



MINUTES OF MEETING OF THE CITY
COUNCIL OF THE CITY OF HAYWARD
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, November 28, 2000, 8:00 p.m.

MEETING

The Regular Meeting of the City Council was called to order by Mayor Cooper at 8:00 p.m., followed by the Pledge of Allegiance led by Mayor Cooper.

ROLL CALL

Present: COUNCIL MEMBERS Jimenez, Hilson,
Rodriguez, Ward, Dowling, Henson
MAYOR Cooper
Absent: None

PUBLIC COMMENTS

Jason Moreno, 25200 Carlos Bee Boulevard, commented on the methods used to register voters and urged its continuance.

Al Reynolds, 2587 Erskine Lane, thanked various groups and individuals for their contributions towards the VFW effort.

Ron Barklow, 1210 Tiegen Drive, expressed concern that the agenda report for the Sam's Club did not include the list of animals that was submitted at the Planning Commission.

Council Member Jimenez announced that he visited the McConaghy House and was impressed with the efforts put forth by volunteers to prepare the estate for the holidays. He commended them wholeheartedly.

CONSENT

1. Approval of Minutes of the City Council Meeting of November 21, 2000

It was moved by Council Member Hilson, seconded by Council Member Ward, and unanimously carried to approve the Minutes of the City Council Meeting of November 21, 2000.

2. Resignation of Morris Grandison from the Citizens Advisory Commission

Staff report submitted by City Clerk Reyes, dated November 28, 2000, was filed,

It was moved by Council Member Hilson, seconded by Council Member Ward, and unanimously carried to adopt the following:

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Resolution 00-181, "Resolution Accepting Written Resignation of Morris Grandison as a Member of the Citizens Advisory Commission"

3. Seismic Retrofit of Highland 500 Reservoir - Approval of Plans and Specifications and Call for Bids

Staff report submitted by Deputy Director of Public Works /Utilities Ameri, dated November 28, 2000, was filed.

Ron Barklow, 1210 Tiegen Drive, asked about the necessity to dig 15 feet to the foundation. He was told the engineering consultant recommended going to the bottom of the reservoir.

It was moved by Council Member Ward, seconded by Council Member Henson, and unanimously carried to adopt the following:

Resolution 00-1 83, "Resolution Approving Plans and Specifications for the Seismic Retrofit of the Highland 500 Reservoir and Call for Bids "

4. Weekes Branch Library Expansion: Appropriation of Funds for the Operation of Interim Branch Services

Staff report submitted by Library Operation Manager Moon, dated November 28, 2000, was filed.

It was moved by Council Member Hilson, seconded by Council Member Ward, and unanimously carried to adopt the following:

Resolution 00-182, "Resolution Authorizing the Appropriation of Funds for the Operation of Interim Branch Library Services During the Renovation of the Weekes Branch Library"

HEARINGS

5. Urban Water Management Plan 2000, Approval and Authorization for the City Manager to Submit the Plan to the California State Department of Water Conservation

Staff report submitted by Deputy Director of Public Works/ Utilities Ameri. dated November 28, 2000, was filed.

Deputy Director of Public Works/Utilities Ameri made a brief presentation. He explained the concerns of the State which included current demands and growth, as well as conservation plans.



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In response to Council Member Hilson's questions regarding the low numbers cited in the report to include the high water usage from new industrial plants moving into the City, Deputy Director of Public Works/Utilities Ameri explained that he could give him that information, Council Member Hilson explained his concern regarding citing low numbers which are not reflective of reality.

Council Member Henson asked about recycling needs. He was told additions could be made to the document as policies progress. Program updates will be reported as they are implemented.

Deputy Director of Public Works/Utilities Ameri explained that the projected usage numbers include figures that will be 65 percent more than this year. He said the numbers were realistic but conservative.

Since there were no requests to speak, Mayor Cooper opened and closed the public hearing at 8:24 p.m.

Council Member Ward asked staff to address the issue of future recycling needs.

It was moved by Council Member Jimenez, seconded by Council Member Ward, and carried with the following vote to adopt the following:

Resolution 00-184, "Resolution Adopting the 2000 Urban Water Management Plan for the City of Hayward"

AYES: Council Members Jimenez, Rodriquez, Ward,
Dowling, Henson
MAYOR Cooper
NOES: Council Member Hilson
ABSENT: None
ABSTAINED: None

6. Appeal of Planning Commission Approval of Use Permit/Site Plan Review No. 00-160-11 - GRAE Ventures, Inc. (Applicant/Appellant)/Sellau Properties, Inc. Wirrulla Hayward, LLC (Owners) - Proposed Hayward Plaza Retail Center - The Project is Located at the Northeast Corner of Whipple Road and Industrial Parkway Southwest

Staff report submitted by Acting Principal Planner Patenaude, for November 28, 2000, was filed.

Acting Principal Planner Patenaude reported that the Planning Commission had approved the application with the exception of the 4-bay membership gas station. He described the site and the plans, and noted that the applicant was also appealing the undergrounding of utilities at the site.

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Staff was recommending that Council approve the Use Permit with the Negative Declaration, but deny the application for the gas station and approve the undergrounding of utilities at the site.

Council Member Ward asked whether staff had any alternatives to offer to the gas station so that the building is not just surrounded by an asphalt parking lot.

He was told there had been a number of proposals throughout the life of the project but that no other structure had been discussed for the site.

Council Member Ward asked the City Attorney whether Council could ask staff to work with the applicant to propose another gateway feature into the City.

Council Member Jimenez asked about the Council's prerogative to discuss any portion of the project. He asked about the estimate on the real property tax as well as the sales tax from the project.

Council Member Hilson was concerned about the large amount of floor space designated for the sale of alcoholic beverages. The applicant worked with COMPRE on the conditions of approval for this item.

He also noted that the building architecture does not fit in with the Gateway concept to the City. He said the elevations are rather bland and there is very little articulation throughout the structure. He was told that the side under discussion does not face the freeway but rather the other industrial uses in the area. The landscape plans will call for vertical elements.

There were questions as to whether other project applications were received for this site. Staff noted that no other applications had been submitted.

Council Member Henson expressed concerns regarding the denial of the gas station since others are in the area.

He was told that for a gateway project, the location is not appropriate. It also is rather cumbersome within site plan. Additionally, this would not provide a service to the entire community. Based on these things, staff did not feel it was appropriate.

Council Member Henson then asked about the underground utilities in the area and why it would be required in this manner rather than having funds put aside until there is enough money to complete the undergrounding throughout the area.

Director of CED Ehrental explained that there are currently no monies available to do this kind of undergrounding. In addition this is a rather specialized gateway into the City. She added that there are currently no plans to underground the whole of the industrial area.

Council Member Henson then commented on the area bordering on Union City and the sphere of influence in the area.



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He was told that the City lines between the City of Hayward and Union City are fairly convoluted in that area.

Council Member Ward then identified traffic problems on weekends, and asked whether the analysis was done on weekdays only.

The traffic engineer responded that the traffic study was conducted for weekdays and not for weekends. He added that, based on the historical data provided, it was determined that weekdays were the most critical.

Mayor Cooper introduced members of the Sam's Club support team as Judy Davidoff with GRAE Ventures, Richard Chavez, the Civil Engineer, Jim Stuart, the Environmental Consultant Brian Sauers, the Traffic Engineering Consultant, Amy Hill, representing Sam's Club, and William Parish, the Architect.

Mayor Cooper opened the public hearing at 8:51 pm

Ron Barklow, 1210 Tiegen Drive, asked about the flood control channel. About six years ago the Ohlone Audubon Society and Tennyson High School Ecology Club and the Girl Scouts adopted the creek. He also discussed the wildlife around the creek. He then mentioned the feeding of the great egrets in that creek.

Thomas Almond, 2492 Whipple Road, owner of the gas station across the street, said he thought a project of this magnitude should underground its utilities. He disagreed with the gas station. He also disagreed with alcohol sales, and wondered why, if this was approved, he could not also have sales of alcoholic beverages as well.

Archie Carr, 919 Mowry Avenue, Fremont, spoke in support of the Sam Club. The area is becoming blighted.

James Liggins, Secretary-Treasurer of UFCW, Local 870, 3546 Deerpark Way, objected to a big box store look at this location. He also was strongly opposed to the non-union low wages that Sam's Club pays its employees. He noted that many of his members make top wages of \$17.75 an hour with medical benefits at no cost to the member, as well as pension contributions. He commented that all of the retail services provided by the Sam's Clubs are already available in the City.

Council Member Ward asked staff whether the appeal by the applicant opened up the whole project to consideration, rather than just the two issues appealed. He was told that by appealing, they had opened the whole project to consideration.

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John Nunes, 28870 Mission Boulevard, spoke against the low wage scale of Sam's Club and expressed concerns about traffic during the commute hours.

Dan Ortiz, 804 Island Pine Court, expressed opposition to this big-box retailer. He said a more thorough review on this parcel should be done first. He commented on traffic already in the area.

L.S. Hu, 28036 Farmhill Drive, spoke in favor of the project. He said the City needs the revenue. As a resident for the past 20 years, he's seen a lot of growth.

Milan Dobro, 29171 Delgado Road, did not agree that a gateway appearance is necessary. He said the Sam's Club would provide financial relief to the City rather than San Leandro and Union City. He added that many of the elderly would be provided with jobs as well as merchandize at lower prices.

Jason Moreno, 25200 Carlos Bee Boulevard, asked why Council did not express more concern regarding the Home Depot: hearings on tax benefits or traffic.

Mayor Cooper closed the public hearing at 9: 20 p.m.

Judy Davidoff, representing the applicant, discussed the work with staff over the past nine months. She explained that the appeal was filed on behalf of the Sam's Club who would like to make Hayward their flagship store. The gas station is a critical component of the membership club. The motion at the Planning Commission with the gas station was a tie (3:3). She then discussed in great detail the effort both Sam's Clubs and staff have made in assuring that this project is more oriented to a gateway project. She added that the gas station would be beneficial to the community. The undergrounding is not appropriate since it will be just a small portion in this much larger area.

Amy Hill, Reno, Nevada, Public Information Officer with Sam's Clubs, noted that over 1,300 citizens of Hayward signed cards supporting the project. She stressed that Sam's Club offers a very competitive wage and benefits package.

Council Member Jimenez asked for conditions to commit Sam's Clubs to hold to their projected wage and benefits package. He was told this was a land use issue and inappropriate to condition the project accordingly. He then asked whether Sam's Clubs would walk away from the project without the gas station.

Ms. Hill responded that she was not in a position to make that determination.

Council Member Hilson asked about other locations and the traffic to and from the Sam's Clubs.

Brian Sauers, Traffic Consultant, stated that there will be approximately 4,400 trips a day to the facility and there will be a right-turn only. The existing median will not be modified.



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Council Member Hilson then noted that he did not find a condition for outside parking lot sales as they had with the Home Depot. He was told it was not done because outside sales were not proposed as a part of the project. He then asked about an economic forecast and whether new revenue dollars can be figured at some point.

Council Member Henson suggested that this proposal is very close to the WalMart in Union City. He asked whether this is customary'?

Ms. Hill responded that this is not unique.

Council Member Henson then asked whether there is any planned configuration for the exit ramp to 880 north.

City Manager Armas noted that there is nothing special being planned at this point, but the City is trying to get something more at Industrial. He noted that a major contributor to traffic in that area is the recent nearby development.

Council Member Henson asked about the trucks in the area and whether their effect was in the traffic analysis. He was told they are treated like cars in the model.

Council Member Dowling asked who Sam's Club competitors are, as well as for further information on the benefits package. He also asked about the potential for closure.

Ms. Hill responded that their competitors are Costco, Kmart, Home Depot, and WalMart, among others. As to the benefits, there is a co-payment for the medical. She said that of the 3,000 Sam's Clubs, maybe 300 have closed.

Council Member Rodriguez expressed her concern regarding the representation you get without the union. She also wondered why she and none of her neighbors did not receive the postcard. She noted again that this is a very union town. She also was concerned about the wetlands.

Ms. Hill indicated that there have been various attempts to unionize the Clubs but the sales associates have never agreed to this. She introduced their consultant to explain the wetlands issue.

Council Member Ward also asked for more detail on the Wetlands report and what guarantees the City would have that they would still be there in perpetuity as planned.

Jim Stuart, E-Corps, Oakland, said there is an operation and management plan for annual reports. The impact on the species list should not be impacted. The company is enhancing the drainage area. The applicant will be responsible for the reports. Although the site has been damaged, it will remain as wetlands.

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Ms. Hill was then asked about the facility in Concord. She said it is smaller than the average store, and without the gas station. The gas component is a recent addition to the Sam's Clubs. They have about 100 Clubs with stations. This is a new service for members.

Council Member Rodriguez said she is not sure whether Sam's Clubs belongs in Hayward,

Mayor Cooper made a statement that there are issues that need to be separated from the land use issues. She iterated the question as to whether the Council should uphold the Planning Commission's denial of the gas station and undergrounding of utilities. She stated that unions have the right to come into the area and organize if the workers want it.

Council Member Jimenez, said his vote would be based on the sales tax revenue and on the published wages presented to the Council at this hearing. If not upheld, he would personally organize a picket line.

Council Member Ward moved to uphold the Planning Commission decision, seconded by Mayor Cooper,

Council Member Dowling said the Council has to look at the fact that this is the last remaining plot of land along the 880 corridor. He mentioned various and better uses for this acreage. It could be a hotel and more upscale retail, Trader Joe's. There is not one item on the list of goods and services that is not available in similar retail stores already. He stated that Walmart is notorious for abandoning stores. Council has turned down other stores in the past for these similar issues,

Council Member Henson said that, were he supporting this, he would support the gas station as well. However, he was not in support of this project. The number of large parcels have shrunk to a point of dilemma. The City will be unable to respond to the needs of the high tech industry as well as the critical needs for Hayward, such as a hotel-conference center. This would be a major opportunity to address this issue. A hotel can be a hub as that gateway comes into this City. As things move north, this parcel will not be there that long, He commended Sam's Club for packaging the project, but this is an important parcel at the City's entrance.

Council Member Hilson said this is a land use issue. He questioned whether this is the best use for that land. He then offered a substitute motion to deny the project entirely and asked staff to come back with findings for this denial. Council Member Dowling seconded the motion.

It was moved by Council Member Hilson, seconded by Council Member Dowling, and carried with the following roll call vote to adopt:

AYES:	Council Members Hilson, Rodriguez, Dowling, Henson
NOES:	Council Members Jimenez, Ward, MAYOR Cooper



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ABSENT: None

ABSTAINED: None

Resolution 00-185, "Resolution Denying Use Permit/Site Plan Review Application No. 00-160-11 - GRAE Ventures, Inc. (Applicant/Appellant) Sellau Properties, Inc. and Wirrulla Hayward, LLC (Owners)"

COUNCIL REPORTS

There were no Council Reports.

ADJOURNMENT

Mayor Cooper adjourned at 10:20 p.m

APPROVED:

Roberta Cooper, Mayor, City of Hayward

ATTEST:

Angelina Reyes, City Clerk, City of Hayward

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