

MINUTES OF THE REGULAR CITY COUNCIL MEETING
WEDNESDAY- -JANUARY 2, 2013- -7:00 P.M.

Mayor Gilmore convened the meeting at 7:03 p.m. Councilmember Chen led the Pledge of Allegiance.

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

Absent: None.

AGENDA CHANGES

(13-001) Mayor Gilmore announced that the Tentative Subdivision Map [paragraph no. 13-007] would be heard after the Open Government Appointments [paragraph no. 13-006].

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY & ANNOUNCEMENTS

None.

ORAL COMMUNICATIONS, NON-AGENDA

(13-002) Lynne Gustafson, Women's Initiative, submitted information; outlined the services provided by the Women's Initiative.

(13-003) Marie Sitaro, Alameda, expressed her support for the Women's Initiative, which assisted her with starting her business.

CONSENT CALENDAR

Vice Mayor Ezzy Ashcraft moved approval of the Consent Calendar.

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

(*13-004) Minutes of the Special and Regular City Council Meetings Held on December 4, 2012; and the Special City Council Meetings Held on December 5, 2012. Approved.

(*13-005) Ratified bills in the amount of \$2,105,532.44.

REGULAR AGENDA ITEMS

(13-006) Recommendation to Appoint Members of the Open Government Commission.

Councilmember Tam moved approval of the staff recommendation.

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

The City Clerk administered the Oath of Office to Kymberli Aguilar, Jeff Cambra and Ruben Tilos.

(13-007) Public Hearing to Consider a Tentative Subdivision Map for an 89 Unit Subdivision on a 7.14 Acre Property via Resolution No. 14760, “Approving PLN12-0226 a 53-Lot Subdivision at 1551 Buena Vista Avenue (Bounded by Ohlone Street, Buena Vista Avenue, Clement Avenue, and Entrance Way-APN 072-0384-031 and PLN 072-0384-033).” Adopted.

Vice Mayor Ezzy Ashcraft recused herself since she voted on the matter as a Planning Board member.

The Acting City Planner gave a Power Point presentation.

Councilmember Chen inquired whether the site is the first site, to which the Acting City Planner responded the site is the first site of 17 identified in the Housing Element to come forward since adoption.

Councilmember Chen inquired whether the project would set a precedent; stated the realistic capacity of the site is 193 units and the project is 89 units; if something similar occurs at other sites, the City would have a deficit and be out of compliance with the State.

The Acting City Planner responded the project does not set a precedent; but reinforces the need to have full capacity on future sites.

In response to Councilmember Chen's inquiry regarding addressing a deficit, the Acting City Planner responded stated building housing is not the City's job; when the cycle ends in the middle of 2014, another Housing Element with a lower housing obligation will start.

Councilmember Chen questioned if Alameda can meet the allocation requirements without putting forward a plan with developers.

The Acting City Planner stated the City's job is to zone land appropriately to meet the number of allocated units; Alameda was allocated 2,400 units in the Housing Element; the requirement is to have enough land zoned residential at the appropriate density to accommodate 2,400 units on the 17 sites.

Councilmember Chen inquired whether having 16 units set aside for affordable housing is in compliance with the required minimum percentage, to which the Acting City

Planner responded in the affirmative; stated the 16 units represent 18% of the total; the requirement is 15%.

Councilmember Chen inquired how the affordable housing would be managed and whether the City would have influence or guidelines regarding the property, to which the Acting City Planner responded in the affirmative; stated the Affordable Housing Agreement between the developer and the Housing Authority would include details; the Housing Authority will take the lead on the project.

Councilmember Tam inquired if the potential developer of Encinal Terminals is the owner of the McKay property.

The Acting City Planner responded in the affirmative; stated the Encinal Terminals site is in transition; the same developer has the option to purchase the McKay property; he does not know whether there is still a contract for Encinal Terminals.

Councilmember Tam noted the city is obligated to identify and zone sites appropriately; circumstances that are not attributable to the City, like a lawsuit from another public entity, could prevent the City from being in compliance.

The City Manager stated complying with the lawsuit would put the City out of compliance with the Housing Element; if the lawsuit scares away the investor and the City has not participated, the City would be fine; if the City agrees to what the plaintiff wants and rezones the property without a public hearing, the City would have a problem with the State.

Councilmember Daysog inquired how other members and stakeholders of the affordable housing community would be engaged, since the Housing Authority makeup has changed.

The Acting City Planner responded staff would do outreach with said groups.

Urged the matter not be addressed until the East Bay Regional Park District lawsuit is resolved: Former Councilmember Karin Lucas, Alameda; Bill Smith, Alameda.

Urged approval of the project: Karen Bey, Alameda; and Nick Cabral, Alameda.

Urged that the developer be encouraged to build condominiums and opportunity not be lost: Helen Sause, HOMES; and Jon Spangler, Alameda.

Following Mr. Smith's comment, the City Manager stated the City is not on a path to go out of compliance with the Housing Element; the Housing Element is certified by the State and contains a margin of error that allows all 17 sites to reach the margin.

Mayor Gilmore stated Alameda has a Housing Element that is in compliance with State law; that Alameda citizens are in favor of moving forward is very clear; the City Council

should move forward in accordance with what residents expect.

The Acting City Attorney stated there was some suggestion made by one of the speakers that the City is not obligated to process the application and should delay action, which is wrong; the City has to comply with certain timelines to process the application; the City is dealing with a lawsuit but nothing prevents the Council from approving the subdivision map tonight.

Mayor Gilmore stated if the City does not process the application within the timeline, the City would have a lawsuit from the developer.

Councilmember Chen inquired if the developer is aware that the site is zoned for a capacity of 193, to which the Acting City Planner responded in the affirmative.

Councilmember Chen inquired the reason the developer chose to do half the 193 capacity.

The Acting City Planner responded the developer made the choice based on an evaluation of the property and the best configuration of units; the project includes single family lots and multi-family housing; the project is the first in 20 years that is not a Housing Authority project.

In response to Councilmember Chen's inquiry about capacity of future sites, the Acting City Planner responded State law allows more units to ensure conformance with the Housing Element.

Councilmember Chen inquired if a developer could sue the City if a proposal to build 20 homes out of a capacity of 100 is not approved.

The Acting City Planner responded the recommendation would be to approve the project at a higher number; stated recent changes to State require maintaining the capacity.

In response to Councilmember Chen's inquiry regarding surplus, the Acting City Planner stated the surplus allows flexibility; emphasized that the Housing Element is a formulaic process which cannot be applied blindly to each site.

In response to Councilmember Chen's inquiry regarding the Housing Element cycle, the Acting City Planner stated Alameda has to have a new Housing Element adopted and certified by the end of 2014; the State applies penalties for cities which do not file by the deadline.

Councilmember Chen inquired the amount of units allocated for 2014, to which the Acting City Planner responded the current allocation is just over 1,700 units.

Councilmember Chen inquired if the amount is lower than the current requirement, to

which the Acting City Planner responded in the affirmative.

The City Manager stated the amount was not cumulative because the City has a certified Housing Element. 2,400 units plus an additional 1,500 to 1,700 units would have been required if the Housing Element had failed to pass; the Housing Element is five years late; even if 2,400 units are not built, the amount goes down to 1,700.

Councilmember Chen inquired how the City would have future developers comply with capacity requirements.

The City Manager responded the limit will probably not be reached in the next 12 to 18 months; the City will receive the deeds for Alameda Point, which has additional land that can be designated for housing; the City does not control financing, markets, demand and macroeconomics.

Following Mr. Spangler's comments, Councilmember Daysog stated Alameda needs to move forward with the Housing Element; encouraged embracing non-Measure A compliant multi-family housing; stated the project should not get caught in the crossfires of the East Bay Regional Park issue.

Councilmember Tam stated the project provides a balance of affordable housing in an era without redevelopment funding; to penalize the site for the actions that the East Bay Regional Park District has taken to undermine the Housing Element is not appropriate.

Councilmember Tam moved adoption of the resolution.

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

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Councilmember Tam left the dais at 8:12 p.m. and returned at 8:15 p.m.

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(13-008) Public Hearing to Consider Approving the Housing and Community Development Needs Statement for the Community Development Block Grant (CDBG) Annual Plan for FY 13-14.

The Community Development Program Manager gave a Power Point presentation.

Stated the Social Service Human Relations Board (SSHRB) recommends all funding be given to safety net services: Cyndy Wasko, SSHRB.

Outlined services provided by the Family Violence Law Center and urged Council to consider funding the Center: Elena Ortiz, Family Violence Law Center.

Thanked the City for supporting the Alameda Food Bank: Anna Crane and Hank

Leeper, Alameda Food Bank.

Outlined the importance of housing counseling: Marjorie Rocha, ECHO Housing.

Thanked the City for supporting Four Bridges: Benjamin Blake, Bay Area Community Services.

Stated nonprofits are getting together to try to stretch funding; thanked the City for supporting the Midway Shelter: Liz Varela, Building Futures with Women and Children.

Expressed housing counseling is important: Lois Pryor, Alameda.

In response to Vice Mayor Ashcraft's inquiry regarding the source of the program income, the Community Development Program Manager stated income comes from the revolving loan fund from the rehabilitation program; 15% of the program income is allowed to be used for the current fiscal year.

Vice Mayor Ashcraft inquired if the revolving loan funds are for down payments and housing assistance, to which the Community Development Program Manager responded in the negative; stated the loans are for housing rehabilitation.

Councilmember Chen inquired how many service organizations the SSHRB provide funding to last year, to which Ms. Wasco responded ten.

Councilmember Chen inquired how many of the ten were not safety-net organizations.

Ms. Wasco responded funds were provided to the Boys and Girls Club and Girls Inc. which are both considered youth development services.

Councilmember Chen inquired why funding is provided exclusively to safety-net services organizations, and whether there is an increased need for the services in the City.

Ms. Wasco responded in the affirmative; stated the decision was also due to a \$50,000 cut in funding.

Vice Mayor Ezzy Ashcraft inquired why the housing assistance and housing counseling programs are not part of the 15% allocation for social services.

Ms. Wasco responded the housing assistance program falls under two categories and rental assistance falls under another category.

The Community Development Program Manager stated for example, ECHO housing is funded with administrative funds; the argument can be made that the agency is eligible under the priority needs for homeless prevention.

Vice Mayor Ezzy Ashcraft inquired if funding would be continued.

Ms. Wasco responded agencies have to submit a competitive application; awarding funds depends on the quality of the application and how the services being offered meet the identified priority of safety net services.

The Community Development Program Manager stated Council is only approving the public needs statement tonight; recommendations for funding would be brought to the SSHRB, and then to the City Council for approval later.

Councilmember Tam moved approval of the staff recommendation.

Vice Mayor Ezzy Ashcraft seconded the motion.

Under discussion, Mayor Gilmore thanked staff and the SSHRB for an incredible amount of work on the needs assessment which will pay dividends now and in the future.

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

(13-009) Introduction of Ordinance Approving a Lease and Authorizing the City Manager to Execute Documents Necessary to Implement the Terms of the Lease with the Pacific Pinball Museum for Five Years in a Portion of Building 13 Located at Alameda Point, 2100 Ferry Point. Introduced.

Councilmember Daysog recused himself and left the dais.

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

Vice Mayor Ezzy Ashcraft inquired whether the “verified and investigate” language in the staff report and the draft resolution sufficiently describes making possible repairs.

The Chief Operating Officer - Alameda Point responded the verbiage could be changed to “implement findings of the investigation including partial roof replacement and roof repairs”.

The City Manager stated the language of the lease matters; recommended adding language that discusses implementing the findings.

Councilmember Chen’s inquired if the rent amount is below market rate, to which the Chief Operating Officer - Alameda Point responded in the affirmative; stated rent is about \$0.20 a square foot; depending on the quality of the building, the amount can range anywhere from \$0.25 to \$0.40 a square foot.

The City Manager stated the amount is a little below market based on the condition of the buildings; not a lot of money has been put into fixing the buildings, which are

deteriorating; that he would not characterize rent as below market, but as an accommodation of the building.

Councilmember Tam inquired how the Pinball Museum plans to leverage some funding to move into the Exploratorium in San Francisco dovetails with the lease.

Michael Schiess, Pacific Pinball Museum, responded a major part of the Museum is in storage at the Exploratorium; there are no plans to close the facility on Webster Street; the Museum has a collection of over 800 machines and does not have room; that he has not been successful in finding a place to store the machines in Alameda.

Councilmember Tam inquired if the plans for the Exploratorium was for storage, to which Mr. Schiess responded in the negative; stated the Museum would be expanded at the Exploratorium to show the parts that cannot be shown in the current facility; 800 machines would be in permanent storage in the Alameda warehouse; the Museum has another collection from the 1920s, 30s and 40s of over 1,000 machines; the donor is waiting for adequate space to store and display the machines; there is no other facility in America or the world doing the work the Museum is doing; the organization is 501 (c) 3 nonprofit and has been recognized by the IRS since 2004.

Melissa Harmon, Pacific Pinball Museum, stated Alameda should partner with “Discover and Go”, a program that offers free or reduced price tickets to Bay Area museums for Bay Area library cardholders.

Mayor Gilmore noted the Library Director is investigating “Discover and Go” to review opportunities for Alameda.

Vice Mayor Ezzy Ashcraft inquired whether the Webster Street facility is a venue for birthday parties, to which Ms. Harmon responded in the affirmative.

Mayor Gilmore stated the Museum worked really well for a mixer.

Councilmember Chen moved introduction of the ordinance, [with amendment].

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

CITY MANAGER COMMUNICATIONS

(13-010) The City Manager outlined various items that would be forthcoming during the upcoming year: deeds to the majority of Alameda Point; Alameda Point draft Environmental Impact Report, infrastructure plan and zoning for Town Center; Other Post-Employment Benefits (OPEB); a two-year budget; golf course improvements; pool projects; Target would be opening; objective performance measures; Citywide evaluations; Beltline project planning; a comprehensive proposal for road repair; a financing proposal on creation of an Emergency Operations Center; and improving

communications with the public.

The Deputy City Manager reviewed the new City website: www.alamedaca.gov; encouraged the public to provide feedback during the next three months.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL REFERRALS

None.

COUNCIL COMMUNICATIONS

None.

ADJOURNMENT

There being no further business, Mayor Gilmore adjourned the meeting at 9:24 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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