

COUNCIL MEMBERS
MAYOR, JEFF IRA
VICE MAYOR, BARBARA PIERCE

COUNCIL MEMBER, IAN BAIN
COUNCIL MEMBER, ROSANNE FOUST
COUNCIL MEMBER, JIM HARTNETT
COUNCIL MEMBER, DIANE HOWARD
COUNCIL MEMBER, IRA RUSKIN



MINUTES

CITY COUNCIL
CITY OF REDWOOD CITY
1017 MIDDLEFIELD ROAD • P.O. BOX 391
REDWOOD CITY, CALIFORNIA 94064-0391
www.redwoodcity.org
CITY COUNCIL CHAMBER

CITY COUNCIL
REGULAR MEETING
JOINT WITH REDEVELOPMENT AGENCY
AND PUBLIC FINANCING AUTHORITY
NOVEMBER 3, 2003
7:00 P.M.

The Mayor/Chairman convened the City Council, Public Financing Authority, and Redevelopment Agency meetings to order concurrently.

- 1. CALL TO ORDER – 7:02 P.M.**
- 2. ROLL CALL**

Council Members Present: Hartnett, Howard, Jordan (7:10 p.m.), Pierce, Ruskin,
Vice Mayor Ira, Mayor Claire

Staff Present: City Manager Everett, PRCS Director/Assistant City Manager Centeno, City Clerk Howe, Deputy City Clerk Conly, City Attorney Yamamoto, Assistant City Attorney Brower, Financial Services Director Ponty, Financial Services Manager Freeman, Community Development Services Manager Patterson, Community Development Services Manager Passanisi, Housing & Economic Development Manager Moeller, Police Chief Bolanos, Police Captain Warner, Police Sergeant Weiss, Interim Library Director Kramer, Volunteer Balsamo

- 3. PLEDGE OF ALLEGIANCE - Colleen Jordan, Council Member**
- 4. INVOCATION - Pastor Dennis Logie, Sequoia Christian Church**

DRAFT -
NOT FOR CITATION

5. SPECIAL ORDERS OF THE DAY -

A. Proclamation in Honor of Frank Guida in recognition for his contributions to Pop Warner Football in Redwood City

Mr. Guida thanked the City Council and the Parks, Recreation and Community Services department for the support over the many years.

B. Presentation and Proclamation: Geographic Information Systems (GIS)

Staff made the presentation explaining the GIS program. Mayor Claire read and proclaimed November 19, 2003, as "GIS Day".

6. ORAL COMMUNICATIONS

Kate Eckhardt stated that a line item for candidates should have been public discourse without recrimination, an open forum for all people to come before City Council and speak their mind. She asked that this be considered as the new Council takes its seat and have it be one of the most important purposes of these meetings. She spoke of the letter from Dr. Atkinson-Barr presented by Council Member Jordan the previous week and that there was reason to discuss the matter. She further stated various points regarding recycled water.

Bernard Peradotto asked Mayor Claire what was going to do about his complaint.

Mayor Claire stated that Mr. Peradotto has a problem with a lawsuit and a contractor. He has a request for action against City employees, and since it is possible that the City will be sued by Mr. Peradotto to obtain attorney fees, the City Attorney has advised that no communication occur between the City and Mr. Peradotto.

Recess: 7:40 – 7:50 p.m.

Paul Sanfilippo thanked all Council candidates for the nice campaign.

Christina Lai stated to Council Member Jordan, on behalf of the Safewater Coalition and the entire group of supporters, that they will miss her at future Council meetings. She further stated that they thank her deeply as their Council representative for fighting so hard for so many of the important issues to all. She stated that due to Council Member Jordan, the supporters have become united, coming together as one voice and as a community they have become stronger. Ms. Lai presented flowers to Council Member Jordan as a token of appreciation and love.

Marge Parkhurst thanked Council Member Jordan for her service. She stated that she was distressed and perplexed by some Council Members' reaction the previous week to the scientific article brought up by Council Member Jordan. She further cited the credentials of the author, Senior Scientist Dr. Joan B. Rose, reading a quote from the

Michigan State University News Bulletin. She ended by stating that the present treatment being proposed for the recycled sewer water is insufficient and unless the treatment is significantly improved, she is asking that we keep the recycled sewer water away from children.

Council Member Ruskin asked and City Manager Everett confirmed that staff would be taking the article, seeking commentary on it by other reputable scientists and reporting back to Council.

Doug Finlay, Redwood City School Board, introducing Redwood School District Superintendent Ron Crates, presented a "report card" to the Council. He displayed the API test scores from the beginning of time in 1998 to the most recent results for 2003. He highlighted that all 15 of the schools made their schoolwide growth targets last year with Roosevelt and Taft ranked second and third in the County in terms of growth last year growing, 80 and 85 points. The previous year, Fair Oaks, grew 115 which was the highest growth for any school in the district. North Star scored a 953 which is the highest test score of any school in the County, ranked 14th in the state out of 10,000 schools. He stated that the City and Council has been a partner with the School District and he thanked them for their partnership and support over the years citing such accomplishments as passing two bond issues and major improvements to playfields.

Ron Crates, Superintendent, pointed to two agenda items on the night's agenda that point to that collaboration. He stated to Council Member Jordan that he respects the time committed to the city and the community. He further stated that Mayor Claire has provided the leadership that has permitted and encouraged the relationship between the City and the School District. He wished Mayor Claire, on behalf of the 9,000 children and nearly 1,000 employees the best in the future.

Council Member Ruskin thanked Doug Finlay stating that he has devoted glorious service to the School Board and the entire community. He stated that the Council is committed to the schools and the partnership.

Mayor Claire stated that over the last 18 months, a very controversial subject, comments made under Oral Communications, stated his preference to receive scientific technical data that supports one opinion provided within sufficient time for thorough review. He further stated that the City Manager was directed to present a report from other individuals considered experts on the topic. He further stated that the City Charter prohibits any Council Member from asking for anything other than information from any department.

7. CONSENT CALENDAR – CITY COUNCIL AND REDEVELOPMENT AGENCY

Items on the Consent Calendar are considered to be routine by the City Council/Redevelopment Agency and will be enacted by one motion and one vote.

M/S Hartnett/Ruskin to waive reading of the Consent Calendar except the ordinances by title, adopt the resolutions and the ordinances, and approve other items. Council Member Howard requested Item 7.1.E for separate discussion. **The motion passed by a unanimous voice vote.**

7.1 Section - Motions

- A. Approve the Joint City Council and Redevelopment Agency minutes of October 27, 2003 as submitted; **MINUTE ORDER 03-264**

- B. Final Acceptance – Marie La Rocca Estates Subdivision

Recommendation:

Accept the improvements for the Marie La Rocca Estates Subdivision located at 1425 Kentfield Avenue, and authorize the release of bonds, following the submission of a Maintenance Bond in the amount of \$42,500.00.

MINUTE ORDER 03-265

- C. Reject all Bids – Fair Oaks Elementary School Sport Field Improvement Project

Recommendation:

Reject all bids for the Fair Oaks Elementary School Sport Field Improvement Project

MINUTE ORDER 03-266

- D. Approval of Construction Improvement Agreement for 490 El Camino Real

Recommendation:

Approve and authorize execution of a construction improvement agreement with H/S Whipple, LLC, for construction improvements for 490 El Camino Real

MINUTE ORDER 03-267

7.2 Section – Claims and Warrants

- A. Approve warrants dated through November 3, 2003 and usual and necessary payments through November 24, 2003; **MINUTE ORDER 03-268**

7.1 Section – Motions (item removed from Consent Calendar for separate vote)

- E. Grant of two separate Revocable Permits to improve and use space on a Redwood City Redevelopment Agency-owned (triangular-shaped, 5,200 +/- square foot) parcel located between the Redwood Creek culvert and Maple and Lathrop streets, across from the Franklin Street Apartment Complex. (Exhibit A – Site Plan, Parcel #1) – **REDEVELOPMENT AGENCY**

Council Member Howard referred to the previous consideration of combining the two lots together for a child care facility and that it had later been determined that

it would not be cost effective. She asked that the explanation of that decision be addressed and an explanation be made of what the future plans for this site are.

Planning Director Church stated that upon studying the possibility with child care providers and experts it became apparent that more space was needed for child care needs which would involve closing Lathrop Street and starting to culvert the creek running along the back side of the site. At that point, it became financially unfeasible. As for tonight's action, Mr. Church stated that the 30-day revocable permits do not foreclose any decisions on what might ultimately be done with the site.

Council Member stated that her recollection was that other options would be explored and that she considers it an entry feature going into downtown and the idea of parking of vehicles in that area is disappointing. She suggested that if/when housing is done in the downtown area that a request for proposal on that site might garner interest in development and finishing Franklin Street.

M/S Howard/Ruskin:

1. Authorize the grant of a revocable permit that would allow Irvine Apartment Communities (IAC) to install and maintain certain improvements within the above referenced parcel and authorize the Redevelopment Manager to execute same
2. Authorize the grant of a revocable permit that would allow Towne Ford to install and maintain other improvements within the above referenced parcel and that would allow Towne Ford to use the parcel for daytime employee parking and authorize the Redevelopment Manager to execute same.

The motion passed by a majority voice vote with Vice Mayor Ira abstaining.

RD MINUTE ORDER 03-33

M/S Ruskin/Howard to adjourn the Redevelopment Agency meeting. **The motion passed by a unanimous voice vote.**

8. STAFF REPORTS – CITY COUNCIL

- A. Financing for the new Police Activities League (PAL) Community Center located at 3399 Bay Road in Redwood City

City Manager Everett summarized the next four items as a staff report to consider the Council being a guarantor to a loan to PAL; a public hearing (T.E.F.R.A.) relating to the sale of a bond; consideration of refinancing bonds to take advantage of a lower interest rate; and the last item is to contract with a financing team to accomplish the refinance.

Police Captain Warner, President of the Board of Directors of PAL, gave an overview of the PAL program from its inception to its current status and goals for the community.

Council Members asked various questions.

M/S Hartnett/Ruskin to adopt a resolution approving and authorizing execution of agreement with Bay Area Bank and PAL, with the City of Redwood City as "guarantor" of the loan. The loan will be in the amount of \$1,500,000.00 to allow for completion of the new PAL Community Center.

ADOPT RESOLUTION 14560 OF THE COUNCIL OF THE CITY OF REDWOOD CITY AUTHORIZING PROCEEDINGS AND AGREEMENTS RELATING TO A GUARANTY FOR THE BENEFIT OF THE POLICE ACTIVITIES LEAGUE COMMUNITY CENTER PROJECT AND AUTHORIZING OFFICIAL ACTIONS

The motion passed by a unanimous roll call vote. MINUTE ORDER 03-269

9. PUBLIC HEARINGS – CITY COUNCIL AND PUBLIC FINANCING AUTHORITY

A. Public Hearing for Potential Loan to the Police Activities League — CITY COUNCIL

Director of Finance and Financial Planning Ponty stated that the public hearing would provide the City with the flexibility in using bond proceeds for the bond issue recommended under Item 9.B. on the agenda. No action is required by the Council other than to provide interested parties with the opportunity to speak on the issue.

Mayor Claire opened the public hearing. No public comment was received.

M/S Ruskin/Howard to close the public hearing. **The motion passed by a unanimous voice vote.**

City Council held a public hearing, as required under Section 147 (f) of the Internal Revenue Code, to provide the City with the option of loaning up to \$1.5 million of bond proceeds to the Police Activities League.

MINUTE ORDER 03-270

Vice Mayor Ira left the dias due to a potential conflict of interest with a client owning property adjacent to the retail/cinema project.

B. Approval of bond financing documents in connection with the issuance of City of Redwood City Public Financing Authority (the "PFA") Lease Revenue Bonds (the "2003 Bonds") – CITY COUNCIL AND PUBLIC FINANCING AUTHORITY

Director of Finance and Financial Planning Ponty stated that approval of this financing will complete the financing plan for the downtown improvements initially approved during the past budget study sessions and adoption of the Redevelopment Agency budget. He further explained the role of the Public Financing Authority developed in 1991 and three objectives for the action on this item: 1) refinance the bonds issued in 1991 to generate savings; 2) obtain funds to loan to the Redevelopment Agency for downtown projects; 3) obtain funds for the PAL loan guarantee (approved in Item 9.A.).

Recess: 8:35 – 8:40 p.m.

Mayor Claire opened the public hearing. There was no public comment.

M/S Hartnett/Howard to close the public hearing. **The motion passed by a unanimous voice vote.**

Recommendation:

It is recommended that the City Council and the Board of the Public Financing Authority adopt respective resolutions which will provide for the issuance of up to \$12.5 million of Public Financing Authority lease revenue bonds. These resolutions will approve, in substantially final form, the following documents:

- Indenture of Trust (PFA);
- Subordinate Site Lease (City and PFA);
- Subordinate Lease Agreement (City and PFA);
- Continuing Disclosure Agreement with the trustee for the 2003 Bonds (City);
- Bond Purchase Contract with the underwriter of the 2003 Bonds (PFA);
- Preliminary Official Statement and its distribution (PFA); and,

Will authorize all actions specified in the resolutions in connection with the issuance of the 2003 bonds.

M/S Hartnett/Ruskin to:

ADOPT RESOLUTION 14561 OF THE COUNCIL OF THE CITY OF REDWOOD CITY AUTHORIZING PROCEEDINGS AND AGREEMENTS RELATING TO THE FINANCING OF THE ACQUISITION OF LAND FOR PUBLIC USES, APPROVING ISSUANCE AND SALE OF BONDS BY THE CITY OF REDWOOD CITY PUBLIC FINANCING AUTHORITY, APPROVING AN OFFICIAL STATEMENT AND AUTHORIZING OFFICIAL ACTIONS

And

ADOPT RESOLUTION PFA 03-03 OF THE CITY OF REDWOOD CITY PUBLIC FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$12,500,000.00 PRINCIPAL AMOUNT OF LEASE REVENUE REFUNDING BONDS, SERIES 2003, AUTHORIZING AND DIRECTING EXECUTION OF AN INDENTURE OF

TRUST, A SUBORDINATE SITE LEASE AND A SUBORDINATE LEASE AGREEMENT, AUTHORIZING THE SALE OF BONDS PURSUANT TO A PURCHASE CONTRACT, APPROVING AN OFFICIAL STATEMENT AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO

The motion passed by a majority roll call vote by those present with Vice Mayor Ira abstaining.

10. STAFF REPORTS – PUBLIC FINANCING AUTHORITY

- A. Appointment of a bond underwriter, financial advisor, bond counsel, and disclosure counsel to provide professional services in connection with the sale of bonds by the Redwood City Public Financing Authority

Recommendation:

M/S Ruskin/Hartnett to, in connection with the sale of bonds, to refinance existing bonds and to provide supplemental funding for various downtown improvements, approve by motion the appointment of:

- Stone & Youngberg LLC as bond underwriter
- William Euphrat Municipal Finance, Inc. as financial advisor,
- Nossaman, Gunther, Knox & Elliot as bond counsel, and
- Jones Hall as disclosure counsel,

And authorizing the Authority's Finance Director to enter into professional service contracts for such services. **The motion passed by a majority roll call vote by those present with Vice Mayor Ira abstaining.** PFA MINUTE ORDER 03-01

M/S Ruskin/Howard to adjourn the Public Financing Authority meeting. **The motion passed by a unanimous voice vote by those present.**

11. MATTERS OF COUNCIL INTEREST

- A. **Legislation (information only)** - This sub-section involves possible discussion of City Position on Proposed Legislation described in the League of California Cities Priority Focus Bulletin No. 42-2003. Council may direct staff to act on positions taken by Council. (Copies of League of California Cities Priority Focus available in City Clerk's Department.)
- B. **Mayor Claire** – stated that because this was his last regular meeting, he wished to thank all of his fellow Council Members for their patience over the last two years that he has served as Mayor. He stated that he respects each person and the individual thoughts brought to the Council and the best in the future.

12. ADJOURNMENT – 8:50 p.m.

M/S Howard/Ruskin to adjourn until the next City Council meeting of November 24, 2003. The motion passed by a unanimous voice vote by those present.

Respectfully submitted,

Patricia S. Howe, CMC
City Clerk