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**DATE:** March 2, 2010  
**TO:** Mayor and City Council  
**FROM:** City Manager  
**SUBJECT:** Expression of Appreciation and Support for Gillig Corporation

### **RECOMMENDATION**

That Council approves the attached resolution expressing appreciation for Gillig Corporation and supporting their efforts to provide transportation products to local and regional transportation agencies.

### **BACKGROUND**

Gillig was founded over 115 years ago, in 1890, in San Francisco, for the purpose of modifying and building buggies and carriages - the main mode of transportation at that time. Gillig adapted to the new horseless technology, but in 1906 the factory burned down in the great San Francisco earthquake and fire. That setback didn't keep Gillig down, and the factory was soon rebuilt and the production of early model buses began, followed later by school buses and troop transports. Gillig, currently located at 25800 Clawiter Road in Hayward, is the second largest producer of transit buses in North America, and produces around 1,200 to 1,300 buses per year for hundreds of different customers, from Alaska to Florida.

Creative engineering and aggressive problem solving have led to many innovative product firsts for the company, such as the patented California Top for touring cars of the 1920's, the first transit style school bus in the 1930's, the first rear engine diesel powered coach in 1959, and the first production built, dedicated LNG transit bus in 1992 - all products using advanced technology of the day to optimize quality and value. Most of the buses GILLIG builds today are powered by the world's cleanest and most efficient diesel engines, along with producing a hybrid electric model.

### **DISCUSSION**

On July 22, 2009, a City contingent visited Gillig Corporation as part of our efforts to better connect with our business and industrial communities. During that visit, Gillig expressed concern that they have been unable to secure business from some local transportation agencies that utilize similar bus equipment. ACTransit, for example, purchases from a non-USA company, VanHool

in Belgium. The purpose of this Resolution is to express the City's appreciation for Gillig selecting Hayward for their corporate and manufacturing headquarters, and to encourage all local and regional transportation companies to purchase locally, made-in-the-USA transportation products such as Gillig products, rather than purchasing outside the region and outside the United States.

### **FISCAL IMPACT**

Gillig Corporation currently contributes to City of Hayward revenues through Property Taxes, Sales and Use Taxes, Business License Tax, and Utility Users Tax. Additional business generated by the company will likely increase this tax revenue to the City, as well as ensure employment opportunities for local residents.

*Prepared and Approved By:*



Gregory T. Jones  
City Manager

Attachments: Attachment I      Resolution

HAYWARD CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAYWARD EXPRESSING APPRECIATION FOR GILLIG CORPORATION AND SUPPORTING THEIR OPPORTUNITY TO PROVIDE TRANSPORTATION PRODUCTS TO LOCAL AND REGIONAL TRANSPORTATION AGENCIES

WHEREAS, in January, 2009, the members of City Council and staff were hosted by Gillig Corporation at their site located at 25800 Clawiter Road in Hayward; and

WHEREAS, Gillig Corporation is the second largest producer of transit buses in North America; and

WHEREAS, Gillig Corporation employs over 650 people; and

WHEREAS, Gillig Corporation is a significant tax payer in the City of Hayward, and a local employer; and

WHEREAS, the City Council of the City of Hayward supports buying products made in Hayward, as well as products made in the United States; and

WHEREAS, AC Transit currently buys transportation products from VanHool in Belgium, a competitor of Gillig's, and which products are similar to those produced by Gillig; and

WHEREAS, Additional business generated by the company will likely increase tax revenue to the City, as well as ensure employment opportunities for local residents..

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Hayward that the Council does hereby encourage local, regional, and state transportation providers, particularly AC Transit, to assure that local manufacturers such as Gillig have a full and open opportunity to bid on all relevant procurements; and encourages these agencies to buy transportation products from local manufacturers such as Gillig Corporation, rather than off-shore.

IN COUNCIL, HAYWARD, CALIFORNIA, March 2, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES:            COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST:  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

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City Attorney for the City of Hayward