



**MINUTES OF THE SPECIAL JOINT
CITY COUNCIL/REDEVELOPMENT AGENCY
MEETING OF THE CITY OF HAYWARD
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, June 5, 2007, 8:00 p.m.**

MEETING

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

ROLL CALL

Present: COUNCIL/RA MEMBERS Rodriguez, Quirk, Halliday, Dowling, Henson
MAYOR/CHAIR Sweeney
Absent: COUNCIL/RA MEMBER Ward

PRESENTATION

Business Recognition Award

Inline Distributing Company was awarded the June 2007 Business Recognition Award. It began operations in 1978 and opened its Hayward operation in 1992, and has had annual sales growth from approximately \$200,000 to \$65 million. This award was presented to Inline Distributing Company for the contributions it has made to the community by locating its distribution facility in Hayward, providing job opportunities to local residents, and contributing to the economic well being of the community. Mr. Henry Aparicio, Manager for the Hayward facility, accepted the award and thanked Council for this honor.

PUBLIC COMMENTS

John Teves, resident on Bradford Avenue, spoke about false alarm fines which he is currently contesting. He stated that there should be fines for property owners in the community who foster crimes by allowing individuals to live in their homes who deal drugs and steal cars. Mr. Teves asked that Council consider implementing such a policy.

Mayor Sweeney asked Police Chief Lowe to follow up and report back to Council on what is occurring on Bradford Avenue, and asked the Chief to work with the City Manager and City Attorney and give Council a report on the proposal.

Andrea Dareing, resident on Bodega Street, spoke on behalf of residents on the street regarding an amendment to the general plan regarding rezoning of the street which she had thought would occur sooner. She has acted in good faith and she cited issues with adjacent property owners of the Garin Vista development and the promised compensation for use of her property for access to the development and this has not occurred. The surrounding development has negatively impacted the value of her property. She asked for assurance that the rezoning of Bodega Street would occur in the upcoming fiscal year.

Mayor Sweeney asked for information regarding the dispute. City Manager Armas replied that Ms. Dareing had entered into a private agreement with a private individual regarding the property

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and there is disagreement in the matter. He confirmed that the rezoning is scheduled for the upcoming fiscal year.

CONSENT

Items 2, 3, and 6 were removed for further discussion.

1. Approval of Minutes of the City Council Meeting of May 8, 2007

It was moved by Council Member Henson, seconded by Council Member Quirk, and carried with Council Member Ward absent, to approve the minutes of the City Council Meeting of May 8, 2007.

2. Approval of Minutes of the Special Joint City Council/Redevelopment Agency Meeting of May 15, 2007

Mayor Sweeney noted that he was not in attendance at this meeting and therefore would not be voting on the approval of the minutes. He thanked Council for the kind words regarding his mother.

It was moved by Council/RA Member Dowling, seconded by Council/RA Member Henson, and carried with Council RA/Member Ward absent, to approve the minutes of the Special Joint City Council/Redevelopment Agency Meeting of May 15, 2007.

3. FY 2007-08 Annual Paratransit Plan

Staff report submitted by Neighborhood and Economic Development Manager Korth, dated June 5, 2007, was filed.

Council Member Henson inquired about the use of Measure B funds that are being used presently to support the pre-scheduling and same-day scheduling of service and what will occur after the funding runs out in 2008, shortage of qualified drivers, the difference between paratransit services and reported problems with the county-wide paratransit program. Mr. Korth responded reporting that Measure B funds were not intended as a sustainable source of funding but the City will do its part to absorb the pre-scheduling and same-day scheduling of service into the basic paratransit program. He stated that the City is working with MV Transportation, suggesting different methodologies to deal with the concern regarding the shortage of qualified drivers, such as review of their training program, compensation, and rewards for good work. He ensured that the City will continue to work with constituents to resolve any issues regarding the service.

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

Resolution 07-077, "Resolution Authorizing the City Manager to Submit a Paratransit Plan and Application for Measure B Gap Funds for FY 2007-08 to the Alameda County Transportation Improvement Authority and Negotiate and Execute All Documents Related to and in Support of These Activities"



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4. Downtown Business Improvement Area Annual Report/Proposed Budget for FY 2007-08, and Setting Public Hearing for June 19, 2007

Staff report submitted by Redevelopment Director Bartlett, dated June 5, 2007, was filed.

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

Resolution 07-071, "Resolution Accepting Annual Report and Declaring Intention to Levy Annual Charges for the Downtown Hayward Business Improvement Area for the Fiscal Year 2007-08 and Providing for Notice of Hearing Thereon"

5. Authorization to Increase Amount of Agreement with Bureau Veritas for Civil Engineering Plan Check Services

Staff report submitted by Deputy Director of Public Works Fakhrai, dated June 5, 2007, was filed.

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

Resolution 07-072, "Resolution Approving an Increase in the Amount of the Contract with Bureau Veritas for Civil Engineering Plan Check Services"

6. Summary Vacation of Pedestrian Way Easement, Inglewood Street

Staff report submitted by Deputy Director of Public Works Fakhrai, dated June 5, 2007, was filed.

In response to Council Member Halliday's inquiry regarding the present use of the property, City Manager Armas replied that the property has been fenced off for many years and this transaction formally transfers the property to an adjacent owner so it can be used.

It was moved by Council Member Halliday, seconded by Council Member Dowling, and carried with Council Member Ward absent, to adopt the following:

Resolution 07-078, "Resolution Pertaining to the Summary Vacation of a 12-Foot-Wide Pedestrian Way Easement"

7. New Sidewalk Construction on Pleasant Way and Berry Avenue and Pavement Reconstruction on Berry Avenue and Kay Avenue: Approval of Plans and Specifications and Call for Bids

Staff report submitted by Deputy Director of Public Works Fakhrai, dated June 5, 2007, was filed.

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

Resolution 07-073, “Resolution Approving Plans and Specifications for the New Sidewalk Construction on Pleasant Way and Berry Avenue and Pavement Reconstruction on Berry Avenue and Kay Avenue, Project Nos. 5151 and 5156, and Call for Bids”

8. Pavement Reconstruction 2006-07 – Andrea Street, Tampa Avenue, and Amador Street: Award of Contract

Staff report submitted by Deputy Director of Public Works Fakhrai, dated June 5, 2007, was filed.

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

Resolution 07-074, “Resolution Increasing the Administrative Change Order Amount and Awarding the Contract to Interstate Grading and Paving Inc., for the Pavement Reconstruction 2006-07 Andrea Street, Tampa Avenue, and Amador Street Project, Project No. 5161”

9. Final Tract Map 7613 – Meritage Homes of California, Inc. (Applicant/Owner) – Authorize the City Manager to Execute a Subdivision Agreement with a New Owner

Staff report submitted by Planning Manager Rizk, dated June 5, 2007, was filed.

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

Resolution 07-075, “Resolution Authorizing the City Manager to Execute a Subdivision Agreement for Tract 7613 with Meritage Homes of California, Inc., and Releasing Citation Homes”

10. Appointment of Acting City Manager

Staff report submitted by City Manager Armas, dated June 5, 2007, was filed.



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It was moved by Council/RA Member Henson, seconded by Council/RA Member Qurik, and carried with Council Member Ward absent, to adopt the following:

Resolution 07-076, "Resolution Appointing an Acting City Manager of the City of Hayward"

RA Resolution 07-15, "Resolution Appointing an Acting Executive Director of the Redevelopment Agency of the City of Hayward"

HEARINGS

11. Review of the Operating Budget for the City of Hayward and the Redevelopment Agency Budget for Fiscal Year 2007-08, the 2007-08 Master Fee Schedule, and the 2007-08 Gann Appropriation Limit, and the 2007-08 – 2010-2011 Capital Improvement Program (*Adoption on June 12*)

Staff report submitted by City Manager Armas, dated June 5, 2007, was filed.

City Manager Armas presented the staff report and provided a Powerpoint presentation highlighting details of the operating budget, revenue estimates and expenditure projections. He noted that the City has a diverse economic base made up of about 40 percent of sales tax revenues. These revenues come from businesses purchasing goods from other businesses and paying a sales tax, as well as consumer purchases made in the community of items such as automobiles and a variety of merchandise purchased from retailers, for example, Costco and Target stores. He pointed out that revenue from sale of property has slowed from about \$9.3 to \$9.5 million in 2004/2005 to a forecasted amount of \$8 million in the forthcoming year. He added that revenues from Vehicle Registration Fees which were at about \$4.5 million in 1997/98 are approaching \$12 million in the coming year. Franchise fees, such as for cable and refuse and recycling, are expected to be in excess of \$8 million next year.

City Manager Armas stated that we do have a balanced budget, but it will require use of some reserves/contingencies which have been accumulating over a number of years. A number of major initiatives are underway; i.e., the Mt. Eden area which is proposed to be annexed with some additional islands that are there, and next month Council will consider the 238 Corridor Improvement Project, a major transportation improvement project. The City will be looking at a study regarding the long-term use of 300 acres of Caltrans owned property which was previously earmarked for the 238 Bypass. Burbank School and the expanded Cannery Park will reach completion and open with the school year beginning August 2008. The City has agreed to look at proposals for the old 11-story city hall building surrounded by other city property in the next few months. The Council expressed interest during a work session in looking at other areas, such as improving staffing in Police Department, and engaging the community to determine new revenue sources to deal with the operating shortfall and identify ways in which we can better respond to

the needs of the community. In addition, City Manager Armas confirmed to Mrs. Daring that the rezoning of Bodega is scheduled for the fiscal year commencing July 2007.

City Manager Armas reported that we have contingencies of about \$9.4 million of which staff is recommending about \$3.8 million be utilized for the budget. Regarding the Capital Improvement Program, he stated that it is important to invest in infrastructure, and we are earmarking \$46 million for significant utility improvements including continued major upgrades to the Wastewater Treatment Plant, a \$50 million project slated for completion next spring. Monies are also earmarked for improvements to roads and sidewalks as well.

Council is being asked to give direction in several areas. The Keep Hayward Clean and Green Task Force had requested \$100,000 to carry out its work for the coming year. City Manager Armas has suggested an amount of \$50,000 subject to submittal of a detailed work program. The Council has also been asked for \$30,000 to represent the City's share in the county-wide 2-1-1 system, a telephone information system for providing social services, predicated on full funding being secured by June 30, 2008.

City Manager Armas stated that the City typically has not used reserves to balance the budget. Under these circumstances it is an appropriate course of action. It will allow us to continue services to the public, respond to needs of the work force, and acknowledges the assistance that our employees have offered by agreeing to two years of salary freezes, a significant sacrifice that enabled the city organization to keep afloat over the last few years, but it is important to respond to increase of the cost of living.

In closing, City Manager Armas thanked Finance Director Debra Auker, Budget Administrator Denise Blohm, and all of the department heads in assisting him in putting the document together, and members of the Council for their leadership and direction.

In responding to Council's questions regarding the reserves, City Manager Armas stated that Council has taken steps to insulate the City through dramatic swings in the economy. In 1993 the reserves were at only \$5.3 million, now at \$22.4 million in a variety of categories. In 1998 the amount went over \$10 million, in 2000 it was at \$18 million.

Council Member Quirk noted for the public that Council had spent over 8 hours in work session reviewing this \$200 million budget.

Council Member Henson thanked the City Manager and staff for the report and employees for past sacrifices. He stated that Council values the employees who deliver services to the city. He asked the City Manager for a prediction for the future local economy.

In response, the City Manager stated that things are not certain until the State adopts its own budget and if local dollars are not raided in so doing. The City is insulated to a limited extent by its diverse economic base and there is some modest growth in sales and property tax. But interest rates have impact on the public's confidence in purchasing new homes and vehicles.

Council Member Halliday asked about the use of reserves in the past. During the last two years it was forecast to use \$2.1, but at the end of the year only \$.5 million was used.



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In response to Council Member Rodriguez regarding future growth, City Manager Armas stated that there have been conversations and planning applications, though these are not sure and will not be realized until the end of the fiscal year, but it does suggest a healthier foundation going into the next two-year budget.

Mayor Sweeney opened the public hearing at 8:58 p.m.

Doug Ligibel, resident on Mesa Circle in Grand Terrace, congratulated Council for improvements to the Downtown area. He expressed concern regarding the increase in crime, especially in the downtown area, during the last two to three years. He asked about BART's responsibilities around the BART corridor. He pointed out that the increase in population has put pressure on the Police Department. He was concerned that the budget should include funds for additional police personnel to provide adequate policing, especially around BART.

DeeDee Ligible, resident on Mesa Circle in Grand Terrace, stated support for additional police personnel.

There being no other requests to speak, Mayor Sweeney closed the public hearing at 9:02 p.m.

Mayor Sweeney noted the increase in robberies, burglaries, and motor vehicle thefts which are of great concern to the community. The Council has been reviewing the goals and objectives for the city, and wants to see that trend reversed. He suggested that the City make a one time investment of \$1 million in the Police Department from the contingency to improve performance in responding to citizens in dealing with some of the challenges that the public safety personnel have suggested. This will give us an opportunity to discuss with and engage the community in how to increase revenues that are generated long term in order to meet some of the service demands that the residents have mentioned this evening. Mayor Sweeney moved, seconded by Council Member Halliday, to appropriate \$1 million from the reserves to augment police personnel to improve public safety.

Council Member Henson stated he would support the motion. In the past he had made a similar request. Referring to FBI statistics that violent crime is down in Hayward indicates that the Hayward police are doing a superb job, but it is necessary to address concerns of the public at large, adopt polices that will keep them safe. The Council will be asking the community to help address public safety issues in the future. He asked for clarification if this motion included the allocation for the 2-1-1 program and it was noted that it was not part of the motion.

Council Member Quirk noted the increase over the years in the budget for safety personnel going from 50 to 70 percent, leading to an imbalance of services. He agreed that there is a need for more police officers. However, he was reluctant to support taking \$1 million from contingencies creating an ongoing expense that might require laying off personnel and cutting other parts of the budget the following year. He stated that the City is already taking \$4 million out of contingencies to fund ongoing operations and to take another \$1 million out does not make sense and he could not support the motion.

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Mayor Sweeney stated that City does not want violent crimes to go up, investments in the Police Department are necessary so that they can respond appropriately to the demands of the community and the neighborhoods. The Council will have to ask the voters for a long term suggestions on how to fully fund these improvements in the future.

Council Member Dowling agreed it is necessary to develop a plan that keeps violent crime rates down, but will also address escalating property crimes. He reiterated Council Member Quirks' concerns regarding the possibility of hiring six to seven officers and then having to lay them off later. He expressed concern regarding the use of reserves without an ongoing plan to sustain the costs.

Mayor Sweeney pointed out that the budget report states that the Police Department will submit a staffing plan by October 2007. If we wait a full year and then another for officers to go through the academy we have lost a couple of the years in dealing with what we are presently facing in the community and we cannot afford to do so.

Council Member Rodriquez stated she is frugal by nature and was also concerned about dipping into the reserves. The plan has to be looked at closely. Particularly, our older citizens are concerned, and it is everyday crimes, such as car theft and home break-ins, that erode the community and undermine the city as a whole.

Council Member Halliday stated she seconded the motion because she supported the proposal. There are many other areas where she would like to spend money including lengthening hours at the library and restoring frozen positions. But it is important not to let the City image suffer and Council must show they care about the crime problem. She spoke about an incident at her church on Second and B Streets that recently occurred where someone broke in and removed installed copper piping from the wall. There are important choices to make that improve the quality of life.

Mayor Sweeney stated that the goals and objectives of the budget have to be clear, that we have to engage the citizens about the challenges that are being faced, how to meet the challenges, and how to pay for meeting the challenges, and asking voters next year or soon thereafter to support the long term financing of needed improvements.

City Manager Armas asked for clarification that if it is the Council's intent to have an item listed under "contingency" indicating "police personnel with a corresponding amount of \$1 million," and that there will be a document that Council can fully examine and fully assess and be convinced that what is proposed make sense. Mayor Sweeney agreed that this was the intent.

Mayor Sweeney moved, seconded by Council Member Halliday, and carried by the following roll call vote, to appropriate \$1 million from the reserves to augment police personnel to improve public safety, and adding language to the Budget Objectives regarding the specific content of the staffing plan to be submitted by the Police Department in October 2007:

AYES: Council Members Rodriquez, Halliday, Henson
MAYOR Sweeney
NOES: Council Members Quirk and Dowling



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ABSENT: Ward
ABSTAINED: None

Discussion ensued regarding the City's participation in the county-wide 2-1-1 program. Council Member Rodriguez stated that the concept of the program is great, but all the components are not available and therefore she would not be supporting the motion.

Council Member Quirk moved, seconded by Council Member Dowling, and carried by the following roll call vote, to appropriate \$30,000 for the county-wide 2-1-1, system predicated on full funding before the end of June 2008:

AYES: Council Members Quirk, Halliday, Dowling, and
Henson
MAYOR Sweeney
NOES: Council Member Rodriguez
ABSENT: Ward
ABSTAINED: None

Discussion ensued regarding the \$100,000 request from the Keep Hayward Clean and Green Task Force and the staff recommendation of \$50,000 subject to submittal of a detailed work plan. In light of current budget constraints, Council Member Dowling stated that it difficult to fund the entire amount requested. He added that the Neighborhood Initiatives Program is available as an additional source. Council Member Henson, speaking as representative of the Alameda County Waste Management and Recycling Boards, stated that there are other funding opportunities such as grants and mini-grants that might be considered depending on the proposals brought forward by the group.

Council Member Dowling moved, seconded by Council Member Halliday, and carried with Council Member Ward absent, to appropriate \$50,000 to the Keep Hayward Clean and Green Task Force subject to submittal of a detailed work plan.

Council Member Dowling thanked staff for moving up the Animal Shelter's spay and neuter clinic to September of this year. He stated that the Shelter euthanizes 2500 animals each year.

Mayor Sweeney stated that he had received a request from a resident to consider a reduction in the City's annual alarm registration fee for low-income and disabled individuals. Discussion ensued. Council Member Dowling asked about the impact to Police revenues and City Manager Armas noted it would be difficult as applicant information is not collected that would provide that information. It was felt that the impact would not be significant and that a reduction in the fee from \$25 to \$15 would be appropriate for those who qualify.

Mayor Sweeney moved, seconded by Council Member Quirk, and carried by the following roll call vote, to reduce registration for alarms for low-income and disabled persons from \$25 to \$15:

AYES: Council Members Rodriquez, Quirk, Halliday, and
Henson
MAYOR Sweeney
NOES: Council Member Dowling
ABSENT: Ward
ABSTAINED:None

LEGISLATIVE BUSINESS

12. Introduction of an Ordinance Establishing a Daytime Curfew for Minors Under 18 Years of Age

Staff report submitted by Chief of Police Lowe, dated June 5, 2007, was filed.

Chief of Police Lowe presented the staff report and responded to questions from Council. He added that there has been a significant amount of off-campus violence and this ordinance should help to curve those issues.

Council Member Quirk suggested that the enforcement hours be less specific and changed to, “while school is in session.”

In response to Council Member Halliday’s inquiry if the Youth Commission had reviewed the proposed ordinance, staff reported that it had not been submitted for them to review. She stated that it would have been a good idea to have the Youth Commission review the proposed curfew as they might have some additional ideas regarding the matter.

Council Member Henson recalled that this was a task force recommendation from 1993/94. In response to a comment he had received that some might consider that the curfew targets African-American and Latino students, he stated that it is intended to deal with all students who are off campus when they should be in school. He asked about informing the parents that this is going into affect.

City Manager Armas responded that this matter is being undertaken now so that it can be included in the upcoming new school year information distributed by the schools.

Mayor Sweeney opened the public hearing at 9:58 p.m.

Doug Ligibel, resident on Mesa Circle, spoke in support of this ordinance as he has confronted a lot of teenagers causing problems in the complex when they should be in school. There have been incidents of graffiti and other vandalism during the day as students are hanging out in the area.

Mayor Sweeney closed the public hearing at 10:01 p.m.

It was moved by Council Member Quirk, seconded by Council Member Henson, and carried with Council Member Ward absent, to introduce the following ordinance with the change to remove the specific hours and replace that language with, “when school is in session”:



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Ordinance 06-_, “Ordinance of the Hayward City Council Adding Section 4-9.02.5 to the Hayward Municipal Code Establishing a Daytime Curfew for Minors Under 18 Years of Age”

COUNCIL REPORTS

Commissioner Quirk reported on his attendance at a celebration held at Chabot College by the Tzu Chi Organization. This organization, founded by a Buddhist nun, has thousands of members who do charitable work, including raising funds for disaster relief and tutoring children. He stated that he spoke to the organization on behalf of the Mayor and Council and thanked them for their work.

Mayor Sweeney congratulated Fran David on her forthcoming appointment as Acting City Manager.

ADJOURNMENT

Mayor Sweeney adjourned the meeting at 10:04 p.m.

APPROVED:

Michael Sweeney, Mayor, City of Hayward
Chair, Redevelopment Agency

ATTEST:

Connie G. Macias, Deputy City Clerk, City of Hayward
Acting Secretary, Redevelopment Agency