



**MINUTES OF THE SPECIAL CITY COUNCIL/
REDEVELOPMENT AGENCY MEETING OF
THE CITY OF HAYWARD**
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, June 24, 2008, 8:00 p.m.

MEETING

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

ROLL CALL

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

PUBLIC COMMENTS

Maureen Loughran and Kellie Traver from the Alliance for California State University requested that the Hayward City Council provide a letter or resolution in support of the university system. They distributed several documents, including a newspaper article written by former San Francisco Mayor Willie Brown, Jr., a resolution in support from the San Francisco Board of Supervisors and a fact sheet of the Bay Area California State University campuses. They stated that they are third year students and their tuition fees have gone up. They expressed concern that the State budget cuts will undermine the current education system and students will need considerably more time than the standard four years to complete their course work.

Mayor Sweeney asked that they keep him informed.

Andy Wilson appreciated the Council for providing a memorial in honor of Woody Spears, a Tuskegee Pilot, noting that George Lucas, filmmaker, is planning to produce a film on the Tuskegee Pilots' experiences. Mr. Wilson is a pilot and stated that he is making an effort for Hayward to be included in the documentary.

BOARDS AND COMMISSIONS

1. Appointments and Reappointments to the Youth Commission and Administer Oath of Office

Staff report submitted by City Clerk Reyes, dated June 24, 2008, was filed.

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

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Resolution 08-093, "Resolution Appointing and Reappointing Members to the Youth Commission"

City Clerk Reyes administered the Oath of Office to all of the new Youth Commission appointees.

CONSENT CALENDAR

2. Approval of Minutes of the Special Joint City Council/Redevelopment Agency Meeting on June 10, 2008

It was moved by Council/RA Member Henson, seconded by Council/RA Member Dowling, and unanimously carried, to approve the minutes of the City Council/Redevelopment Agency Meeting of June 10, 2008.

3. Update of the Airport Layout Plan (ALP): Professional Services Agreement with DMJM Aviation

Staff report submitted by Acting Airport Manager Partin, dated June 24, 2008, was filed.

Council Member Halliday asked for clarification on the proposed plan development. Public Works Director Bauman stated that staff plans to establish a working group of individuals interested in the airport. He stated that this working group, a volunteer group that includes tenants, will be to assist with the Airport Layout Plan. He confirmed Council Member Halliday's statement that portions of this project will be funded by the federal government.

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

Resolution 08-095, "Resolution Authorizing the City Manager to Negotiate and Execute a Professional Services Agreement with DMJM Aviation Consultants to Update the Hayward Executive Airport's Airport Layout Plan"

4. Authorization for the City Manager to Execute a Professional Services Agreement for Preliminary Design and Environmental Services for the 880/92 Reliever Route Project – Phase I

Staff report submitted by Deputy Director of Public Works Fakhrai, dated June 24, 2008, was filed.

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

Resolution 08-094, "Resolution Authorizing the City Manager to Negotiate and Execute a Professional Services Agreement with Kimley-Horn and Associates, Inc., for Preliminary Design and



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Environmental Services for the I-880/SR 92 Reliever Route – Phase I Project, Project No. 6961”

HEARINGS

5. Downtown Business Improvement Area Consideration of Annual Levy

Staff report submitted by Redevelopment Director Bartlett, dated June 24, 2008, was filed.

Community and Economic Development Director Daluddung stated that Redevelopment Agency Director Bartlett would be making this presentation. Redevelopment Agency Director Bartlett reported that this is a required public hearing for the Downtown Business Improvement (BIA) district. She enumerated the requirements, the allocations and stated that the levy would not be increased at this time, but in 2010 there may be that need. The committee oversees the activities and events of the business community in the downtown. In response to Council Member Quirk’s question, she reported that when the levies are not paid, a collection agency is used to collect them. She responded to Council questions related to the annual events, such as the pet parade. She reported that this year that event may be held in October rather than in December. Staff is seeking sponsorships for the next pet parade.

In response to a question on the use of banners, she noted that members of the BIA Advisory Board are discussing the use of banners and considering the use of historic markers or even an electronic billboard. Council Member Halliday commented that she would like to see the continued use of street banners. Council Member Henson asked about the art and wine activity and it was noted that this activity may be delayed this year due to financial constraints as well as setting the cinema grand opening event as a priority this year.

Mayor Sweeney opened the public hearing at 8:23 p.m.

Andy Wilson stated that he was disappointed that the art and wine festival was not budgeted for this year. He also offered a suggestion to add a line item to the budget relating to stage theater. This could bring attention to the theatre events, such as those done by the Douglas Morrison Theater, the Hayward Little Theatre, the Cal State East Bay Theater and the Chabot Community College Theater. He suggested the use of banners in the downtown to bring attention to those and other art venues.

Mayor Sweeney closed the public hearing at 8:25 p.m.

Council Member Quirk moved the staff recommendation and suggested that Mr. Wilson talk to the Redevelopment Agency staff so that he could present his idea to the BIA Board members. He

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thanked everyone who participated in this project, in particular, the volunteers who dedicate time towards this effort.

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

Resolution 08-096, "Resolution Confirming the Annual Report and Authorizing the Downtown Business Improvement Area (DBIA) Levy for Calendar Year 2009"

LEGISLATIVE BUSINESS & INFORMATIONAL ITEMS

6. Approval and Appropriation of the Operating and Capital Budgets for the FY 2009; Approval and Appropriation of the FY 2009 Hayward Redevelopment Agency Budget; and Approval of the FY 2009 Preliminary Master Fee Schedule Changes, and FY 2009 Gann Appropriations Limit, and Master Fee Schedule Changes, and FY 2009 Gann Appropriations Limit, and the PERS Two-Year Additional Service Credit Enhancement, and Other Budget Related Actions

Staff report submitted by Director of Finance Auker, dated June 24, 2008, was filed.

Director of Finance Auker made the report, noting the six previous discussions that took place on this budget and responded to questions.

Council/RA Member Quirk asked staff to comment on the retirement enhancement credit that will be offered. He noticed that the public safety employees have a different time period than that for the miscellaneous employees. City Manager/Executive Director Jones responded that the "window" is different so that staff can prepare should there be the need for recruitment due to potential retiring employees.

Council/RA Member Henson asked that City Manager/Executive Director Jones reiterate the re-organization of City departments for the benefit of the public audience. City Manager/Executive Director Jones noted that there are two key organizational changes that will benefit services in relation to the Council's priorities. There are four maintenance functions that will be centralized as a maintenance department. The social services division and the community preservation staff will be consolidated with the Library Department to create a Library and Neighborhood Services Department. He also noted that the technology division, formerly under the City Manager's department will stand as an independent department with Clancy Priest as its director.

Mayor Sweeney asked that City Manager/Executive Director Jones identify the Council's overriding key priorities. City Manager/Executive Director Jones responded that all the service delivery outcomes will address the two key priorities of public safety and cleanliness.

Council/RA Member Ward commented that this Council has been able to maintain a reasonably healthy reserve. He asked staff to report on the reserve anticipations.



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Finance Director Auker stated that staff projections are to end the general fund with reserves of \$14.3 million even with the City using \$9 million in the current year. No reserves are planned to be used in the 2009 fiscal year.

Council/RA Member Quirk confirmed that the City, in fact, is borrowing about \$5 million from the reserves in the Redevelopment Agency. He stated that it is not a pretty picture, but the City is going to get through it.

Mayor/RA Chair Sweeney opened the public hearing at 8:34 p.m.

Andy Wilson, a resident since 1974, stated that he was the only resident that attended all of the six budget work sessions. He read from the budget document related to the Public Works Department that stated that the property tax on aircraft will be shifted to the General Fund. Based on advice from an expert in aviation law, he referred to the tax code that states that the monies should be disbursed three ways: 1) to the County, 2) to the local schools and 3) to the Hayward Airport. He would be sending a letter to City Manager Jones.

Public Works Director Bauman stated that staff also reviewed the tax code and researched other airports and indicated that the direction is to send them to the City, not to the airport.

Finance Director Auker also responded and stated that Mr. Wilson was accurate and that this fund is divided in three ways. She further explained that this is in fact, unsecured discretionary property tax.

Mayor/RA Chair Sweeney closed the public hearing at 8:38 p.m.

The following motions were taken prior to the final adoption of the annual budget and related resolutions.

Mayor/Chair Sweeney left the meeting at 8:39 p.m.

Council/RA Member Quirk then took the gavel as Mayor Pro Tempore Quirk and asked for a separate motion for the Community Promotions budget as Council/RA Member Rodriguez had previously announced that she was involved with the Hayward Arts Council, the South Hayward Parish and other nonprofits receiving Social Services funding.

Council/RA Member Dowling moved, seconded by Council /RA Member Ward, to approve the funding for the City's Social Services and Community Promotions budgets.

Council/RA Member Halliday asked for clarification on the land use study and whether the additional topic, "quarry village," would be studied as part of an existing alternative with no additional cost for the study.

Community and Economic Development Director Daluddung responded that the preliminary estimate is about \$12,000 to \$15,000 thousand additional costs. She is working with the quarry village applicant to finalize the definition of that proposal. She indicated that she is using \$25,000 from the General Fund and an equal amount from the Redevelopment Agency. Staff will need to return to Council with a more accurate cost and request an additional allocation. She affirmed Council/RA Member Ward's question that the quarry village development is proposing 1,000 units.

At 8:39 p.m. Mayor/Chair Sweeney and Council/RA Member Rodriquez excused themselves from the Council Chamber.

Mayor Pro Tempore Quirk asked for a motion to approve the Community Promotions and Social Services budgets.

Council/RA Member Dowling moved, seconded by Council/RA Member Ward, carried by the following roll call vote to approve both the Community Promotions and the Social Services budgets.

AYES: Council/RA Members Halliday, Dowling, Ward,
Henson
Mayor Pro Tempore Quirk
NOES: None
ABSENT: None
ABSTAINED: Council/RA Member Rodriquez
Mayor/RA Chair Sweeney

At 8:42 p.m., Council/RA Member Rodriquez returned to the dais.

Mayor Pro Tempore Quirk asked for a motion to approve the CDBG funding as well as the funding for the Route 238 Land Use Study as a separate vote. Council/RA Member Ward asked for clarification on the action about to be considered. Staff clarified that the vote taken will only fund the study. Council/RA Member Ward requested that the record reflect that he is opposed to the quarry village concept, but would be voting on the approval of the land use study.

Council/RA Member Dowling moved, seconded by Council/RA Member Rodriquez, and carried with Mayor/RA Chair Sweeney abstaining, to fund the CDBG projects and the Route 238 Land Use Study.

At 8:44 p.m., Mayor/RA Chair Sweeney returned to the dais and Mayor Pro Tempore Quirk was excused due to his conflict of interest. Mayor Pro Tempore Quirk stated that he resides within the neighborhood and is a member of the Old Highland Homeowners Association. There is a project included in the Capital Improvements Budget, entitled, "OHHA Street Improvements.

Council/RA Member Ward moved, seconded by Council/RA Member Henson, and carried with Council/RA Member Quirk abstaining, to approve the budget allocation for the Old Highland Homeowners Association Street Improvements Project included in the Capital Improvements Projects Budget.



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Council/RA Member Quirk returned to the dais at 8:46 p.m.

Council/RA Member Henson confirmed with Finance Director Auker that the Council comments and concerns previously made during each of the budget sessions and deliberations would be incorporated and reflected in the budget documents.

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

Resolution 08-097, "Resolution Approving the Operating Budget of the City of Hayward for Fiscal Year 2009; Adopting Appropriations for Fiscal Year 2009"

Resolution 08-098, "Resolution Approving Capital Improvement Projects for Fiscal Year 2009"

Resolution 08-099, "Resolution Adopting Preliminary Changes to the Master Fee Schedule Relating to Fees and Charges for Departments in the City of Hayward"

Resolution 08-100, "Resolution Establishing the Appropriation Limit for Fiscal Year 2009"

Resolution 08-101, "Resolution to Grant Designated Periods for Two Years Additional Service Credit"

Resolution 08-102, "Resolution Adopting Financial Policies for the City of Hayward"

RA Resolution 08-07, "Resolution Approving the Budget of the Redevelopment Agency of the City of Hayward and Adopting Appropriations for Fiscal Year 2009"

Mayor/RA Chair Sweeney thanked staff for all the arduous efforts made to complete this budget.

COUNCIL REPORTS

There were no Council Reports.

ADJOURNMENT

Mayor/RA Chair Sweeney adjourned the meeting at 8:48 p.m.

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APPROVED:

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

ATTEST:

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