.

The Interim Assistant City Manager gave a Power Point presentation.

In response to Councilmember Ezzy Ashcraft's inquiry, Tom Geanekos, owner of Jim's on the Course, stated MLD Design prepared the renderings.

In response to Councilmember Ezzy Ashcraft's inquiry, the Interim Assistant City Manager stated the design is still in the concept stage and has not gone before the Planning Board for design review; the agreement requires the detail design of the enclosed patio be approved by the Golf Commission as well as the Planning Board.

Councilmember Ezzy Ashcraft inquired how serving dinner would be a requirement if it is not in the concession agreement.

The Interim Assistant City Manager responded dinner could be added to the agreement as a requirement; stated breakfast and lunch are the minimum requirement; the intention for dinner is to serve tournaments.

Mr. Geanekos stated the operating hours for Jim's on the Course over the last 10 years have been consistent; from 6:00 a.m. to 8:30 p.m. in the kitchen, and to about 11:00 p.m. in the bar; dinner has always been served although not stated in the agreement; the types of dinner served has been limited due to the kitchen facility; the larger kitchen space allows for more dinners.

In response to Vice Mayor Matarrese inquiry, the Assistant City Attorney stated the concession agreement differs from a lease agreement in several legally significant respects: a concession agreement does not grant any interest in the property; a lease grants a leasehold interest in the property which can then be used to secure mortgages; the concession agreement grants the right to operate a food and beverage facility only and does not have the same obligations as a lease agreement, such as paying rent or possessory interest tax; there are limitations to use the property in any way to finance improvements.

Vice Mayor Matarrese inquired whether there has been a value assigned to the maintenance and repair cost.

The Interim Assistant City Manager responded the City has not put any repair in the building since Jim's on the Course has been there; there is no specific dollar amount assigned for repairs; the building is 40 to 50 years old; the roof and HVAC will be in need of repair in the next three to five years.

Vice Mayor Matarrese inquired whether the liability of repair has shifted from the City to the concessionaire by the agreement, to which the Interim Assistant City Manager responded in the affirmative.

Councilmember Oddie inquired which body has the authority to give staff direction to negotiate price and terms, to which the Assistant City Attorney responded the Council has the authority.

In response to Councilmember Oddie's inquiry, the Interim Assistant City Manager stated Council gave direction in Closed Session.

In response to Councilmember Daysog's inquiry, the Interim Assistant City Manager stated the standard revenue is \$5.00 per round for food and beverages at a golf course; 100,000 rounds at \$500,000 is a good baseline for a golf course.

In response to Councilmember Daysog's inquiry, the Interim Assistant City Manager stated the revenue is \$1.235 million; she does not have the exact number of rounds for the fiscal year.

Submitted a letter; urged approval of the agreement: Peter Fletcher, Alameda

Stated that he supports Mr. Geanakos and Jim's on the Course; urged Council to follow the Golf Commission recommendation; requested more time for a work session to address and clarify issues before Council approves the agreement: Ken Campbell, Greenway Golf.

Stated everyone is in favor of maintaining the relationship with Jim's on the Course; requested more time to work out details: Beverly Blatt, Golf Commission.

Stated that she would like to have a first class banquet facility at the golf course; urged Council not to rush approval and to work out details: Pam Curtis, Alameda.

Stated the golf course should have a fantastic restaurant facility to match the outstanding golf course; that she supports the Golf Commission recommendation to extend the current lease for six months: Jane Sullwold, Alameda.

Urged Council to follow Golf Commission recommendation and allow public input regarding the agreement: Joe Van Winkle, Alameda.

Stated that she supports the agreement: Kathleen Solmssen, Alameda.

Stated that he supports the agreement and urged Council to move forward: Peter Solmssen, Alameda.

Provided a history of the Chuck Corica Golf Course and the success of Jim's on the

Course: Norma Arnerich, Alameda.

Provided a brief history of the Golf Commission at the golf course; stated that he supports Jim's on the Course: Former Councilmember Lil Arnerich, Alameda.

Stated the terms of the concession agreement are very detailed; Mr. Geanekos would be happy to clarify any issues: Richard Waxman, Dialemi, Inc.

Urged Council to support the agreement: George Efstathiou, Alameda.

Urged Council to work out details quickly and move forward: Former Councilmember Doug deHaan, Alameda.

Thanked all the speakers; stated the measure of success is longevity, which is a testament to his family business; he would like to remain part of the community and urged Council to approve his agreement: Tom Geanekos, Jim's on the Course.

Urged Council to follow the Golf Commission recommendation: Cheryl Saxton, Golf Commission.

Councilmember Oddie stated Jim's on the Course concessionaire has been the longest throughout Alameda's history; Jim's is the kind of partner Alameda should have in the community; that he acknowledges the Golf Commission recommendation, but Mr. Geanekos and Greenway can still negotiate even after Council approves the agreement; he trusts there is a willingness to work things out; he would like to give Jim's certainty and he supports the agreement.

Councilmember Ezzy Ashcraft stated the lease is 25 years which should not be taken lightly; the Golf Commission recommendation is reasonable and Council should allow the six months to proceed with deliberation; that she supports the Golf Commission recommendation.

Councilmember Daysog stated that he has listened to various sides of the issue; he is confident in staff's ability to analyze the issue and provide a recommendation which he supports; he would like to move forward.

Vice Mayor Matarrese requested the proforma information be attached to the contract; stated monitoring the proforma is important; he would also like to keep a timeframe; it makes sense to move forward with the contract from the business standpoint so that improvements of the restaurant could coincide reasonably with the improvements of the golf course; he does not think the City needs to have a negotiation with Greenway Golf and Jim's on the Course, but expects them to work with the Golf Commission; he does not want the contract to be on hold to wait for peripherals; the timing of moving forward now is important; inquired whether it is possible to have a separate contract between the City and Jim's on the Course to address other issues beyond the current contract.

The Assistant City Attorney responded in the affirmative; stated if there are issues that need to be further addressed beyond the concession agreement, the issues could come back to the Council as an amendment to the agreement, or be the subject of a new agreement.

Councilmember Ezzy Ashcraft inquired whether the talking-point list would be the subject of the agreement amendment, to which Vice Mayor Matarrese responded in the negative; stated it is unknown what will come out of the Golf Commission discussion; it is theoretical.

Mayor Spencer stated Council values the work of the Commissioners; that she has heard unanimously that Jim's should stay on the golf course; the concerns by the Commission do not outweigh the importance of the City supporting Jim's to be successful; she is confident the agreement would work out successfully for the City; Jim's does not only serve people who golf; Jim's is successful because the community supports it; she would like to move forward with the agreement.

Vice Mayor Matarrese moved adoption of the resolution with the proforma information formally summarized and attached to the agreement; and periodic reports that coincide with the milestones be provided to Council from Jim's and Greenway through the Golf Commission.

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

Mayor Spencer called a recess at 9:17 p.m. and reconvened the meeting at 9:21 p.m.

(16-110) Response to City Council Referral Regarding Reactivating the Airport Operations Committee to Address Impacts from the Federal Aviation Administration's (FAA) NextGen Program by Authorizing the Mayor to Send a Letter to Representative Barbara Lee; Reactivating the Ad-hoc Airport Operations Committee to Oversee NextGen Issues; and Adding NextGen to the City's 2016 Legislative Program.

The Interim Assistant City Manager gave a brief presentation.

Councilmember Daysog moved approval of the staff recommendation.

Councilmember Oddie seconded the motion.

Under discussion, Mayor Spencer stated taking the next steps on the issue is important and makes it easy for the legislative representatives to argue on Alameda's behalf.

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

(16-111) Receive Report on Results from a City of Alameda Survey Conducted in December 2015 and Provide Direction on a November 2016 Ballot Measure.

Curtis Below, Fairbank, Maslin, Maullin, Metz and Associates, and the Interim City Manager gave a Power Point presentation.

Councilmember Ezzy Ashcraft inquired who will be doing the door to door residential contact, to which the Interim City Manager responded it is to be determined; stated staff would be working on education material.

Councilmember Daysog stated that he would like more information as to the nature of the problem; Alameda's expenses go beyond the revenues collected through normal tax collections; working with a deficit means changing the economy; he understands that some amount of what would be collected is already constrained.

Vice Mayor Matarrese stated that he agrees with assessment of sales taxes; direction should be given to pursue legislation; the Utility Users Tax (UUT) is antiquated and should be brought up to current utility use.

Councilmember Ezzy Ashcraft stated that she supports staff's recommendations.

Councilmember Oddie stated that he supports staff's recommendations; needing a 2/3 vote is a struggle; he would like the lobbyists to understand Alameda's priorities.

Mayor Spencer stated that she supports staff's recommendations; inquired what percentage of Alamedans do not have a landline.

Donald Maynard, Contract Attorney, responded about half of Alameda homes do not have a landline; stated the problem with Alameda's ordinance is that there are no definitions which invites companies to interpret the ordinance in different ways; most of the money is missing because of the way wireless companies interpret the ordinance; about 90% of cities in California have voter-approved, modern UUT ordinances; Alameda is catching up to modern ordinances.

In response to Mayor Spencer's inquiry, the Interim City Manager stated the UUT is a revenue measure that continues to decline; the tax falls under the fiscal sustainability category.

Mayor Spencer stated that she thinks the community is supportive of the parks; the concern is not about the parks but about an additional parcel tax.

Councilmember Daysog inquired whether the UUT is part of the Balanced Revenue Index (BRI) formula, to which the Interim City Manager responded in the affirmative.

Mayor Spencer clarified that Council is only being asked to approve the issues to be brought back; Council is not voting on whether or not to put the issues on the ballot.

The Interim City Manager stated staff will bring the actual language back to Council, and the Council will be asked to formally vote to place the items on the November Ballot.

Vice Mayor Matarrese moved approval of the staff recommendation.

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

(16-112) Response to City Council Referral Regarding a Possible Wetlands Mitigation Bank at Alameda Point. Continued to March 15, 2016.

(16-113) Summary title: Consider: 1) an Ordinance regarding Rent Review, Rent Stabilization and Limitations on Evictions, Amending the Duties of the Rent Review Advisory Committee (RRAC), and Suspending the Current Article XIV of Chapter VI regarding Rent Review; 2) Determining that Adoption of the Ordinance is not a Project Under the California Environmental Quality Act (CEQA) or, if It is a Project, the Ordinance is Exempt from CEQA; and 3) an Urgency Ordinance Extending a Temporary (Additional 22 Days) Moratorium on Rent Increases for Certain Residential Rental Properties and on Evictions from all Residential Rental Properties Except for Just Cause.

Ordinance No. 3148, “Amending the Alameda Municipal Code by (A) Adding Article XV to Chapter VI Concerning Review of Rent Increases Applicable to All Rental Units and Rent Stabilization Applicable to Certain Rental Units and Concerning Limitations on Evictions and the Payment of Relocation Assistance Applicable to All Rental Units, (B) Amending Section 2-23.4 Concerning the Duties of the Rent Review Advisory Committee, and (C) Suspending Article XIV of Chapter VI in Its Entirety; and Determining that Adoption of the Ordinance is not a Project under the California Environmental Quality Act (CEQA) or, if It is a Project, the Ordinance is Exempt under CEQA.” Finally passed; and

(16-113A) Public Hearing to Consider Urgency Ordinance No. 3149, “Extending within the City of Alameda a Temporary (an Additional 22 Days) Moratorium on Rent Increases for Certain Residential Rental Properties and on Evictions from all Residential Rental Properties Except for Just Cause.” Adopted.

The Community Development Director gave a brief presentation.

Stated that she does not believe the ordinance complies with CEQA: Former Councilmember Barbara Thomas, Alameda.

(16-114) Mayor Spencer stated a motion is needed to consider the remaining item: the referral on mixed use zoning. [paragraph no. 16- 117]

Councilmember Ezzy Ashcraft moved approval of considering the item.

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

Submitted information; stated that he is concerned about the RRAC structure as proposed; a little bit of clarity could avoid conflict: John Sullivan, Alameda.

Stated the plan has technical concerns that need to be addressed; Alameda is facing a housing crisis; urged Council to help alleviate housing stress for Alameda families: Phillip James, Alameda.

Expressed concern over the operating cost of the ordinance; stated the fee study should estimate a lower amount and decrease the bureaucracy: Rosalinda Fortuna, Alameda.

Stated the purpose of government is to provide justice; Council should listen to voters and take steps to ensure everyone stays honest: Malia Vella, Alameda.

Councilmember Daysog stated that he appreciated Mr. Sullivan's handout; some of Mr. Sullivan's suggestions would work to stymie the increased rents; adopting some ideas would show that Council is trying to do the best for the small mom and pop landlords; having agencies like ECHO Housing evaluate renter's habitability claims is a good suggestion; he also likes the idea of the relocation assistance benefit being paid to the next landlord; he would like to exempt owners of up to two residential units in relocation assistance for family move-in.

Councilmember Ezzy Ashcraft stated that she is intrigued by Mr. Sullivan's suggestions, but would like to pass the ordinance in the form of the first reading; she would like to give the ordinance a chance; the current Council could make a change before the year is up; all tenants should be protected; different classes of tenants should not be created; fairness should also extend to all landlords.

Councilmember Oddie stated there are some mom and pop landlords that are not behaving properly; he supports the ordinance as written; things could be improved; if data shows the ordinance needs to be tweaked, Council could have a discussion; there will not be hostility between landlords and tenants, it is up to each party; landlords who behave properly will not be subject to any of the provisions of the ordinance; encouraged all parties to have positive human relations; stated if everyone treats others fairly, additional regulations would not be needed.

Vice Mayor Matarrese stated that he feels strongly about the mediation process; the ordinance is going down the wrong path; there are some good points; Council could monitor and change anything, but in the core, mediation has been successful.

Councilmember Ezzy Ashcraft stated it is difficult to place value on the statistics; the amount of people who were too intimidated to use a process that had no teeth cannot be measured; Council has now given some teeth to the mediation process; she would like the ordinance to go forward.

In response to Mayor Spencer's inquiry regarding CEQA compliance, the Assistant City Attorney stated the passing of the ordinance is exempt from CEQA and the City Attorney stands behind the determination.

The Assistant City Attorney stated the Housing Element does address the issue clearly; the ordinance does not have any direct impact on any physical or environmental situations; the ordinance deals with rent and has no environmental concerns, is not a project, and is exempt under CEQA.

In response to Mayor Spencer's inquiry, the Assistant City Attorney stated Government Code Section 1090 is not applicable to the action Council is taking tonight.

(16-115) Councilmember Ezzy Ashcraft moved approval of continuing the meeting past 11:00 p.m.

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

Mayor Spencer stated that she plans to support the ordinance as is; thanked Council for exercising best judgement to meet the needs of the community; stated the ordinance is a balanced, measured approach, which Council still has the ability to revise.

Councilmember Ezzy Ashcraft moved final passage of the ordinance amending the Alameda Municipal Code by (A) adding Article XV to Chapter VI concerning review of rent increases applicable to all rental units and rent stabilization applicable to certain rental units and concerning limitations on evictions and the payment of relocation assistance applicable to all rental units, (B) amending Section 2-23.4 concerning the duties of the Rent Review Advisory Committee, and (C) suspending Article XIV of Chapter VI in its entirety; and determining that adoption of the Ordinance is not a project under CEQA or, if It is a Project, the Ordinance is exempt under CEQA.

Councilmember Daysog amended the motion to exempt owners of up to two residential units, and only two units, in Alameda, from the requirement to pay relocation assistance in the specific instance of family move-in.

The proposed amendment to the ordinance failed due to a lack of second.

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

Councilmember Ezzy Ashcraft moved adoption of the urgency ordinance extending within the City of Alameda a temporary (an additional 22 days) moratorium on rent increases for certain residential rental properties and on evictions from all residential rental properties except for just cause.

Vice Mayor Matarrese seconded the motion.

Under discussion, Councilmember Oddie inquired how could Council ensure the moratorium covers the period in the event the ordinance is suspended due to a referendum.

The Community Development Director responded another urgency ordinance extending the time frame could be brought back.

In response to Councilmember Oddie's inquiry, the Community Development Director stated a special meeting to consider an urgency ordinance could be scheduled if necessary.

The Assistant City Attorney stated if an effort of a referendum is under way, an urgency ordinance would be brought back right away to avoid a gap.

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

CITY MANAGER COMMUNICATIONS

None.

ORAL COMMUNICATIONS, NON-AGENDA

(16-116) Catherine Pauling, Alameda Renters Coalition, stated that she is concerned the City is under-collecting the fees from rental property businesses.

COUNCIL REFERRALS

(16-117) Consider Directing the City Manager to Revise the Mix-Use Zoning Designation and Related Policies to Aid Retention of Beneficial Commercial Uses Citywide. (Vice Mayor Matarrese)

Vice Mayor Matarrese made brief comments on his referral.

Read a letter from Mr. DeLap, former harbor master, opposing the Bay West development of high density housing; stated the State gives high priority to preserving recreational and boating use of the shoreline: Peter Brand, Alameda.

Expressed support of Alameda Marinas and marine services: Joseph Woodard, Alameda.

Provided a petition of Barnhill Marina neighbors; urged support of maintaining marina services: Bill Cox, Alameda.

Urged support of Alameda's coast; stated the waterways are an asset: George Lythcott, Alameda.

Stated that he is concerned about the long term outlook of the boating community; urged support of maintaining Alameda's maritime community: Grant Hayes, Alameda.

Showed a map; expressed support of maritime services; proposed expansion of the area to retail and recreation: Nancy Hird, Alameda.

Expressed support of the marinas and services: Paul Mueller, Alameda.

Stated Alameda's northern waterfront could have other opportunities and bring in larger boats if dredged; urged Council to maintain the waterfront for deep water boating uses: Andy McKinley, Alameda.

Stated that he opposes the residential development at Clement Street: Dan Goldfield, Alameda Aikikai.

Expressed concern about loss of resources at Alameda Marina; stated that she is opposed to development: Maggie Sabovich, Pacific Inter-Club Yacht Association.

Stated that she opposes the referral if it seeks to change the multi-family overlay zone: Lynette Lee, Renewed Hope.

Stated his children benefit from the Aikido dojo; he does not want more development in the Clement Street area: Matt Langwerowski, Alameda.

Stated the light industry maritime businesses bolsters the Alameda economy as it is active worldwide; urged preservation of the marina and businesses: Liz Taylor, Alameda.

Expressed support of jobs, not condos; urged council to consider Vice Mayor Matarrese's referral: Amy Rose, Alameda.

Expressed support of the Alameda Marina; stated that he has experienced excellent service from Svendsen's Marine; he recognizes the value of Alameda's unique waterfront asset and opposes condominium development: Peter Butler, Alameda.

Stated it is important the waterfront continues its tradition of providing a reference point for the maritime industry: Dwight Durant, Club Nautique.

Urged Council to maintain Alameda's maritime infrastructure: Irma Marin-Nolan, Alameda.

Stated the Marina is an underutilized asset; urged Council to support the referral: Andy McKee, Alameda.

Stated that he is concerned about the loss of the shoreline access and historic use; light industrial jobs cannot be replaced by retail jobs: David Herrigel, Alameda.

Expressed support of maintaining the Alameda Marina and boating community; provided a brief history of the marina: Tom Charron, Alameda.

Showed a map; urged Council to preserve Alameda Marina which is valuable piece of property: Gretchen Lipow, Alameda.

Stated that she teaches women and blind women sailboating; expressed support of preserving the marina: Dawn Chesney, Alameda.

The Interim City Manager stated the Council and staff will be taking a tour of the waterfront on March 11th from 9:00 a.m. to 1:00 p.m.; the referral gives the opportunity for Council to direct staff; a report would come back in April to discuss the tour and ask for direction from Council regarding Alameda Marina and the MX Zoning.

Vice Mayor Matarrese stated his intent is to frame the discussion; the zoning details and guidance have flexibility built in; he would like to define the zoning goals, particularly in the northern waterfront and existing commercial activity that can be grown; he would like to include other MX zoning that may happen which is not in place now.

Councilmember Ezzy Ashcraft stated nothing is simple but Council always strives to achieve balance; preserving the maritime business is first and foremost; existing maritime businesses could help bring other businesses to Alameda; there is a cost to renovating infrastructure; some funding comes from developers, which means the possibility of smart mixed-use; she would like to ensure preservation of the maritime industry, but would also like to review the need for infrastructure improvements and housing; a carefully planned improvement could create a vibrant, functioning, well-

maintained space; requested that staff incorporate concerns when the report returns to Council.

Councilmember Oddie stated that he is fine with the Interim City Manager's recommendations on how to proceed with the referral; he is concerned about a formulaic approach to mixed-zoning; another approach could be similar to what was done at Packet Landing/Harbor Bay Club; he agrees that the maritime jobs should be preserved; any plan or developer should keep the jobs a priority; he hopes people will be flexible and open to creative solutions to fully utilizing the intent of MX zoning.

Councilmember Daysog stated the industry cluster at the marina is intimately tied to the area; he looks forward to the discussion; he would like to maintain the jobs and industry that reflect the character and history of Alameda; Council should be actively engaged in preserving the maritime traditions, jobs, and connections with residents and businesses.

The Interim City Manager stated staff is considering a process similar to the one regarding the Harbor Bay Club as a preliminary step.

Mayor Spencer stated the referral speaks to the consideration of mixed use throughout the entire City, not just the Northern Waterfront site; inquired whether staff's response would be in regard to Citywide, or two-fold.

The Interim City Manager stated the tour will be on the entire Northern Waterfront; there is a sense of urgency at Alameda Marina; conversations about other MX zoned areas could be included, including Alameda Landing; North Housing does not have MX zoning.

In response to Mayor Spencer's inquiry, the Interim City Manager stated there are no projects pending at the Alameda Marina.

Mayor Spencer stated that she would be agreeable to reviewing the mixed-use zoning Citywide, which could be done at any time; she has concerns about starting a preliminary process without a project pending; she would like more information on the current options regarding what needs to be included in mixed-use, such as percentage of housing.

The Interim City Manager stated a discussion about the issues cannot be done now, but could be brought back.

Mayor Spencer stated that she would like to include the current zoning options staff is considering when the issue comes back.

Vice Mayor Matarrese concurred with Mayor Spencer; stated reviewing and understanding current rules is essential to future considerations; his intent for the exercise is to find out whether what the City has is sufficient; he would like to get the exercise going and hopes for support from the Council.

Mayor Spencer inquired whether staff could review whether some or all of the buildings are eligible for registration with the National Register of Historic Places, to which the Interim City Manager responded in the affirmative.

Councilmember Ezzy Ashcraft stated the Packet Landing process was useful for the developer to have a sense of where the Council stood; there is no point of going down a road knowing there would not be approval; she would defer to the Attorneys regarding any legalities.

Councilmember Daysog stated the review of mixed-used zoning in general is an important discussion for Alameda citizens to have; a discussion about the waterfront site is on the minds currently; the type of mixed-use for the area has been housing oriented.

Councilmember Oddie stated that he has concerns about the marina but would like to move forward with a workshop which would include an explanation of the current zoning.

Vice Mayor Matarrese moved approval of directing staff to return with a report in April to include the concerns brought up by the Council.

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

COUNCIL COMMUNICATIONS

(16-118) Councilmember Oddie requested the Clerk to correct the minutes to reflect the votes on AB 210 as 46 instead of 43.

(16-119) Councilmember Daysog announced that he attended the East Bay League of California Cities Division Meeting on February 25th.

(16-120) Councilmember Ezzy Ashcraft announced that she attended an Alameda County Industries (ACI) celebration of the one year anniversary of the recycling workers contract.

(16-121) Councilmember Oddie announced that he was honored to judge the young kids history presentation at Bay Farm School.

(16-122) Mayor Spencer announced she also attended the National History Day event at Bay Farm School.

(16-123) Consideration of Mayor's Nominations to the Commission on Disability Issues (CDI), the Housing Authority Board of Commissioners (HABOC) and the Rent Review Advisory Committee (RRAC).

Mayor Spencer nominated Michaela Tsztoo for appointment to the CDI; Arthur Kurrasch for reappointment to the HABOC and Tina Landess Petrich and Robert Schrader for appointment to the RRAC.

ADJOURNMENT

There being no further business, Mayor Spencer adjourned the meeting at 12:44 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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