



**MINUTES OF THE SPECIAL MEETING OF THE
CITY COUNCIL/REDEVELOPMENT AGENCY
OF THE CITY OF HAYWARD**
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, February 18, 2003, 8:00 p.m.

MEETING

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

ROLL CALL

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

PRESENTATION: Pride in Hayward Award

The Mayor presented the Pride in Hayward Award to the following Hayward residents living in the Santa Clara neighborhood: Silvia Fregoso; Alfred and Loril Robertson; G.A. and Margit Johnson; Burdette Althoff; and, Richard and Diane Jackson. She thanked each for taking pride in their homes and adding to the beauty of the City of Hayward.

PUBLIC COMMENTS

Barbara Swarr asked about particular City funding accounts, including the supplies and services accounts. She requested a list of vacant employee positions. Additionally she asked for information on low and moderate income housing in the City.

Mayor Cooper referred her request to staff.

Jason Moreno commented on the City's budget review session that was recently held.

CONSENT

1. Approval of Minutes of the Special Joint City Council/Redevelopment Agency Meeting of February 11, 2003

It was moved by Council/RA Member Hilson, seconded by Council/RA Member Rodriguez, and unanimously carried to approve the minutes of the Special Joint City Council/Redevelopment Agency Meeting of February 11, 2003.

2. Allocation of Park Dedication In-Lieu Fees for Hayward Plunge Improvements

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Staff report submitted by Landscape Architect Carranza, dated February 18, 2003, was filed.

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

Resolution 03-028, "Resolution Allocating Additional Funds in Park Dedication In-Lieu Fees for the Hayward Plunge Improvement Project"

3. Amendment of Contract with Geomatrix for Environmental Services

Staff report submitted by Redevelopment Director Bartlett, dated February 18, 2003, was filed.

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

RA Resolution 03-04, "Resolution Authorizing the City Manager to Execute a Contract with Geomatrix Consultants to Provide Environmental Services"

HEARINGS

4. Consideration of Hayward's Membership in the Bay Area Water Supply and Conservation Agency (BAWSCA) and San Francisco Bay Area Regional Water System Financing Authority

Staff report submitted by Deputy Director of Public Works/Utilities Ameri, dated February 18, 2003, was filed.

Public Works Director Butler made the staff recommendation, noting the State legislation that provides for the representation of all of the suburban agencies that purchase water from the Hetch Hetchy system. Each agency will have one representative that will be involved in the decision making process for improvements to the system, including how the monies are spent by San Francisco. He noted that the recommendation is consistent with the Council Members Handbook to authorize the Mayor to appoint members to the two boards to represent the City.

Council Member Henson commented that this joint effort could provide the City with a stronger voice regarding regional water issues.

Public Works Director Butler clarified that currently the representatives of the water agencies are generally of staff level; now it will consist of elected officials that could be more influential than a staff level agency.



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There being no requests to speak, Mayor Cooper opened and closed the public hearing at 8:17 p.m.

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

Resolution 03-029, "Resolution Approving Hayward's Membership in the Bay Area Water Supply and Conservation Agency (BAWSCA) and Authorizing Appointment of a Director to the Board of Directors"

Resolution 03-030, "Resolution Authorizing Appointment of a Director to the Board of Directors of the San Francisco Bay Area Regional Water System Financing Authority (Authority)"

LEGISLATIVE BUSINESS

5. Authorization to Enter into an Exclusive Negotiating Agreement (ENA) with Blake-Hunt Ventures (BHV) Hayward, LLC, to Develop the Site at B Street and Foothill Boulevard

Staff report submitted by Redevelopment Director Bartlett, dated February 18, 2003, was filed.

Redevelopment Agency Executive Director Armas provided information on the vacant site, previously Albertson's, noting that Council authorized the Redevelopment Agency to purchase it last year in order to assure revitalization as one of the City's gateways.

Redevelopment Director Bartlett presented a conceptual plan for the site conditioned on the developer's ability to retain retail and theater operators. She discussed the specifics of the project that includes a proposed theater and a proposed 430-space parking structure for Municipal Lot No. 2 on B Street. The proposed three-level parking structure would be located behind the Bank of the West. She summarized the terms of the agreement to include an initial ENA period of six months. Another requirement would be that the developer would pay a \$25,000 deposit, pursue tenant and movie theater interests and commitments, as well as initiate and prepare site plans and environmental studies. This agreement is renewable for an additional four months with an anticipated Development and Disposition Agreement by December 2003. The Agency would evaluate parking and the proposed parking structure. She indicated that the parking structure would support a theater and remain open to the public.

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Council/RA Member Hilson indicated that this is a long overdue project for the City and believed that this would be a successful one, in particular with the 238-Alternate component that proposes to remove some retail space on the east side of Foothill for a road. He emphasized that this is not the final design, but a good start to a very exciting project.

Council/RA Member Henson inquired on the proposed parking structure and whether parcels or structures need to be acquired. He expressed concern on the traffic circulation, C Street egresses and ingresses, and the impacts of the current sidewalk improvement projects. He asked if the City's past policy of free parking would continue.

Redevelopment Agency Executive Director Armas noted that there are no structures that need to be acquired. He indicated that a traffic study will be conducted and further discussions will need to occur related to traffic circulation. In regards to fees for parking, that has not been discussed. The downtown sidewalk project is phased so that specific areas can be delayed until the development is approved.

Council/RA Member Ward commended staff for this effort. He asked if the developer had information related to his experience or information in terms of whether patronage affecting neighboring businesses is improved and consideration of impacts due to the current economic condition. He asked what other incentives might be offered to make this project economic viable.

Redevelopment Agency Executive Director Armas responded that parking is available within walking distance.

Council/RA Member Rodriguez inquired on the firm's background as it was established in 2000. She also expressed concern on the height impact of the parking structure to the general area. She asked what the parking garage would cost.

Redevelopment staff responded that the height is about 55 feet, which is the approximate height of the City Hall building, but the theater would be stepped back from the street as mitigation and to conform to the design guidelines that emphasize a pedestrian orientation along B Street. In regards to cost, it was reported that it would cost approximately \$10,000 per stall.

Council/RA Member Dowling asked on the timing of the project. He recommended that as the City progresses towards this effort, that tenants and landlords who regularly use that parking lot be informed and have input to the process.

Redevelopment Director Bartlett stated that if a disposition and development agreement is approved in December, the project could start construction in the summer of 2004. It is anticipated that parking structure construction start at about the same time.

Mayor/Chair Cooper opened the public hearing at 8:47 p.m.



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Jason Moreno commented that with the 238 Alternative, the Portuguese Park is impacted and suggested that it be included with this project.

The developer, Brad Blake, CEO of Blake-Hunt Ventures, responded to questions as previously asked and noted that he started this firm in November 2002. He was previously the CEO of a shopping center firm, Western Properties Trust, which was sold and merged with Pan Pacific Properties. He continued to be involved by creating a new company that partnered with that firm. He briefly described his past experience in Hayward along Clawiter Road. He described his experience in suburban theater and retail projects with Walnut Creek and Redwood City.

In response to a question on the size of the auditoriums, Mr. Blake noted that he anticipates the construction of auditoriums with between 150 to 300 seats. He emphasized that this is not the final plan, which will evolve from input from the retailers, the community and the Council. He expected to have about seventy-five percent pre-leased before construction. He discussed potential anchor tenants including Cost Plus. He has discussed traffic circulation with staff and noted that a traffic study will be completed during the ENA period. He described the intent of the plaza and the second story theater while maintaining the retail in the first level. In regards to the economy, this is a project that is currently not available in this area and will attract customers. The height and design will draw attention with its monumental downtown building and cause visual interest. He noted that it is critical to have the parking lot available when the project opens and that theaters generally provide free or validated parking.

Council/RA Member Dowling requested that the theater show independent films. He noted that there is a growing appreciation for that and foreign films. He concurred with designing an attractive project with an interesting signage. He asked the developer what could be done with current tenants and landlords to attract more development and perhaps relocating present restaurants that may need to move.

Mr. Blake responded that this is a common request and the theaters will show them if there is a market.

He noted that with this project, current tenants and landlords could be interested in bringing in more development. In response to questions about lighting from Council, Mr. Blake described what Redwood City did on Middlefield Road to make a safe and bright ambience as patrons walk towards its new theater. He described various standards used to light the project in Walnut Creek.

Council/RA Member Henson also discussed lighting and commented that theater signage is often used to draw attention. He asked Mr. Blake to discuss the possibility of a bookstore and other potential anchor stores. Lastly, he urged the use of the theater marquis to enhance the City's gateway.

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Mr. Blake indicated that a bookstore and theater is a natural tendency throughout the country. Cost Plus is an interesting store to shop while customers are waiting to enter the theater. Local independent bookstores have an opportunity to be potential tenants. He noted that this project will have the highest rents in Hayward.

Council/RA Member Hilson noted that the chain retailer is a good target. He asked about restaurant experience. He recommended a moderate sit-down restaurant. He agreed with the idea of having good lighting and using the marquis similar to what the City of Monrovia has done.

Council/RA Member Rodriguez commented that there is a need for a retail records or CD store and there is a need for a good ice cream shop as the old Fenton's in Berkeley.

Mr. Blake discussed the economics of sit-down restaurants. He reported that an ice cream business is rather challenging economically. Music and books are natural complements to theaters.

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

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

RA Resolution 03-05, "Resolution Authorizing the Executive Director to Execute an Exclusive Negotiating Agreement Between the Redevelopment Agency of the City of Hayward and BHV Hayward, LLC, for a Proposed Development Site at B Street and Foothill Boulevard"

6. Request for Reallocation of Community Promotion Funding

Staff report submitted by City Manager Armas, dated February 18, 2003, was filed.

There were no requests to speak. Mayor Cooper opened and closed the public hearing at 9:21 p.m.

It was moved by Council Member Rodriguez, seconded by Council Member Jimenez, and unanimously carried to allocate \$5,000 of Community Promotion funds previously designated for the Music Academy to be used in support of the Honor Band.

COUNCIL REPORTS

Council items were provided as follows: Council Member Ward asked that the parcel west of the City Hall be discussed at a future work session. City Manager Armas indicated that the work session would be held in March. Council Member Dowling referred to correspondence from the California Highway Patrol regarding the implementation of SB 1886. He also cited potholes near Hathaway at the city limits and A Street and also on Roosevelt off of Patrick heading towards



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Underwood. He also asked that the signals at Mission and the La Vista Quarry be timed to turn green when there is no traffic to the quarry. Council Member Henson expressed pedestrian safety concerns along Mission Boulevard, in particular where there are no traffic signals near Hancock Avenue and also near Fletcher.

ADJOURNMENT

Mayor Cooper adjourned the meeting at 9:25 p.m. with Council Member Dowling adjourning in memory of Bernice Cordova, who served on the Hayward Demos board and a Santa Clara neighborhood advocate. Council Member Jimenez also adjourned in memory of Cornelia Ivaldi.

APPROVED:

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

ATTEST:

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

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