



MINUTES
CITY COUNCIL
CITY OF SOUTH SAN FRANCISCO

SPECIAL MEETING
CITY HALL
CITY MANAGER'S CONFERENCE ROOM
400 GRAND AVENUE
SOUTH SAN FRANCISCO, CA

WEDNESDAY, MAY 31, 2017
6:00 p.m.

CALL TO ORDER

Time: 6:00 p.m.

ROLL CALL

Present: Councilmembers Addiego and Matsumoto, Vice Mayor Normandy and Mayor Gupta.

Absent: Councilmember Garbarino

AGENDA REVIEW

There were no changes to the agenda.

PUBLIC COMMENTS

None.

ADMINISTRATIVE BUSINESS

- 1. Report regarding study session for Fiscal Years 2017-2019 Proposed Biennial Operating Budget. (Richard Lee, Director of Finance)**

Director Lee acknowledged the time and effort of the Budget Standing Committee and indicated the budget reflected comments and direction from the May 3, 2017 study session. He presented proposed revenue, expenditures and projected surplus. He outlined increasing General Fund Revenues including property tax, sales tax, transient occupancy tax, permit revenues, and parking tax revenues.

In response to Mayor Gupta, Director Lee explained the delta in property tax revenue.

In response to Councilmember Addiego, Director Lee discussed the anticipated increase in sales tax revenue.

Director Lee reviewed the General Fund Expenditures by Department.

In response to Mayor Gupta, City Manager Futrell explained the Market Tax Credit program for community development and proposed \$100,000 for a vendor to assist with the program. He discussed the requirements for the program and his prior use in Baton Rouge. He stated there was an annual appropriation by Congress.

Councilmember Matsumoto asked if the funding was tied to MTC. City Manager Futrell stated it was solely based on the Federal census.

In response to Councilmember Addiego, City Manager Futrell stated there were two tracks that qualified, Old Town and part of Lindenville.

Director Lee discussed budget appropriations requested by department. He reviewed staffing requests and other funds.

In response to Mayor Gupta, Director Lee stated the second additional garage was not included in the budget. Public Works Administrator Lovell explained that it was included in the CIP.

Director Lee discussed the reduction in the Federal grant for senior programs. He stated there was \$4 million in potential surplus of which \$1 million was needed to fund the General Fund Reserves. He recommended \$1.9 million be put into the PERS Stabilization Reserve and \$1.9 million into the Infrastructure Reserve.

In response to Councilmember Addiego, Public Works Administrator Lovell explained the proposed annual maintenance for the Fire Station backup generators. He discussed annual inspections and the need to utilize a specialty service. Councilmember Addiego asked if the generators could be relocated to the new facility. He discussed the Down Payment Assistance Program and response from 21 interested individuals. City Manager Futrell explained the plan to obtain an administrator for the program, then see what could be done with the \$1 million. Councilmember Addiego questioned the \$100,000 limit. City Manager Futrell stated it was as starting point and staff would report back to Council.

Vice Mayor Normandy stated the program could supplement HART funding.

In response to Councilmember Addiego, Parks and Recreation Director Ranals explained the new position for a landscape architect. City Manager Futrell discussed the requirement for review of landscape plans on development projects.

In response to Councilmember Addiego, Director Lee explained the Developer Deposit Fund. Councilmember Matsumoto explained the purpose of the multi-modal study and hopes that the transportation plan would identify traffic solutions east of 101 and assist in obtaining grant funding. Mayor Gupta asked what question would be answered with the study. Director Greenwood explained that as the City developed, transportation needs were evolving and the study could provide in depth analysis to set the stage for a comprehensive General Plan update and assist with financing strategies. He stated it was a multiyear study with the first phase focusing on east of 101. Councilmember Matsumoto stated she met with Oyster Point Development Group and discussed transportation needs.

In response to Councilmember Addiego, City Manager Futrell anticipated Oyster Point development would be part of Martin School.

Councilmember Matsumoto requested clarification on the amounts indicated on Page 3 of 11 in the Finance Department narrative. Director Lee explained that the first figure

represented change from the current year adopted budget and the second figure was the change between FY 17-18 and 18-19.

Councilmember Matsumoto suggested increasing the City Council budget on page 2 of 11 due to Councilmember Garbarino's travels as the League of California Cities Vice President. Director Lee stated the Council budget was increased to \$20,000. City Manager Futrell stated he would meet with Councilmember Garbarino to discuss the matter.

Councilmember Matsumoto requested adding water rescue to the Fire Department consulting services on Page 3 of 11. She discussed the request on Page 4 of 11 for \$5,000 for holiday event entertainment in the breezeway and suggested having a school band perform. She discussed the request on Page 5 of 11 for \$11,000 for TDM compliance and asked what happened to commute.org. Director Greenwood stated he was not aware of a relationship with commute.org. City Manager Futrell stated they would contact commute.org. He discussed the need to ensure development obligations were being met. Councilmember Matsumoto requested utilizing TDM programs from surrounding cities.

Mayor Gupta asked if it was a one-time study or would be an ongoing expense. Director Greenwood stated the intent was to set up a process that could be done in house. Mayor Gupta discussed the importance of TDM with the new projects coming on board.

Councilmember Matsumoto suggested trying to obtain a second shuttle. She asked about maintenance on Page 8 of 11. Director Ranals explained the proposed to increase maintenance.

In response to Councilmember Matsumoto, Director Greenwood explained the process for updating the General Plan. He confirmed that IT would ultimately move to PD. In response to Councilmember Matsumoto, City Manager Futrell explained the proposal for reserves. Councilmember Matsumoto discussed Page A5, Commercial Parking Tax, and stated the Brentwood parking area needed to be restriped. She asked if parking meters could be installed. Director Lee explained that parking meter revenue went to the Parking Tax District. Councilmember Matsumoto asked how often TOT was audited. Director Lee stated an audit had just been completed.

In response to Councilmember Addiego, Director Lee explained the two-phase audit approach.

In response to Councilmember Matsumoto, Director Lee explained the gas tax transferred to the CIP fund and General fund. Councilmember Matsumoto discussed the City Clerk budget and expressed concern with the lack of leadership and ability to accomplish the proposed goals. Councilmember Addiego concurred and indicated disappointment with no longer providing passport services.

Councilmember Matsumoto discussed Page E18. City Manager Futrell explained the \$30,000 for the walking tour bronze medallions and signs.

Councilmember Matsumoto discussed the City's inability to save the red barn and asked if there were funds available for historic repairs. City Manager Futrell discussed CDBG funds available for low income home repairs. He stated the budget included reintroduction of a

historical grant program under the Library.

Mayor Gupta discussed the former Historical Preservation Commission.

In response to Councilmember Matsumoto, City Manager Futrell explained the proposed allocation of \$10,500 for Biotech/Downtown Business newsletter. Councilmember Matsumoto stated it appeared premature until the housing was developed. She suggested encouraging sharing of information with ECD. Communications Director Arroyo stated \$2,700 was for a summer intern for social media. Councilmember Matsumoto thanked staff for allocating \$10,000 for the employee newsletter. She questioned why some items were listed under Non-departmental, Other Expenditures. Director Lee stated it was based on past practice. Councilmember Matsumoto discussed the need for a pathway for long time employees to transition from hourly to salary and to move up. City Manager Futrell discussed his experience with part-time employees moving to full-time. Human Resources Director Bellow stated she would look into the two referenced employees. She discussed succession planning and efforts to retain employees for full careers. Councilmember Addiego stated it was necessary to understand the entire picture of employees. Director Bellow explained the Teen Engagement Employee Summer Youth Program introduced last summer. Councilmember Matsumoto suggested partnering with Las Hermanas and Los Hermanos. She asked if BLS received retiree benefits. Fire Marshall Silva stated they were part-time, hourly employees. Councilmember Matsumoto asked if there was a program in place to retain Police Officers. Police Chief Azzopardi discussed efforts to create specialized positions without effecting patrol. He stated there were currently two officers on Worker's Compensation that were not included in the indicated vacancies. He discussed the recruitment process. Councilmember Matsumoto requested additional Police Officer contact with the community. Chief Azzopardi discussed efforts of officers to attend special events.

In response to Councilmember Addiego, Chief Azzopardi stated he was comfortable with the current overtime hours.

Councilmember Matsumoto requested a concerted effort in Public Works basics such as street paving and street lights. Mayor Gupta stated he had discussed issues with City Manager Futrell. City Manager Futrell stated the crews were working on repairs following the rains. In response to Vice Mayor Normandy, Public Works Director Kim explained the process for prioritizing repairs.

Councilmember Matsumoto discussed Page E65 and Parks and Recreation goals. She expressed concern with the aging population and need for senior programs. She discussed areas in need of landscaping.

Councilmember Addiego stated he was impressed with improvements in Public Works. He expressed concern with deterioration of the Civic Center.

In response to Councilmember Matsumoto, Director Ranals discussed staffing requirements for child care programs. She requested Council direction in order to inform the children on the waiting list. City Manager Futrell explained the need to expand the program.

In response to Councilmember Addiego, Director Ranals stated the adult day care program had capacity for additional seniors. She stated Magnolia Center was open seven days per

week and the classes were shown in the senior newsletter.

Councilmember Matsumoto stated the senior van was not being utilized to its fullest extent.

Mayor Gupta indicated support for additional staff for the child care programs. Vice Mayor Normandy indicated support for contacting the families on the wait list.

Councilmember Matsumoto asked about the City Housing Fund on Page G2. City Manager Futrell discussed Measure K funds and the need to find additional funds for affordable housing. Director Greenwood stated the RFQ included notation of the City's affordable housing needs but the project would most likely be market rate housing.

In response to Councilmember Addiego, Director Greenwood stated he would provide data on the number of rental units. Mayor Gupta referenced the census data on rental properties.

Councilmember Matsumoto discussed race demographics and questioned the Hispanic population. Director Greenwood stated Hispanic identity was not considered race.

In response to Councilmember Matsumoto, Director Lee discussed benefits for part-time employees. He stated the rates were aligned between contract and permanent employees. Fire Chief Kohlmann discussed the hiring process for eliminating contract employees.

In response to Councilmember Addiego, Fire Chief Kohlmann explained the two remaining contact positions.

In response to Councilmember Matsumoto, Director Lee stated the 80 hourly employees did not receive benefits. Councilmember Matsumoto requested data on the tiers of retired employees in the Friday memo.

City Manager Futrell confirmed that East of 101 was included in the South San Francisco school district boundaries.

2. Study session for the proposed Capital Improvement Program for Fiscal Years 2017-19. (Justin Lovell, Public Works Administrator)

Administrator Lovell presented the Capital Improvement Program (CIP) for fiscal year 2017-2019. He stated the Budget Subcommittee had reviewed the CIP project by project. He discussed grant funds and gas tax money. He stated nearly 80% of the funds were going towards streets and traffic projects. He discussed the Civic Center Campus and Aquatics Center projects and summarized proposed parks and ballfield projects.

In response to Councilmember Addiego, Director Ranals explained improvements to the perimeter of Orange ball fields. Councilmember Addiego requested the completed park look like Premier Park in South San Francisco. Administrator Lovell stated the budget included funds for design.

Administrator Lovell discussed the proposed Multi-modal Transportation Improvements. He explained grant funds received for Grand Boulevard improvements.

Councilmember Matsumoto suggested coordinating with SCAG on its Grand Boulevard project. City Manager Futrell discussed landscaping improvements and a gateway sign from San Bruno border up to Spruce.

Administrator Lovell discussed other multi-modal projects.

Councilmember Addiego asked if the design of the gateway sign had been determined. City Manager Futrell stated “the City of” was included on the sign.

Councilmember Matsumoto requested gateway signs and US 101 Produce Avenue interchange be high priorities. She encouraged resubmitting a grant application to BPAC for intersection safety. She stated the update to the Bike Master Plan was critical to obtain grant funds.

Vice Mayor Normandy thanked staff and suggested eliminating the Budget Subcommittee. City Manager Futrell stated the fee schedule would be distributed ten days prior to the meeting.

Mayor Gupta expressed his appreciation to staff for responding to questions regarding the budget.

CLOSED SESSION

3. Closed Session:

Conference with Real Property Negotiators (Pursuant to Government Code Section 54956.8)
Property: Former PUC Parcels: Parcel A1 (APN 011322030); Parcel A2a (APN 011326030, 093331070 & 093331080); Parcel A3 (APN 011312050)

Negotiating Parties: City of South San Francisco and Oversight Board to the Successor Agency to the former Redevelopment Agency

Negotiations: Review Price and Terms.

City Negotiators: Marian Lee and Alex Greenwood

Time Entered Closed Session: 8:30 p.m.

Open Session resumed: 8:45 p.m.

ADJOURNMENT

Being no further business, Mayor Gupta adjourned the meeting at 8:45 p.m.

Submitted by:



Gabriel Rodriguez, Acting City Clerk
City of South San Francisco

Approved by:

Pradeep Gupta, Mayor
City of South San Francisco