



**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 2, 2009, 8:00 p.m.

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**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 Council/RA Member Quirk.

**ROLL CALL**

Present: COUNCIL/RA MEMBERS Zermefo, Quirk, Halliday, May, Dowling,  
MAYOR/Chair Sweeney

Absent: COUNCIL/RA MEMBER Henson

**CLOSED SESSION ANNOUNCEMENT**

There was none.

**PRESENTATIONS**

**Business Recognition Award**

The Business Recognition Award for March 2009 was presented to Annabelle Candy Company, Inc. Annabelle began operations in 1950 and moved to Hayward in 1965. Annabelle Candy Company produces approximately 40 million candy bars a year. Annabelle has 60 employees and over a third of them live in Hayward. Annabelle Candy Company has contributed to Hayward by: being an industry leader; locating its manufacturing facility in Hayward; providing jobs to Hayward residents; and contributing to the social and economic well-being of the Hayward community. Shelley Craft, Director of Finance, and Iliana Mendoza, Accounting Manager, accepted the award and thanked Council for the honor and recognition.

Mayor Sweeney announced that the Social Services section of the budget will be re-noticed and held over to a future date.

**PUBLIC COMMENTS**

Mr. John Kyle, Teakwood Street resident, spoke about the Alameda County truck parking problem and the number of trucks that are parking at Southland Mall. He mentioned that trucks are forbidden to park at Union City's Union Landing shopping area.

Ms. Audrey LePell, Ocie Way resident and president of Citizens for Alternative Transportation Solutions (CATS), requested the City Council reconsider keeping A Street a two-way street and to retain the mini-loop with modifications from the City, Alameda County Transportation

**DRAFT**

Improvement Authority (ACTIA) and other funding agencies. Ms. LePell noted her membership to ACTIA Citizens Advisory Committee and her willingness to assist the City.

Mayor Sweeney reminded Ms. LePell that the City Council was split on the A Street project and that Mayor Sweeney, Council Members May and Henson were in opposition. Council Member Halliday requested the item be placed on a future work session agenda. Council concurred with the request and asked staff to make note.

## CONSENT CALENDAR

Consent Items 2 and 3 were removed for further discussion.

1. Adoption of an Ordinance of the City of Hayward Levying Special Tax within Community Facilities District – Community Facilities District No. 2 (Cannery Place Public Services) *(Introduced on 05/26/09)*

Staff report submitted by City Clerk Lens, dated June 2, 2009, was filed.

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

Ordinance 09-06, “Ordinance of the City of Hayward Levying Special Tax within Community Facilities District”

2. Downtown Business Improvement Area Annual Report and Proposed Budget for FY10

Staff report submitted by Redevelopment Project Manager Ortega, dated June 2, 2009, was filed.

In response to Council Member Halliday’s request for clarification about the proposed budget in regards to the decorative holiday lights, Redevelopment Director Bartlett responded that the decision was made to remove the lights from the budget because there are other organizations that might be willing to cover the costs involved with the holiday lights.

Council Member Zermefio expressed support for decorative holiday lights.

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

Resolution 09-070, “Resolution Accepting Annual Report and Declaring Intention to Levy Annual Charges for the Downtown Hayward Business Improvement Area for the Fiscal year 2010 and Providing For Notice of the Hearing Thereon”



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3. Authorization for the City Manager to Execute a Professional Services Agreement for Landscape Water Use Study and Survey

Staff report submitted by Deputy Director of Public Works Ameri, dated June 2, 2009, was filed.

Council Member Quirk stated the City needs to find as many ways as possible to conserve water and expressed support for bringing this item to the attention of Council to help provide more information about the process of commercial landscaping in regards to water conservation. Mr. Quirk requested that the Community Gardens be a part of the study.

Director of Public Works Bauman stated the study looks at 40 of the largest commercial water users, in particular for landscape purposes. Mr. Bauman stated the City can have the consultant look at the Community Gardens and possibly help them improve their antiquated system.

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

Resolution 09-071, "Resolution Authorizing the City Manager to Negotiate and Execute a Professional Services Agreement with Gates + Associates for a Landscape Water Use Study and Survey"

4. Dixon Area Sewer Improvements: Industrial Diverter: Approval of Plans and Specifications and Call for Bids

Staff report submitted by Deputy Director of Public Works Ameri, dated June 2, 2009, was filed.

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

Resolution 09-067, "Resolution Approving Plans and Specifications for the Dixon Area Sewer Improvements-Industrial Diverter Project, Project No. 7550, and Call for Bids"

5. First Responder Advanced Life Support (FRALS) Agreement

Staff report submitted by Fire Chief Bueno, dated June 2, 2009, was filed.

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

Resolution 09-068, "Resolution Authorizing the City Manager to Complete Negotiation of and Execute a First Responder Advanced Life Support Agreement"

6. Resolution in Opposition to AB 761 (Calderon): Override of Local Rent Control Ordinances in Mobile Home Parks

Staff report submitted by City Manager Jones, dated June 2, 2009, was filed.

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

Resolution 09-069, "Resolution in Opposition to Assembly Bill 761"

7. Cinema Place Construction Loan Restructuring

Staff report submitted by Redevelopment Director Bartlett, dated June 2, 2009, was filed.

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

RA Resolution 09-013, "Resolution Authorizing the Executive Director to Negotiate and Execute Any and All Documents Necessary for Restructuring of the Cinema Place Construction Loan Debt"

## **PUBLIC HEARING**

Mayor/RA Chair Sweeney announced that Council would first address the budget and its public hearing and then address the Community Promotions as a separate item with a different hearing section. He further stated that the Social Services Program section of the budget hearing would be held over to a future meeting due to a defect in the notice requirement.

8. Introduction of the City of Hayward and Hayward Redevelopment Agency Operating Budget for FY 2010; Capital Improvement Program Budget for FY 2010-2019; Master Fee Schedule Update; and Gann Appropriations Limit

Staff report submitted by Director of Finance Auker, dated June 2, 2009, was filed.

Director of Finance Auker provided a synopsis of the report and Director of Public Works Bauman provided a summary of the Ten-year Capital Improvement Program (CIP) budget.



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Mayor/RA Chair Sweeney mentioned there was a work session on May 26, 2009, where Council reviewed the budget for several hours.

Mayor/RA Chair Sweeney opened the public hearing at 8:51 p.m.

Ms. Linda Bennett, Hayward resident, noted support for the Library. She mentioned that, especially when times are difficult, the community relies on Library services.

Mayor/RA Chair Sweeney closed the public hearing at 8:53 p.m., and reminded everyone about the hearing for the budget adoption on June 16, 2009.

Council/RA Member Dowling made a motion to accept the introduction of the City of Hayward and Hayward Redevelopment Agency Operating Budget for FY 2010; the Capital Improvement Program Budget for FY 2010-2019; Master Fee Schedule Update; and Gann Appropriation Limit. Mr. Dowling spoke in favor of the report and commended the work done by different City staff.

Council/RA Member Quirk seconded the motion. Mr. Quirk thanked the community for passing Measure A, and thanked City employees, including managers, Council, Firemen and Policemen for their continued contributions in helping the City deal with a budget that still does not balance.

Council/RA Member Zermefio reminded everyone to contact senators, assembly persons and the Governor and to ask them to leave local monies alone and let the legislature fix California's budget. Mr. Zermefio reiterated Council/RA Member Quirk's thanks to everyone.

Council/RA Member Halliday reiterated the compliments to the community for its confidence in the City and passing Measure A and to City employees for working hard and making compensation sacrifices in order to save money. Ms. Halliday noted that the City needs to maintain the trust of the community and believes the staff has done this by laying out a roadmap with clear goals for the City. Ms. Halliday stated that the Library is an institution that strengthens the community.

Mayor/RA Chair Sweeney underscored Council/RA Member Zermefio's comments about contacting the Governor and legislators and telling them not to take money away from local governments. Mr. Sweeney noted that Director of Finance Auker mentioned the City could lose as much as six million dollars from State takeaways.

It was moved by Council/RA Member Dowling, seconded by Council/RA Member Quirk, and carried with Council/RA Member Henson absent, to approve the introduction of the City of Hayward and Hayward Redevelopment Agency Operating Budget for FY 2010; Capital Improvement Program Budget for FY 2010-2019; Master Fee Schedule Update; and Gann Appropriations Limit.

Director of Finance Auker gave a synopsis of the Community Promotions Program; page seven of the staff report.

Mayor/RA Chair Sweeney opened the public hearing at 9:04 p.m.

Mr. Thomas Gratny, Fairview Avenue representative and Allied Vets and Lone Tree Cemetery representative, gave an after-action report on the Memorial Day celebration. Mr. Gratny spoke to the contribution of the Boy Scouts at the 106<sup>th</sup> Annual event at Lone Tree Cemetery. Mr. Gratny requested more involvement from the City for the Memorial Day Event for next year.

Ms. Carol Morgan, Mallard Court and Youth Orchestra of Southern Alameda County (YOSAC) representative, noted that YOSAC's mission is to support school music programs. Ms. Morgan outlined the program and how it helps the members of the community. She added that YOSAC offers automatic 10% discount to all Hayward residents and has been able to offer full scholarships to all Hayward residents requesting it. Ms. Morgan thanked the City for its support and hoped for continued funding.

Mr. Ronnie Stewart, Executive Director of the Blue Society and Hayward/Russell City Blues Festival representative, thanked the City for supporting the legacy of Blues Festival. He indicated that the funding is essential in carrying on the African American history that was a part of Hayward. Mr. Stewart thanked the Council for their foresight in funding the project for the last ten years.

Mr. Herb Witt, Lebanon Street resident and representative of the Hayward Zucchini Festival, spoke in favor of the festival, which is enjoyed by the entire community. He hoped that the City would support the festival on its 27<sup>th</sup> year.

Mr. Rich Essi, Cherry Way resident and General Manager of the Hayward Zucchini Festival. He spoke of the importance of the Zucchini Festival for Hayward as far as the revenue it generates and noted that funding is needed in order to continue. Mr. Essi is also President of Lion's Club of South Hayward which puts on the Fourth of July Celebration at Weekes Park and spoke of the difficulties of putting on a major program with only \$5700. He reiterated the importance of funding for the Zucchini Festival.

Ms. Patra Messeay Steffes, Bland Street resident and Sun Gallery representative, noted the Gallery has many diverse programs, several of which she described. She noted that the Gallery is staffed by all volunteers with only one paid person.

Council/RA Member Dowling thanked Ms. Steffes for all her efforts in saving the Sun Gallery and inquired about the financial situation. Ms. Steffes noted that they are very conservative and thrifty about spending and hoped the City will continue to help fund the Gallery. Mr. Dowling thanked the Gallery for featuring some great City employees.

Council/RA Member Zermefio asked about the Sun Galley presence in the upcoming Downtown Hayward Street Parties. He also asked Ms. Steffes to consider having art in the park.



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Ms. Valerie Caveglia, Volunteer Director for the Sun Gallery and Hillcrest Avenue resident, thanked staff for the funding in difficult times. She praised the hard work of the volunteers and spoke about the "Collages" show that recently opened. Ms. Caveglia noted that in the past the Council would give an in-kind grant or additional grant for the use of City Hall (Centennial Hall back then), and it was about \$2,500 dollars. She thought that if the non-profits could use the rotunda, it would be a great gift, rather than having to pay the \$600 to \$700 fee. She hoped that Council would consider this. Ms. Caveglia also noted that the Sun Gallery has been a provider of art in Hayward for thirty-five years.

Council/RA Member Quirk thanked Ms. Caveglia and other volunteers. Mr. Quirk asked staff to review the possibility of allowing some nonprofits the use of the rotunda in terms of a grant for next year in addition to any other financial assistance.

Ms. Susan Gonzales, Castro Valley resident and with the Sun Gallery, read a piece from "Care of the Soul" regarding art and creation and noted that these are being taken away from the schools and that the Gallery provides this for the community. Ms. Gonzales thanked Council for their support. Council Member Halliday noted the great work that is done at the Sun Gallery with children. Ms. Halliday complimented the Gallery for promoting the holiday fundraising.

Ms. Lolita Morelli, representing the Hayward Municipal Band, spoke about the successful performance during the Memorial Day Event at Lone Tree Cemetery. Ms. Morelli referred to a postcard that she handed out, which noted the band's first concert. Ms. Morelli thanked Council for all their support. Ms. Morelli expressed concern that once Centennial Hall closes down, the band will not have a place to rehearse or store equipment. She added that she was awaiting a response regarding the closure of Centennial Hall and prospective alternative locations.

Mayor/Chair Sweeney closed the public hearing at 9:34 p.m.

Council/RA Member Dowling thanked the staff for putting the report together and agreed with Ms. Caveglia's suggestion about the use of City Hall for fundraisers. He added that Centennial Hall has allowed organizations to use the hall for meetings but not for fundraisers. Mr. Dowling encouraged staff to look into the use of the rotunda for non-profit fundraisers as long as they do not interfere with rentals. Council/RA Member Dowling made a motion to approve the Community Promotions Program.

Council/RA Member Quirk seconded the motion.

Council/RA Member May thanked the 12 organizations that showed up at last month's Economic Development Committee meeting for their dedication and expressed disappointment in the two groups that did not show up. She favored funding groups that are in line with the number of Hayward residents beings served and those that are based in Hayward.

In response to Ms. May's inquiry regarding funding items that were recommended to come from a different budget and the redistribution of funds to the rest of the groups, Director of Finance Auker noted that the groups mentioned would receive funding from the City Manager's budget but it would not change the budget allocation recommendation.

A discussion ensued regarding the lack of quorum at the last Economic Development Committee (EDC) meeting, Council/RA Member May expressed concern that Council did not receive a recommendation from the EDC and noted that she did not want this to happen again next year. Ms. May stated that if there is not enough people present to make a quorum, then there is no justification for Council to make a decision until a recommendation is received from that group.

Council/RA Member Zermefio noted there have been some in-kind donations for Centennial Hall for the Martin Luther King Celebration, but would like this to be expanded to include the rotunda or another venue. Mr. Zermefio is in favor of the recommendations to move the funding for those groups to the City Manager's office. Mr. Zermefio inquired if he needed to excuse himself from voting as he is on the Board of the Cinco De Mayo. City Attorney Lawson suggested that for particular items that Council Members might have the appearance of a conflict, they would need to recuse themselves by stepping away from the desk.

Council/RA Member Halliday spoke in support of the motion and favored finding more in-kind ways to support other organizations.

Mayor/RA Chair Sweeney called for a motion on items 1-5 and 7-14, to accept the staff recommendation with additional recommendations that staff evaluate some of the suggestions made by Council Members in regards to in-kind donations and to bring the evaluation back to Council.

**Council/RA Member Dowling made a motion** seconded by Council/RA Member Quirk, and carried with Council/RA Member Henson absent, to approve the staff recommendation for FY 2010 Community Promotions Program Applications 1-5 and 7-14, with an additional recommendation that staff evaluate suggestions made by Council Members including in-kind donations and return to Council with the evaluation.

**Council/RA Member Dowling made a motion** seconded by Council/RA Member Quirk, and carried with Council/RA Members Henson and Zermeno absent, to approve the staff recommendation for FY 2010 Community Promotion Program Application No. 6 Cinco de Mayo/Mexican Independence Program.

## **COUNCIL REPORTS**

Mayor/Chair Sweeney referred to John Kyle's concern about a truck parking at Southland Mall and asked staff to investigate.

## **ADJOURNMENT**

Mayor/Chair Sweeney gave the opportunity to Council/RA Member Quirk to adjourn the meeting at 9:50 p.m., in memory of Sharon Dwyer, an artist, and Council/RA Zermefio the opportunity to adjourn in memory of Rose Goulart, a nurse.



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**APPROVED:**

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

**ATTEST:**

Miriam Lens, City Clerk, City of Hayward  
Secretary, Redevelopment Agency