



**MINUTES OF SPECIAL JOINT MEETING OF
THE CITY COUNCIL/REDEVELOPMENT
AGENCY/HOUSING AUTHORITY OF THE
CITY OF HAYWARD**
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, January 9, 2001, 8:00 p.m.

MEETING

The Special Joint Meeting of the City Council/Redevelopment Agency/Housing Authority was called to order by Mayor/Chair Cooper at 8:00 p.m., followed by the Pledge of Allegiance led by Council Member Henson.

ROLL CALL

Present: COUNCIL/RA/HA MEMBERS Jimenez, Hilson,
Rodriguez, Ward, Dowling, Henson
MAYOR/CHAIR Cooper
Absent: None

INTRODUCTION: City Manager Armas introduced Sandy Groves as the new Assistant City Manager and commended Finance Director Perry Carter for serving as the Interim Assistant City Manager. Mr. Groves noted that he was pleased and excited to be in Hayward.

COMMENDATION: Eden Information and Referral for 25 Years of Service

Mayor Cooper presented this certificate commending Eden I&R for its 25 years of service to the Hayward community. Barbara Bernstein, Executive Director, along with several administrative staff, thanked the Council for this commendation.

PRESENTATION: Business Recognition Award

The first Business Recognition Award of the year 2001 was awarded to two companies that made the rehabilitation of Schafer Park possible. The firms are Borel Bank & Trust Company, and R&G Investments. Through their investment in our community, they brought new life to a burned out shopping center, thus, improving the neighborhood's image and expanding local job opportunities. Borel Bank's roots date back to Alfred Borel & Company founded in 1855. Alfred Borel was known as a generous man who shunned publicity. In 1885, he gave land to the city of San Mateo, which was used for the old San Mateo City Hall. The second firm accorded this recognition is R&G Investments, a real estate development company specializing in new construction and redevelopment of older properties in the commercial shopping center sector. Over half of their completed projects involved the redevelopment of existing properties, similar to Schafer Park. They have a philosophy of revitalizing older properties that will continue to benefit the cities and the residents of the communities in which they are located. In 1995, Schafer Park suffered a fire, which destroyed the property. The next year, Borel Bank met with the City's Shopping Center Beautification Committee to discuss repairing the property and to develop plans for the extensive construction, paving and landscaping improvements needed. In 1999, with R&G Investments' project development expertise, the plans were approved and the

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restoration began. Receiving the award for Borel Bank, Mr. Ron Fick, President of Borel Bank, Ms. Lynne C. Johnston, Senior Vice President and Trust Officer for the Schafer property and Mr. Mark Campana, Property Manager. Mr. Greg Geertsen, managing partner and Mr. Richard Larson, project architect from MCG Architecture accepted the award for R&G Investments.

PUBLIC COMMENTS

Jason Moreno, 25200 Carlos Bee Boulevard, spoke in memory of Hector Caraballo as a "gentle warrior," who passed away after surgery on December 29th.

Bill Maxedon, 395 St. Andrews, also spoke in memory of Mr. Caraballo, who he described as generous and caring.

Ron Barklow, 1210 Tiegen Drive, spoke about the exact wording of Measure B.

John Neath, 681 Longwood Avenue, spoke against the Route 238 by-pass study.

Council Member Ward announced that the City would be receiving approximately nine million dollars in mitigation funds from various agencies for sewer expansion in the City of Hayward.

CONSENT

Item number 2 was removed for further discussion.

1. Approval of Minutes of the Special Joint Meeting of the City Council/Redevelopment Agency/Housing Authority of December 19, 2000

It was moved by Council/RA/HA Member Henson, seconded by Council/RA/HA Member Dowling, and unanimously carried to approve the Minutes of the Special Joint Meeting of the City Council/Redevelopment Agency/Housing Authority of December 19, 2000 with one correction.

2. Weekes Branch Library Expansion: Approval of Addendum No. 1, Award of Contract, and Appropriation of Funds

Staff report submitted by Deputy Director of Public Works Bauman, dated January 9, 2001, was filed.

Friends of the Hayward Public Library and Project Legacy representatives Bill Quirk and Alice Pappas presented a symbolic check for \$270,000 for the Weekes Branch Library Expansion to offset the construction costs of both an adult reading room and a staff workroom.

Council Member Jimenez congratulated the members for acquiring the funding for this project.



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

Resolution 01-003, "Resolution Approving Addendum No. 1 for the Weekes Branch Library Expansion Project, Project No. 6918, and Awarding Contract to Pacific Coast Reconstruction & Building, Inc"

Resolution 01-004, "Resolution Amending Resolution No. 00-089, the Budget Resolution for Capital Projects for Fiscal Year 2000-2001, Authorizing an Appropriation of Funds for the Weekes Branch Library Expansion Project, Project 6918; and for Transfer of Funds for the Purchase of Recycled Materials"

3. Resolution of Intention to Consider the Establishment of Underground District No. 25 for Mission Boulevard from Sycamore Avenue to Harder Road

Staff report submitted by Deputy Director of Public Works Bauman, dated January 9, 2001, was filed.

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

Resolution 01-001, "Resolution of Intention to Consider the Establishment of Underground District No. 25 for Mission Boulevard from Sycamore Avenue to Harder Road and Setting a Time and Place for Hearing"

4. Authorization for Execution of a Master Agreement between the State and City for State Funded Projects

Staff report submitted by Deputy Director of Public Works Bauman, dated January 9, 2001, was filed.

Council Member Dowling clarified that this would be only for the Harder Road Project. It was noted that the administrative authorization could apply to additional projects in the future.

City Manager Armas explained that this would expedite the paperwork with the State and any future supplementals would be for projects already included in the approved capital improvement budget.

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

Resolution 01-002, "Resolution Authorizing the City Manager to Execute a Master Agreement Between the State and City for State Funded Projects and All Program Supplements"

HEARINGS

5. Michael Bradley, Avis Rent-A-Car (Applicant)/Toro Development (Owner) - Text Change Application and Administrative Use Permit Application Related to Operation of a Car Rental Business in the Neighborhood Commercial District, Fairway Park Shopping Center

Staff report submitted by Planning Manager Anderly, for January 9, 2001, was filed.

Planning Manager Anderly made the staff presentation, responded to questions and made the staff recommendation. There was discussion on the configuration and operation of the business.

Michael Bradley, applicant, answered questions from Members.

Mayor Cooper opened the public hearing at 8:48 p.m.

Ron Peck, 1260 B Street, Attorney for Toro Development, encouraged Council Members to support the proposal, citing the need for rental cars for the general population in the area. He noted that all the conditions of approval were acceptable to the applicant and owner.

Yvonne Critzer, 26937 Halifax Place, General Manager of the Fairway Park Shopping Center, noted that this is an appropriate use for this operation due to the parking available at the rear of the building.

Mayor Cooper closed the public hearing at 8:59 p.m.

Council Member Jimenez moved, seconded by Council Member Henson, to accept the staff recommendation to approve the Text Change Application and Administrative Use Permit.

Council Member Hilson commented that he had some issues with this proposal and expressed its inappropriateness in other shopping centers. He then offered a friendly amendment asking that a conditional use permit be required in the CN district, rather than an administrative use permit.

Council Member Jimenez said he would not accept his friendly amendment.



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Council Member Hilson then offered a substitute motion, seconded by Council Member Rodriquez, which would require a conditional use permit in the CN district, rather than an administrative use permit.

Council Member Henson asked for clarification as to the administrative use permit process. Staff indicated that this type of permit approval would only reach the City Council by appeal of any interested party or member of the public.

Council Member Dowling suggested that Council Member Hilson's recommendation, in the form of a substitute motion, be held until there is a general overall review and update of the Zoning Ordinance.

Council Member Rodriquez stated that although in this instance the location is ideal, it would not be appropriate in every neighborhood. She had received a number of comments from concerned citizens in different neighborhoods all over the city, many of which voiced their concerns. As an example, she pointed out that in the Oliver Corners shopping center, her neighborhood shopping center, would not be an appropriate site for this type of business operation.

Council Member Ward reminded Members that this is not an automatic approval process. He emphasized that there has been a great deal of success in allowing staff to use its discretion and judgement in approving projects. He was confident that staff would deem it inappropriate to permit such an operation in just any shopping center. He indicated that he favored the original motion.

Council Member Jimenez reiterated his support for the residents of this community. He commented on the support and arduous efforts of the Fairway Park Neighborhood Association and its Board of Directors in this matter.

It was moved by Council Member Hilson, seconded by Council Member Rodriquez, and failed by the following roll call vote to accept the staff recommendation, with the exception that the permit be a conditional use permit rather than an administrative use permit:

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

Council Member Hilson asked for a friendly amendment to the change in the Conditions of Approval to have no more than 15 cars. This was accepted.

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It was moved by Council Member Jimenez, seconded by Council Member Dowling, and unanimously carried by all present, to introduce and approve the following:

Resolution 01-005, "Resolution Approving Administrative Use Permit Application No. 00-150-37 of Michael Bradley, Avis Rent-a-Car (Applicant) and Toro Development Company (Owner)"

Introduce Ordinance No. 01-___, "An Ordinance Amending Section 10-1.820(a)(2) of Article 1 of Chapter 10 of the Hayward Municipal Code to Authorize the Issuance of an Administrative Conditional Use Permit for Car Rental Agencies in the Neighborhood Commercial ("CN") District"

6. Appeal of Planning Commission's Denial of Use Permit Application No. 00-160-09 - Jun and Shirley Sarmiento for 3 Diamond Autobody & Paint (Applicant), Douglas Day for AECO Management (Owner) - Request to Establish Minor and Major Auto Repair Services within an Existing 8,650-Square-Foot Commercial Building - The Property is Located at 701 A Street in a Central City-Commercial (CC-C) Zoning District

Staff report submitted by Acting Principal Planner Patenaude, dated January 9, 2001, was filed.

Acting Principal Planner Patenaude made the staff report noting the previous uses of the existing building and responded to questions related to the restructuring and the amount of time that lapsed before it was occupied again.

Mayor Cooper opened the public hearing at 9:25 p.m.

James Caleshu, 332 Pine Street, San Francisco, representing Attorneys for Entrepreneurs, asked for support for the applicant since this is their only livelihood. He described the amount of money and work they have put into the business to this point. He also responded to questions from Council Members. He emphasized that the applicants would not be able to continue in business without approval.

Alicia Guerra, Morrison & Forrester, Walnut Creek, land use attorneys for the applicant, emphasized concerns on process and procedure, general plan consistency, land use and compatibility issues. She said this building has consistently operated as an auto use for the past 30 years. She concluded that this operation is a viable, active business consistent with the requirements of the General Plan.

Shirley Sarmiento, 701 A Street, applicant, described her family's business experience in Redwood City. She expressed concerns in the process to relocate to this new location.

Ramon David, 260 Flint Court #8, spoke in support of the applicant. He said he moved to Hayward for its diversity. He asked Council to help get the permit.



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Lisa Nahibada, 418 Industrial Parkway, #7, represented Legend Automotive, testified to the responsibility of the applicants.

Peter Aloe, 22206 Prospect Court, a teacher in Fremont recently moved from Palo Alto, suggested looking at the human face of these issues and not just the plan. He suggested that a five-year use permit be allowed as the family has signed a lease. He suggested Council Members visit the shop before making a decision.

Juan Cebreiros, 704 B Street, #2, said he lives adjacent to the building and spoke in favor of the application, noting that people could walk and use BART.

Jason Moreno, 25200 Carlos Bee Boulevard, spoke in support of this minority owned business. He suggested that the City encourage more minorities.

Mayor Cooper closed the public hearing at 9:54 p.m.

Council Member Dowling expressed concerns about the building being vacant. He did not see that many opportunities for redevelopment in this area.

Council Member Ward said he had great empathy for anyone trying to find affordable space in the area.

Council Member Henson asked whether the owner was not present to respond to questions. He then moved, seconded by Council Member Hilson, that based on the staff presentation the Council deny the appeal. As part of the motion, he asked staff to find a way to assist the Sarmiento's in relocating.

City Attorney O'Toole suggested that Council could not take any affirmative action on this issue since staff has not prepared for a positive ruling in favor of the applicant. No environmental analysis has been prepared nor completed.

Council Member Dowling asked whether the City might be able to financially aid the Sarmiento's through a small business loan. He was told the City generally assists those businesses that are expanding and creating new jobs. Council Member Dowling then asked staff whether another auto related business could apply for a use permit in the building. He then asked what staff would support in that building. He was told there is a long list of commercial and retail uses that may be supported for that building.

Council Member Rodriquez summarized that rules and procedures need to be followed, due to the City's goals in redevelopment. She believed that each case has to be evaluated on its own merit and in this instance, she would be supporting the motion.

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Council Member Jimenez supported Council Member Henson's motion to assist the applicant. He suggested several locations where the applicant might relocate.

Council Member Ward asked whether the City could offer a use permit for a time set.

City Attorney O'Toole said the Council has power to attempt to do this, however, the use permit runs with the land.

Council Member Dowling suggested that the building might be difficult to convert to other uses. He then asked for a substitute motion, seconded by Council Member Ward, for a four-year use permit for this operation.

City Manager Armas pointed out that this building is not confined to this use. He made suggestions as to the modification and reconstruction that could turn it into an office building.

It was noted that the contractor had estimated the cost of refurbishing the building at \$90,000.

Planning Manager Anderly reminded Council that staff would have to add additional conditions of approval, many of these issues would have to be brought to the attention of the applicant and the owner.

Council Member Ward withdrew his second to the substitute motion.

Mayor Cooper expressed extreme concern with the many errors that may have occurred. She suggested that the Planning Department develop a checklist so that there would be individuals who would be responsible for each item on the list. She discussed the operation and the amount of money spent by the applicant, who was currently operating without a permit.

Acting Principal Planner Patenaude explained that he held various meetings including a pre-application meeting to apprise the applicants of the City's general plan concerns.

City Manager Armas reiterated that the question remained whether or not this use is consistent with the General Plan and other uses for the downtown area.

Mr. Caleshu suggested that a four-year lease be allowed, as it would not interfere with the redevelopment plans for that area within that time frame.

City O'Toole admonished the Council to take caution on setting a time frame as the use generally runs with the land. Even if the property owner were present, crafting such an agreement would make the use legally binding. Additional discussion ensued related to this issue with no resolution.

It was moved by Council Member Henson, seconded by Council Member Hilson, and carried by the following roll call vote, to approve the following:



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

Resolution 01-006, "Resolution Denying Appeal of Planning Commission's Decision to Deny Use Permit Application No. 00-160-09 - Shirley Sarmiento for 3 Diamond Autobody and Paint (Applicant and Appellant)' Douglas Day for AECO Management (Owner)"

COUNCIL REPORTS

There were no Council reports.

ADJOURNMENT

Mayor Cooper asked Council Member Jimenez to adjourn the meeting at 10:44 p.m. He spoke in memory of Allen Hutchinson, a long-time resident and business owner who served the City in various public roles. Council Member Ward also expressed the sympathy of Members to the family as well.

In addition, Council Member Henson adjourned the meeting in memory of Police Department Captain Myron Dorn, noting that they had served together on a task force. Captain Dorn was a dedicated police captain with many friends in the City. He would be sorely missed.

Mayor Cooper then acknowledged Keith Caraballo, the son of long-time resident and activist Hector Caraballo. She allowed him to speak about his father, a teacher in the New Haven Unified School District for 32 years, and a resident of Hayward. Keith commented about his father's active involvement in the community, particularly the Fairway Park Neighborhood Association and expressed gratitude to all that remembered his father.

Council Member Rodriquez added that a celebration of the life of Hector Caraballo would be held at Centennial Hall, Room 6, on January 20 at 1 p.m. HARD will also be planting a tree in his memory at the Mission Hills of Hayward Golf Course.

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APPROVED:

Roberta Cooper, Mayor, City of Hayward
Chair, Redevelopment Agency
Chair, Housing Authority

ATTEST:

Angelina Reyes, City Clerk, City of Hayward
Secretary, Redevelopment Agency
Secretary, Housing Authority