



MINUTES OF SPECIAL JOINT MEETING OF THE
CITY COUNCIL/REDEVELOPMENT AGENCY
OF THE CITY OF HAYWARD
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, January 13, 2004, 8:00 p.m.

MEETING

The Special Joint 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 Jimenez.

ROLL CALL

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

PRESENTATION: Pride in Hayward Award

The following residents of the Mt. Eden neighborhood were recipients of the Pride in Hayward Award. Barry and Lena Wong, Kamal Hassan, Forest and Lillian Rucker, Kenneth and Renate Claussen, and Daniel and Leonida Martin. Mayor Cooper thanked them all for maintaining their homes and yards in such immaculate condition and taking pride in living in the City of Hayward.

PUBLIC COMMENTS

Frank Goulart announced that the Neighborhood Alliance will conduct the Council Candidate Debate this Saturday and invited everyone to attend the two-hour session.

Jason Moreno commented on the definition of “deletion of file” at the Library.

Council Member Jimenez stated that his statement is directed to CSUH President Norma Rees who has removed “Hayward” from the college name. He thanked her for her service as President, but emphasized his disappointment on this decision. He recalled three prominent citizens who were involved in bringing the State College to Hayward: Former Assembly Speaker Carlos Bee, Guy Warren and Judge John Purchio.

CONSENT

1. Approval of Minutes of the City Council Meeting of January 6, 2004

It was moved by Council Member Ward, seconded by Council Member Rodriquez, and unanimously carried to approve the minutes of the City Council Meeting of January 6, 2004.

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2. Resignation of Joyce F. Haynes from the Human Services Commission

Staff report submitted by City Clerk Reyes, dated January 13, 2004, was filed.

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

Resolution 04-006, "Resolution Accepting Written Resignation of Joyce F. Hayes as a Member of the Human Services Commission"

3. Measure B Pavement Rehabilitation, Slurry Seal and Overlay 2003-04: Approval of Plans and Specifications and Call for Bids

Staff report submitted by Deputy Director of Public Works Bauman, dated January 13, 2004, was filed.

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

Resolution 04-007, "Resolution Approving Plans and Specifications for the Measure B Pavement Rehabilitation and Slurry Seal 2003/04, Project No. 5168, and Call for Bids"

4. Authorization to Acquire 203 "C" Street

Staff report submitted by Redevelopment Director Bartlett, dated January 13, 2004, was filed.

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

RA Resolution 04-01, "Resolution Authorizing the Acquisition of 203 C Street"

RA Resolution 04-02, "Resolution Amending Resolution No. RA 03-11, the Budget Resolution for the Redevelopment Agency of the City of Hayward for fiscal year 2003-2004, Relating to a Supplemental Appropriation to be Used for Acquisition of the Premises at 203 "C" Street"

5. Final Map Tract 7440, Phase II, Grand Terrace - Pulte Homes Corporation (Subdivider) - Approval of Final Map, Authorize the City Manager to Execute a Subdivision Agreement



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Staff report submitted by Development Review Engineer Gaber, dated January 13, 2004, was filed.

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

Resolution 04-008, "Resolution Approving Final Map for Tract 7440 and Authorizing the City Manager to Execute a Subdivision Agreement"

HEARINGS

6. Adoption of a Resolution of Intent to Reimburse Expenditures from the Proceeds of Mortgage Revenue Bonds Financing the Purchase and Rehabilitation of the Lord Tennyson Apartments

Staff report submitted by Neighborhood and Economic Development Manager Bauman, dated January 13, 2004, was filed.

Economic Development Manager Bauman explained the financing process for the 24 buildings that house 253 rental units. She displayed photos of the units and showed needed improvements. She responded to questions from the Council related to affordable units, rental rates and gave an example of the rent for a typical family. She explained that the federal law allows the Department of Housing and Urban Development (HUD) to fund projects with below market loans. It allows HUD to allocate vouchers for those projects that extend their affordability restrictions to the length of the loan. Each tenant household will not pay more than 30% of their current rent.

She continues to report that there will be a change of ownership where the Volunteers of America National Services (VOA) corporation will become a general partnership. There are significant infrastructure needs for the building. Significant interior and exterior property rehabilitation will take place, including an upgrade of the building's electrical system as well as code and safety upgrades.

Council Member Henson asked about the expenditures of the bond funding. He also asked where the funding would be used.

Council Member Jimenez noted that the rental rates do not sound as though they are up to market rate.

Economic Development Manager Bauman explained that, because the tenants are low-income, the rates are significantly below the current rates.

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Council Member Hilson discussed rates for the present tenants and the difference made up by HUD. He asked about the significant upgrades of the units and the input from the City of Hayward.

Economic Development Manager Bauman said HUD would make up the difference between the new rental rate and the 30 percent of the low-income tenant monthly income. These will still be below the market rate. The vouchers program is a special program for the area, which is handled by the Alameda County Housing Authority. She further described the enhanced vouchers as well as several other projects that have had similar funding. In response to his question, she noted that VOA will be working with staff to changing the colors of the building and improving the landscaping.

Council Member Ward asked Economic Development Manager Bauman to put some significant and real numbers to the personal household medium income for the area. He added that having photographs helps to destroy the myth that affordable housing does not look good and are not well maintained and well cared for. He then asked about the City monitoring the development for compliance and how it would be done.

Economic Development Manager Bauman said that for a family of three, \$60,000 is the medium income for this area. These households are in the \$30,000 range. These vouchers are only for present and current tenants. She noted that the tenants fill out documents with back-up documentation as well as employment certification. The City of Hayward will review the documents and verify income. Every tenant's income is reviewed. The apartments are also as there will be an annual inspection.

Council Member Rodriguez asked about other projects in the City of Hayward. She then asked whether there would be an opportunity for other smaller apartment complexes in Hayward, which are also in need of improvements.

Economic Development Manager Bauman described the situation at the Tennyson Gardens Apartments, which involved an acquisition and rehabilitation as well as several other bond projects. She explained that the City of Hayward did a demonstration project with Eden Housing for the Harris Court Apartments. Eden acquired six four-plexes to see whether this would actually change the dynamic of the street to encourage managing and better management of the apartments.

Council Member Henson then asked about the breakdown of the expenditures of bond money.

Economic Development Manager Bauman explained that the VOA owns over 200 projects nationwide, so the money from this project will be used to acquire slum buildings in other areas.

Mayor Cooper opened the public hearing at 8:40 p.m.

Jason Moreno stated that the report states that the landlord will be allowed to install meters in each department to meter utilities and thus increase the cost to the tenants in the buildings. He



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asked whether their gross income is considered or whether other items will be adjusted and he also asked about the vouchers and whether they were salable or stay with the unit.

Economic Development Manager Bauman explained that the income is evaluated on gross income and the vouchers go with the tenant and do not stay with the unit.

Mayor Cooper closed the public hearing at 8:41 p.m.

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

Resolution 04-009, "A Resolution of the City Council of the City of Hayward Declaring Intention to Reimburse Expenditures From the Proceeds of Tax-Exempt Obligations and Directing Certain Actions"

LEGISLATIVE BUSINESS

7. Update on Two Redevelopment Initiatives:
 - A. Cinema Place
 - B. Proposed Parking Structure

Staff report submitted by Redevelopment Director Bartlett, dated January 13, 2004, was filed.

City Manager/Executive Director Armas invited Brad Blake from Blake-Hunt Ventures-Hayward to discuss Item A. and describe the proposed project, a retail-entertainment center, at the former Albertson's market and the preliminary site plan.

Mr. Blake discussed some tenant commitments and showed the design and development of a proposed two-level parking structure with two hundred parking stalls. It will be located on the south side, and will be privately owned, with certain time limits mainly for retail customers to the site. The design includes pedestrian orientation and store entrances oriented along "B" Street. A major occupant would be a single store. A letter of intent for that location has been entered into with Cost Plus World Market. There will also be a mix of other retailers and restaurants on the first floor as well. The entire second floor will be occupied by a twelve-screen movie theater. There will also be three tenant spaces intended for restaurants to create an active area on the second floor "B" Street side with a lot of glass at the corner of Foothill and "B" Street. The outside will not have a marquee, but a theatre sign. It will play all first run films, as it will be a separate film zone in this area. He was unable to name the operator at this time and will disclose information toward the end of the month. He noted that there were several film operators that were interested in this project and with staff assistance, felt that the operator selected would be well qualified and will compete successfully in this market. He described the public space on the second floor as well.

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Council/RA Member Hilson reiterated his concern for a quality project. He asked about façade and restaurant designs. He was most concerned with seeing a dynamic project with lots of energy to it. He suggested a marquee on the “B” Street side that would be more dynamic than what is presently at Jack London Square. He specifically asked whether the theater operator would be utilizing digital technology.

Mr. Blake stated that his firm would not have anything to do with what is inside the theatre. However, the potential operator is prepared to make the theatre first-rate. He also encouraged Council to review the designs for other downtown projects on their website (blakehunt.com) such as the projects for the cities of Walnut Creek and Redwood City. He noted that within the next thirty days he would be submitting the submittal package to the City of Hayward.

He commended staff, City Manager/Executive Director Armas, CED Director Ehrental, and Redevelopment Director Bartlett for their input and collaboration. He speculated on the time frame and noted that the project could possibly be completed as early as Christmas 2005, or so were everything to go according to schedule.

Council/RA Member Ward asked about an additional entrance from the “B” Street pedestrian corridor and the possibility of a marquee.

Mr. Blake described the possible tenants for the buildings. He stated that the theatre could be a significant identity on Foothill and “B” Street and suggested a ticket kiosk on the first floor.

City Manager/Executive Director Armas said the emphasis will be for creating a gateway feature at “B,” “C,” and Foothill street area.

Council/RA Member Ward said he likes the two-level public gathering spaces and suggested opening up the front a bit more onto the “B” Street. He asked about public exit and safety issues from the second floor. He also asked for information on security controls in the parking garage.

Mr. Blake said his firm will be working with both the Police and Fire Departments as well as City staff on this issue. He noted that controls will include signage and escalated patrolling as problems arise. During the holidays, there could be increased patrolling to enforce time limits. The City could ticket the vehicles. He commented that one of the benefits of Cost Plus is that it is a retailer that appeals and attracts to a broad-based patronage.

Council/RA Member Dowling was impressed with the orientation of the project and felt that this is a very exciting project. He asked Mr. Blake to reiterate reactions from the proposed or potential retailers. He preferred a more modern, Times Square effect. The Metreon in San Francisco was an example and could add interest to the project. He also suggested a jumbotron that might add dynamism and interest. Lastly, he noted that this is the former site of the first elementary school in Hayward, Markham Elementary. He asked that the project developers work with the Hayward Historical Society on remembering the location in some way.



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Mr. Blake explained that with the anchor tenant they would get a better and more positive response from other retailers and restaurateurs. He explained that they would not get mall-type tenants but tenants with downtown experience, adding that they would work to acquire letters of intent over the next six-months which should result in leases by the end of the year. It will move faster when the theater and anchor tenant can be announced.

Council/RA Member Henson said most of his questions had already been answered. He did ask how many screens were in the Redwood City project. There are twenty screens. Council Member Henson then asked about the 'standard' parking space for such development. He said he had always wanted consecutive restaurants as seen in other areas. He asked about lighting in that area in light of the antique lighting along "B" Street. He agreed that the project should be modern as commented by Council/RA Member Dowling.

Mr. Blake said the parking would be complicated, but downtown theaters will use available parking after the normal workday. In response to the question regarding lighting, he noted lighting has a huge impact on the architecture, and the current antique lighting could be brighter.

Council/RA Member Rodriguez said that she would be looking forward as the project is designed and created. She asked staff whether there would be any other changes to the immediate streets. She noted that she was happy with Cost Plus coming to Hayward and very excited about the theater. She said she did view the Walnut Creek project and commented favorably on it.

City Manager/Executive Director Armas said there were no changes proposed for changes on "B" Street. He noted that there is a meeting with merchants regarding making "C" Street two ways as well as discussions with Caltrans about left turns from Foothill Boulevard.

Council/RA Member Jimenez commented that the Edwin Markham Elementary School was a great school. He noted that a great many Hayward residents were looking forward to the building of this project.

Council/RA Member Henson asked about the best-case scenario in terms of schedule.

Mr. Blake reiterated that the project submittal would be within thirty days. There will be another four to six months for staff reviews, including hearings at the Planning Commission for planning and design and approval of the construction drawings. Lastly, construction could take another twelve to sixteen months.

Council/RA Member Dowling talked about a positive effect on other businesses on "B" Street.

Redevelopment Director Bartlett reported that staff is seeing a number of renovations in the area with the concept of this project as well as the current sidewalk project. The downtown merchants are well aware of this project.

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Mayor/RA Chair Cooper agreed with Council/RA Member Rodriguez. She wants this project to be integrated into “B” Street. As this is a university community, perhaps the theatre operator could provide one screen for foreign films. She then thanked him and was looking forward to this vision.

Mr. Blake explained that the operator is experienced in running foreign theaters. This is a common request. A university community makes it obvious that this is a possibility. He noted that it would require patronage. He added that he hoped to be back in a few months with more definitive discussions.

B. Proposed Parking Structure

Redevelopment Director Bartlett discussed the parking structure in Municipal Parking Lot #2. She explained the area and the public parking aspects to the lot. She showed the proposed “B” Street elevations, entry features and elevator towers. This plan will be considered on the January 26 Downtown Committee agenda.

Mayor/RA Chair Cooper asked about the vacant lot next door to Bank of the West and suggested encouraging the owner to do something with his property.

Council/RA Member Hilson commended staff on the parking structure elevation. He expressed concern on the long blank walls. He suggested adding thickness to the blank wall. He commented on the archway entry, but suggested a larger feature.

Council/RA Member Henson commended staff for working through this. He asked if staff has reviewed the possibility of a downtown clock.

Council/RA Member Jimenez subscribed to the idea of a “B” Street clock.

It was noted that downtown features previously included in the discussion of the downtown sidewalk rehabilitation project would be reviewed.

As there were no requests to speak, Mayor Cooper closed the opportunity to speak at 10: 00 p.m.

COUNCIL REPORTS

There were no Council Reports.

ADJOURNMENT

Mayor Cooper adjourned the meeting at 10:03 p.m. by providing both Council Members Ward and Henson opportunity to speak and adjourn this meeting in memory of Alonza Bean.

Council Member Ward stated that he attended the funeral service for his long time neighbor and friend of his family. Mr. Bean owned a Farmers Insurance Agency in the former eleven-



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story city hall, earned his degrees at Cal State Hayward and also lectured there. Council Member Ward requested a tree be planted in his honor. Council Member Henson also stated that Mr. Bean was a dear friend, a community activist, particularly in the African American community. He consoled the Bean family with nothing but the best in these hours.

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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