



**MINUTES OF THE CITY COUNCIL MEETING OF  
THE CITY OF HAYWARD  
City Council Chambers  
777 B Street, Hayward, CA 94541  
Tuesday, June 19, 2007, 8:00 p.m.**

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**MEETING**

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

**ROLL CALL**

Present: COUNCIL MEMBERS Rodriquez, Quirk, Halliday, Ward, Dowling,  
Henson  
MAYOR Sweeney  
Absent: COUNCIL MEMBER None

**PRESENTATION: HYC Community Service Scholarships**

Members of the Hayward Youth Commission and Mayor Sweeney presented recipients with scholarships indicating that each is a high school senior who graduated from a high school in Hayward and that each will attend a college or university this fall. They extended special thanks to Council Member Ward for his support and donation of \$250 towards this scholarship program. The following four students were recipients of the 2007 HYC Community Service Scholarships: Bianca Flores, graduate of Hayward High School, Geoffrey Ngo graduate of Mt. Eden High School, Jennifer O'Hern, graduate of Moreau Catholic High School and Anthony Pacheco, graduate of Tennyson High School.

**PUBLIC COMMENTS**

Nan Barton spoke on behalf of Hayward City employees from the clerical and the maintenance units in regards to the salary survey and comparisons. She emphasized that the members are only asking to be at mid-point in comparison to salaries in other cities.

Daryl Lockhart, SEIU Maintenance Chapter President, commented on the loss of valuable City employees due to non-competitive salaries. He noted that salaries are down between 12 and 21 percent behind neighboring cities. He commented that negotiations are progressing. He urged the Council to consider approving the mid-range to maintain high quality employees.

Larry Hendel, representing SEIU 1021, introduced Damita Davis Howard, the new president. He commented that the new merger makes the membership 54,000 members strong and acknowledged members from neighboring cities. He also acknowledged the representation from Local 21. He spoke in support of improved salaries and a classification study, noting that current salaries are below the average. He indicated that the agreement expired in April. He reported that negotiations continue to progress steadily, but much too slow and urged a quick settlement. Angela O. Yinde, a resident for fifteen years on Odom Way, urged that City services be maintained, the negotiations stay positive and encouraged the Council to do the right thing by supporting employee raises.

**DRAFT**

## **BOARDS AND COMMISSIONS**

### **I. Confirm Appointments and Reappointments to the Various Boards and Commissions and Administer Oath of Office**

Staff report submitted by City Clerk Reyes, dated June 19, 2007, was filed.

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

Resolution 07-083, "Resolution Confirming the Appointment and Reappointment of Members to Various Boards, Commissions and Task Force"

City Clerk Reyes administered the Oath of Office to seventeen appointees to the various boards, commissions and task force. Mayor Sweeney congratulated all and noted that he looked forward to working with the new members.

## **CONSENT**

Consent Item #3 was removed for separate vote.

### **1. Approval of Reimbursement Agreement with Caltrans for Deconstruction of Two State-Owned Structures**

Staff report submitted by Deputy Director of Public Works Fakhrai, dated June 19, 2007, was filed.

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

Resolution 07-084, "Resolution Authorizing the City Manager to Negotiate an Agreement with Caltrans for Reimbursement of Costs Associated with the Deconstruction of Two State-Owned Buildings on Route 238 Bypass Right-Of-Way"

### **2. Authorization to Submit an Application for Priority Development Area Designations**

Staff report submitted by Senior Planner Buizer, dated June 19, 2007, was filed.

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

Resolution 07-085, "Resolution Authorizing the City Manager to Submit an Application to the Regional Agencies for Priority Development Area Designations"



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3. Authorization to Execute an Agreement with Noll and Tam Regarding the Design of the New Main Library

Staff report submitted by Library Director Rosenblum, dated June 19, 2007, was filed.

Council Member Quirk expressed his excitement as this is progress towards designing a new library. He added that he supports the Library Commission's participation, review and input on the consultant's recommendation.

City Manager Armas asserted that it is staff's intention to schedule joint Library Commission and Council work sessions.

Mayor Sweeney asked that staff address the \$10 million funding from the Russell City Energy Center (RCEC). City Manager Armas provided summary, noting that the contract for designing and evaluating a new library is for \$220,000. This funding is from a \$1 million contribution to assist in the design effort that is independent of the Russell City Project. In 2001-2002, the RCEC proponent stated that at the time of licensing from the State, a sum of \$10 million would be provided to the City towards a new library. He indicated that the RCEC has been approved by the California Energy Center except that currently it is moving the plant across the street. He agreed with Mayor Sweeney, that even with that contribution, it is not sufficient to construct a new library facility, noting the current cost is \$400 per square foot.

Council Member Dowling reported that forthcoming State library bonds are in suspense until 2008. Council Member Quirk, in response to e-mails he previously received, made a statement with the intent to remove any confusion about power plants. He reiterated the Council's decision against the siting of the peaker plant on Clawiter. He pointed out that the plant in this discussion is near the City's treatment plant away from homes and schools and is Calpine or the Russell City Energy Center.

Council Member Henson stated that it is a very positive step for this City and is a deserving project for this community. He complimented Library Director Rosenblum and urged support in an effort to fund this exciting project.

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

Resolution 07-086, "Resolution Awarding the Contract to Noll & Tam to Design the New Main Library"

**HEARINGS**

4. Consideration of an Ordinance Extending the Moratorium on Mobilehome Park Conversions

**DRAFT**

Staff report submitted by City Clerk Reyes, dated June 19, 2007, was filed.

City Manager Armas discussed the steps of this extension and indicated that this adoption requires a public hearing. There was a question whether the Council has authority to act on this ordinance, which was confirmed by staff.

Mayor Sweeney opened the public hearing at 8:32 p.m.

Sue Loftin, Esq., Fleet Street, Carlsbad, stated that she is representing the owners of the Eden Gardens Mobile Home Park. She referenced correspondence previously sent, dated May 25<sup>th</sup> and June 18<sup>th</sup>. She explained the Eden Gardens conversion and stated that she would be addressing particular myths and rumors related to the conversion. She discussed the agreement that guarantees no economic or actual eviction. All residents without regard to income level will receive lifelong leases with rent increase protections following the format of the State Rent Control that will not allow for pass-through. She described purchase programs that will be tailored for each income level with options to remain renting. The lifetime lease will be a deed restriction and recorded. If the residents decide to purchase, it will be at an affordable level that will be based upon their income. They will have six months to make this decision. Equal control will remain in the park. Infrastructure improvements, replacements and all Title 25 requirements will occur. She described and discussed a number of settled rumors regarding condo conversions. There is no 20% required down payment for purchase. She indicated that if a resident decides to sell, the equity will not be lost. She stated that evictions will not occur due to rent protection. She stated that she did not concur with the City of Hayward in that it has a legal basis for this moratorium and the extension that will continue the moratorium for an additional ten months and fifteen days. She recommended that the Council take this into consideration so that the park owners can proceed with the conversion.

Council Member Dowling surmised that this is really different from the condo conversion procedures in that residents do not have to purchase the apartment and can simply move, but moving a mobile home is virtually impossible. He questioned whether the City's mobile home ordinance would be eliminated.

In response, Ms. Loftin agreed that this is different than a condo conversion, but in this instance, if the resident decides not to purchase the land nothing changes including the rent increase protection. She stated that the park owner is extending the protections to residents of all income levels. She distinguished the differences. Hayward's rent control sets a cap on what can be charged and is determined by the average of the prior four year rent increases, so that the maximum is \$10.50. She also noted that Hayward does not allow for a pass-through of infrastructure improvements. Ms. Loftin stated that with the conversion, the City's mobile home rental ordinance does go away. Unlike in a condo conversion situation, the owner cannot say buy or leave and in this instance, the owner is offering mitigation expanded to include all income levels. Eden Gardens is a senior park and most of the residents are low and moderate income and the park owner has extended to all a rent control that would be in the tentative tract report and would be recorded as part of the map.

Council Member Dowling observed that the residents would have to rely on the State to resolve any issues as compared to seeking remedies through the City's ordinance via the City Attorney's



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staff. He asked another question in regards to the homeowners' association (HOA) formulation and control.

Ms. Loftin explained that a two tiered homeowners association will be established for those who rent and for those who own. With two HOA groups, each group must have a required majority to change anything from the DRE and both groups along with the developer must agree.

Council Member Dowling asked whether the owner has considered selling the park, to which Ms. Loftin responded that there really is not a market, and most parks are aging and in need of improvements in infrastructure. In Southern California parks are being closed as the property is valuable.

Council Member Henson expressed his concerns with Ms. Loftin's presentation as it sounds rather seamless, but he was of the understanding that there are additional costs including the HOA process and maintenance costs.

Ms. Loftin reported that the buyers would pay HOA dues. The renters would not be paying HOA dues. Affordable funding programs will be based on income, not the price of the property. She provided an example of a person who is allowed to pay 40% of their total housing costs on average pays \$705. If an individual earns \$1,600 per month, it would be \$445 per month to buy, which would be a savings. There is a sliding scale and includes the HOA dues, which will not increase as the homes are maintained by the home owners.

Council Member Henson felt that this was somewhat of an overwhelming discussion for all involved to absorb. He stressed the importance of rent control and his preference was for local control rather than having to deal with the State. He was not convinced by this presentation.

Council Member Rodriguez emphasized that there are nine mobile home parks in Hayward with a great many residents. If converted, many of them could not reside here. She did not know where these residents would live if the conversions occurred. The owners of the mobile home park paint a very rosy picture; almost as if that this will benefit the residents, but local control is eliminated. She indicated that the nine mobile home park residents need to be protected and residents do not desire to change their current status in mobile homes. She concluded that the main motivation is to generate income for the park owners.

Ms. Loftin described her experience since 1981 and with mobile home conversions; the majority of the conversions were initiated by resident groups. She stated that her firm has represented park owners, resident groups and cities in terms of conversion of mobile home parks. In her experience, she had two occupants move their mobile homes to another park. She agreed that there is a risk to residents. In her opinion the benefits to low income residents was the ability to purchase, which provides flexibility in that there is equity, the ability to refinance, to rent it out and to sell a single family detached condominium unit, not a mobile home on a rental space.

Kathy Morris, President of the Hayward Mobile Home Association, spoke in support of the extension of ten months and fifteen days. She spoke against “condolization” of Eden Gardens that would totally erode the City’s rent control ordinance and impact affordable housing. She spoke of the impacts to those residing in the El Dorado Mobile Home Park in Palm Springs and enumerated the financial impacts to the residents. She reported that there are 48 vacancies and residents are financially driven from their homes, in particular the elderly, which contributes to their health and longevity. More time is required to carefully explore and scrutinize the long term effects towards 4,000 residents and not allow Hayward parks to become another El Dorado.

Dwayne Schott, residing at 1150 West Winton, stated that this is not a good deal for the residents of this park.

Ron Mckay, residing at 1150 West Winton Ave., spoke against the changes impacting residents and added that residents have also lost AC Transit service at the entrance to that park.

Mayor Sweeney closed the public hearing at 9:03 p.m.

Council Member Halliday would be supporting the extension as an opportunity to research this. She indicated that this Council has made a commitment to eliminate homelessness and must be careful to reach that goal. Along with a tough housing market, those having to leave the mobile home park due to the conversion could face this situation.

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

Ordinance 07-06, “An Ordinance to Extend Interim Emergency Ordinance No. 07-04 of the City of Hayward Adopted Pursuant to Government Code Section 65858, Imposing a Temporary Moratorium on the Issuance of Use Permits, Variances, Building Permits and Other Land Use Approvals of Mobile Home Park Conversions”

5. Changes to Community Facilities District No. 1 (Eden Shores)

Staff report submitted by Finance Director Auker, dated June 19, 2007, was filed.

Finance Director Auker made the report related to the proposed amendment and restatement of the rate and method of apportionment of assessments for the district and formation of the two improvement areas in that district. She provided information on the Mello Roos district formation and described the two changes in the way the properties are assessed and indicated that there is some public property in this district that will not be assessed. She reported that the bond counsel has ordered legal steps in this proceeding. She responded to Council questions related to the assessment basis, that all property owners are treated equally and recommended the approval of the three resolutions. She confirmed that the main fiduciary responsibility of the City is to insure that the bond holders will not be negatively affected by this action.

Mayor Sweeney opened and closed the public hearing at 9:16 p.m., with no requests to speak.



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Mayor Sweeney then directed City Clerk Reyes to open the property owners' votes and declare the results.

City Clerk Reyes reported that the total votes cast in favor of the proposed amendment and the two improvement areas were 92 and that there were no votes cast against this amendment. With these results of the special election, Mayor Sweeney asked for a motion to declare the results and approve the resolutions.

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

Resolution 07-087, "Resolution Calling Special Election to Amend and Restate the Rate and Method of Apportionment of Special Tax and Form Improvement Areas for Community Facilities District No. 1 (Eden Shores)"

Resolution 07-088, "Resolution Declaring Results of Special Election to Amend and Restate the Rate and Method of Apportionment of Special Tax and Form Improvement Areas for Community Facility District No. 1 (Eden Shores)"

Resolution 07-089, "Resolution of Change for Community Facilities District No. 1 (Eden Shores)"

6. Downtown Business Improvement Area Consideration of Annual Levy

Staff report submitted by Redevelopment Director Bartlett, dated June 19, 2007, was filed.

Redevelopment Director Bartlett made the report and responded to Council questions.

Council Members commended Ms. Bartlett and her staff on its promotional efforts and urged that staff look into the new Stonebrae development that could generate new businesses. Council Member Henson suggested the use of an e-board that could be used to announce downtown activities. Mayor Sweeney recommended an increase in the number of times the sidewalks are pressure washed. He also recommended that staff address the issue of homelessness in the downtown.

As there were no requests to speak, Mayor Sweeney opened and closed the public hearing and opportunity to speak at 9:23 p.m.

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

Resolution 07-090, "Resolution Confirming the Annual Report and Authorizing the Downtown Business Improvement Area (DBIA) Levy for Calendar Year 2008"

**COUNCIL REPORTS**

Council Member Quirk reported on a recent ABAG session he attended regarding PG&E. He summarized what was presented related to implementing energy efficiency programs. He commented on the efforts towards adopting the LEEDS program, the effort to utilize energy points and make the cities more energy efficient. He suggested staff look at the City as a whole and to utilize loans for energy saving efficiencies.

**ADJOURNMENT**

Mayor Sweeney adjourned the meeting at 9:27 p.m.

**APPROVED:**

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Michael Sweeney, Mayor, City of Hayward

**ATTEST:**

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Angelina Reyes, City Clerk, City of Hayward