



# CITY OF NEWARK CITY COUNCIL

Various Locations, Newark, CA 94560-3796 • 510-578-4266 • E-mail: city.clerk@newark.org

Various Teleconference  
Locations  
6:00 p.m.

## AGENDA

Special Meeting

Thursday, April 23, 2020

**THIS IS A MEETING BY TELECONFERENCE ONLY. THE CITY COUNCIL CHAMBERS WILL NOT BE OPEN. REFER TO THE END OF THE AGENDA TO REVIEW OPTIONS FOR PARTICIPATING IN THE MEETING REMOTELY OR TO SUBMIT PUBLIC COMMENTS VIA EMAIL. PLEASE NOTE THE START TIME FOR THIS SPECIAL MEETING.**

**A. ROLL CALL**

**B. MINUTES**

**B.1 Approval of Minutes of the City Council meetings of March 26 and April 9, 2020. (MOTION)**

**C. PRESENTATIONS AND PROCLAMATIONS**

**D. WRITTEN COMMUNICATIONS**

**E. PUBLIC HEARINGS**

**F. CITY MANAGER REPORTS**

**(It is recommended that Items F.1 through F.6 be acted on simultaneously unless separate discussion and/or action is requested by a Council Member or a member of the audience.)**

**CONSENT**

**F.1 Establishing the number of residents in the City of Newark for the purpose of determining the voluntary expenditure ceiling for the November 3, 2020, Municipal Election - from City Clerk Harrington.**

**(RESOLUTION)**

**Background/Discussion** – Pursuant to Newark Municipal Code section 2.11.010, Voluntary Expenditure Ceiling, the City has a voluntary campaign expenditure ceiling for elections to City offices at one dollar (\$1) per resident of the City. The contribution limits were established in 1997 and remained the same until 2007 when the City Council increased the contribution limits. The current contribution limit for any candidate who accepts the voluntary expenditure ceiling is \$500. The contribution limit for any candidate who does not accept the voluntary expenditure ceiling is \$100.

Newark Municipal Code section 2.11.010 requires the City Council, prior to each election for a City elective office, to adopt a resolution that establishes the number of residents in the City. City elective office means the offices of mayor and of members of the city council. The most recent data from the State of California, Department of Finance, *E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2018 and 2019 Sacramento, California, May 2019*, finds that there are 47,178 residents. Therefore, the amount of the voluntary expenditure ceiling for campaigns for City elective office will be \$47,178 for the November 3, 2020, Municipal Election. This is \$1,756 more than the previous election in 2018.

**Attachment** - Resolution

**Action** - City Staff recommends that the City Council, by resolution, establish the number of residents in the City of Newark for the purpose of determining the voluntary expenditure ceiling for the November 3, 2020, Municipal Election.

**F.2 Authorization for the Public Works Director to renew the contract with Chrisp Company for 2020 Citywide Thermoplastic Street Striping, Project 1242 – from Senior Civil Engineer Tran. (RESOLUTION)**

**Background/Discussion** – On September 13, 2018, the City of Newark awarded a contract to Chrisp Company for the 2018-2019 Citywide Thermoplastic Street Striping, Project 1222, with options to renew annually for up to three (3) additional years. The contractor is agreeable to renewing the contract for 2020 Citywide Thermoplastic Street Striping, Project 1242 at the original contract unit prices. Specifications allow the Public Works Director to exercise renewal of the contract if so approved by the City Council.

The scope of work with this project includes on-call pavement striping on streets other than those included in the planned pavement maintenance projects for the current year. The 2018-2020 Biennial Budget includes full funding for an estimated total project cost of \$15,000 using Highway Users Tax Account funds.

**Attachment** – Resolution

**Action** – Staff recommends that the City Council, by resolution, authorize the Public Works Director to renew the contract with Chrisp Company for 2020 Citywide Thermoplastic Street Striping, Project 1242.

**F.3 Initiation of the 2020 Weed Abatement Program and setting May 28, 2020 for a public hearing - from Alameda County Deputy Fire Marshal Lee and Assistant Maintenance Superintendent Hornbeck (RESOLUTION)**

**Background/Discussion** – The annual weed abatement program abates weeds on vacant properties that are not properly maintained by property owners to the satisfaction of Alameda County Fire Department (ACFD) Fire Prevention staff. The program is authorized by, and conducted pursuant to, Government Code Sections 39560, *et seq.* The abatement work consists of tractor mowing, supplemented with manual labor to clear weeds abutting fences and remove debris to facilitate the tractor work. There are approximately 125 industrial, residential and commercial parcels that have large areas of vacant ground with seasonal weed growth that could develop into a fire hazard if not properly maintained. These parcels are located throughout the City, as shown on Schedule “A”.

Property owners have the option to make their own arrangements for weed and debris removal. They must get the work completed prior to the schedule set for the City’s weed abatement contractor. The City’s contractor is scheduled to perform weed abatement work in June. Property owners will be asked to return a pre-paid postcard to the City indicating that they will abate their own weeds. ACFD Fire Prevention staff will inspect the properties prior to the abatement of the weeds. This provides sufficient opportunity for the property owners to perform their own work. All properties that the City performs the abatement work on will be assessed the full cost of that work, including administrative costs. Administrative costs are 20% of the cost of the weed abatement services pursuant to the adopted Master Fee Schedule.

With the March 31, 2020 Order of the Health Officer of the County of Alameda (No. 20-04) to continue to shelter-in-place due to the COVID-19 pandemic (the “Revised Order”), additional restrictions were placed on landscaping activities. Landscaping work cannot take place purely for cosmetic or upkeeps purposes. However, mowing to the extent necessary to maintain the safety of residents, employees, or the public is permitted under the Revised Order. Annual weed abatement activities are necessary to mitigate potential fire hazards in order to ensure the safety of the public and should therefore take place even if the Revised Order is still in effect in June.

If necessary, an additional fall program will be scheduled to abate seasonal weeds, like tumbleweeds and re-growth of weeds that occur during the summer months. Prior to any supplemental fall weed abatement work, the City will provide written notices to the affected property owners. A second public hearing for the fall program is not required.

**Attachments** – Resolution; Schedule “A” - List of Properties for Potential Weed Abatement

**Action** – Staff recommends that the City Council, by resolution, find and declare that weeds growing on specified properties are seasonal and recurrent nuisances; and rubbish, refuse, and dirt upon parkways, sidewalks, or private property in the City of Newark are public nuisances and must be abated, and setting a time and place for a public hearing.

**F.4 Adopt a resolution designating, by title, the City Manager, Assistant City Manager, and Finance Director as Authorized Agents and authorizing the California Governor’s Office of Emergency Services (Cal OES) Form 130 - Designation of Applicant’s Agent Resolution for Non-State Agencies - Finance Director Lee. (RESOLUTION)**

**Discussion/Background** - On March 13, 2020, the President of the United States declared a nationwide emergency and, on March 22, 2020, approved Major Declaration FEMA-4482-DR-CA (DR-4482), making federal emergency and major disaster aid available to eligible public agencies for the Coronavirus (COVID-19) pandemic.

Before 2013, only State agencies were required to designate authorized agents to execute for and on behalf of the State under federal law. FEMA and the Department of Homeland Security, through the actions of Congress, are attempting better coordination of Federal, State, County, and local agencies, so as a result California Governor’s Office of Emergency Services (Cal OES) requires that specified City Officials be designated as Authorized Agents to act on the City’s behalf to engage with FEMA and the Governor’s Office of Emergency Services regarding any potential grants applied for by the City of Newark.

Staff has completed the Cal OES Form 130 - Designation of Applicant’s Agent Resolution for Non-State Agencies to designate, by title, the City Manager, Assistant City Manager, and Finance Director as Authorized Agents. Designation by title allows the document to remain valid for three years if an Authorized Agent leaves the position and is replaced by another individual in the same title. This resolution applies to all open and future disasters up to three (3) years following the Council’s date of approval.

**Attachments** – Resolution, Cal OES 130 Form - Designation of Applicant’s Agent Resolution for Non-State Agencies

**Action** - Staff recommends that the City Council adopt a resolution designating, by title, the City Manager, Assistant City Manager, and Finance Director as Authorized Agents and authorizing the California Governor’s Office of Emergency Services (Cal OES) Form 130 - Designation of Applicant’s Agent Resolution for Non-State Agencies.

**F.5 Approval of a First Amendment to a Contractual Services Agreement with Hurst/Harrigan Associates for retail retention and attraction services at NewPark Mall – from Community Development Director Turner. (RESOLUTION)**

**Background/Discussion** – In April 2018, the City Council adopted the NewPark Place Specific Plan (the “Plan”), which is a comprehensive, long-term land use planning document intended to guide development at NewPark Mall and the surrounding areas as identified in the Plan. Since adoption of the Plan, City staff has worked with Brookfield Property Inc. (Brookfield), the current owner of NewPark Mall, to implement the Plan. Brookfield’s initial implementation proposal includes a residential/ground-floor retail building and adjustments to the Plan to accommodate future residential and retail phases.

The challenge for the City is to take advantage of the strength of the residential market that will support the initial development while ensuring the NewPark Mall retail is strengthened to support the objectives of the Plan. Staff feels it is appropriate for the City to have independent advice on the retail development to ensure the Plan’s regional retail goals are achieved.

The City has taken several steps already to ensure that NewPark Place retail and commercial vision is carried through each implementation phase. An initial step was to hire Ms. Pat Hurst of Hurst/Harrigan Associates (HHA) to serve as the City’s retail consultant. In November 2019, the City Manager executed a contract with HHA for compensation not to exceed \$49,000 to provide assistance with repositioning the proposed NewPark Place as a regional retail destination as envisioned in the City’s Specific Plan. The Plan’s vision describes NewPark Place as a great place to visit for residents and visitors, while strengthening the City’s sales tax revenue. This vision has to be achieved in the context of a competitive marketplace, which requires evaluating retail demand data and using retail industry expertise to advocate for and guide tenaning of a robust retail destination. In other words, HHA is acting to secure tenant interest to achieve the NewPark Place vision. This expertise is necessary as staff evaluates development plans submitted by Brookfield now and in the future, and continually advances the envisioned retail destination.

Under the initial contract, the foundational demographic and market demand research and analysis of the retail trade area is substantially complete, and identification of retail tenants that may be interested in this location is underway. This foundational work supports the next phase: retail retention and attraction services, with attendant negotiations and site planning. In summary, the services the consultant provided under the existing contract and the proposed amendment include five major categories: (1) Evaluate existing tenants and property, and develop standards for competitive retail management, (2) Assess trade area characteristics including a demand and demographic analysis, (3) Develop tenant plan, (4) Implement tenant retention and attraction, and, (5) Negotiate with property owners and potential tenants.

**Fiscal Impact** - The proposed resolution authorizes an increase in the total not to exceed compensation by \$76,752 to \$125,752. This will provide funding to continue the work outlined above and as set forth in detail in the Exhibit 1 Scope of Services attachment to the resolution. The consultant’s schedule and work will depend on

factors beyond consultant's or city's control such as the NewPark property owners' timing, project phasing and market conditions. It is possible that additional funds will be requested at a future date due to the multi-year implementation of NewPark Place. However, this amendment will represent the City's interest, and support review of project submittals in the near term. A budget amendment is not necessary because the existing budget contains appropriations for contract services in the Economic Development Division.

**Attachments** – Resolution, First Amendment to the Contractual Services Agreement

**Action** – Staff recommends that the City Council adopt a resolution authorizing the City Manager to Execute a First Amendment to the Contractual Services Agreement with Hurst/Harrigan Associates to Provide Professional Retail Consulting Services.

**F.6 Acceptance of the SB 2 Planning Grant Award Authorizing Receipt of the Funds to be used toward the Old Town Newark Specific Plan– from Deputy Community Development Director Interiano. (RESOLUTION)**

**Background/Discussion** – City staff is requesting City Council authorization to accept the grant award associated with the SB2 Planning Grants Program. On November 14, 2019, the City Council approved a resolution authorizing staff to apply for the planning grant that would reimburse the City for costs associated with the preparation of the Old Town Newark Specific Plan. The Community Development Department was recently notified that the City's grant application was approved and awarded the full amount of \$160,000.

By way of background, the State Department of Housing and Community Development received \$123 million under Senate Bill 2 (SB 2, 2017) Planning Grants Program (PGP). SB 2 established a permanent source of funding from real estate recording fees to increase the affordable housing stock in California. The legislation directs the Department of Housing and Community Development to use 50 percent of the first year's revenue to establish a program that provides financial and technical assistance to local governments to update planning documents and land-use ordinances. The PGP is intended for the preparation, adoption, and implementation of plans that streamline housing approvals and accelerate housing production.

Staff identified the proposed Old Town Newark District Specific Plan project as a project that qualifies for this planning grant. The specific plan project will guide the transformation of the "Old Town" area into a vibrant mixed-use area with attractive ground floor retail with residential uses above the ground floor, as well as improvements to the streetscape. The project meets eligible activities of the grant application by establishing a specific plan and an environmental analysis, which facilitates expedited local approval of qualifying residential projects. In addition, the specific plan will review existing zoning regulations to identify barriers to housing production in the area. The plan will also address unique development challenges of fragmented ownership and the need to blend with surrounding single-family neighborhoods. Specialized development standards to guide development will be

identified. Schematic designs for the Historic District Streetscape Improvements will also be included. Streetscape improvements are a key to improving the area and catalyzing development.

The Old Town Newark District Specific Plan project began in April 2018, and is expected to be completed later this year. The PGP grant allows funding to be used toward projects that have already begun and that meet the goals of the grant program. The grant allows reimbursement of funds expended after March 28, 2019 and before June 30, 2022.

If City Council authorizes acceptance of the SB 2 Planning grant award, services related to the Old Town Newark Specific Plan project shall be reimbursed up to \$160,000. The Old Town Newark Specific Plan was programmed in the 2018-2020 Biennial Budget for an amount not-to-exceed \$381,020, thus providing a significant savings to the City for the cost of the project. If approved, the attached resolution reflects the amendments to the 2018-2020 Biennial Budget.

Staff is requesting authorization from City Council to accept the funding for the SB2 Planning Grant Program as awarded per the attached HCD Standard Agreement.

**Attachments** – HCD Standard Agreement and Resolution

**Action** – Staff recommends that the City Council, by resolution, approve the receipt of the grant award of \$160,000 from the Department of Housing and Community Development SB 2 Planning Grants Program and amend the 2018-2020 Biennial Budget and Capital Improvement Plan.

## **NONCONSENT**

**F.7 Report on impact of COVID-19 pandemic on the City's FY 2019-20 budget  
— from Finance Director Lee. (INFORMATIONAL)**

**Executive Summary** – The COVID-19 pandemic is causing significant economic uncertainty that is affecting California's near-term fiscal outlook. In the last couple of weeks, there has been a sharp pullback in financial markets and economic activity.

This report provides an overview of how this pandemic is affecting the City's FY 2019-20 budget, including how the Shelter-in-Place orders are impacting our economy and service delivery, budget projections for the City's primary revenue sources, and an update on the City's overall budget outlook. A PowerPoint is being prepared that will contain the most up-to-date projections. Because those numbers are being constantly reviewed and updated, staff will wait until closer to the meeting to post the PowerPoint on the City's website.

Declaration of Emergency and Shelter-in-Place Orders (“SIP”)

On March 4, 2020, Governor Newsom declared a State of Emergency for California because of the COVID-19 outbreak. On March 16, 2020, the City Manager, in his authority as the Director of Emergency Services, proclaimed a local emergency in Newark, which was ratified by the Council on the following day. On March 16<sup>th</sup>, the Health Officers for the Bay Area Counties issued a joint order requiring persons to shelter in their place of residence for a period of three weeks, excepting essential travel and also allowing employees of essential businesses to continue to report to work. This order was subsequently modified and extended through May 3<sup>rd</sup>. Additionally, the Governor of California issued Executive Order N33-20 (Stay at Home Order) on March 19, 2020, ordering all individuals within the State of California to stay home or at their place of residence, except as needed to maintain continuity of operation of federal critical infrastructure sectors, including essential services of government. The Executive Order is in place until further notice.

Analysis of COVID-19 Economic Impacts on FY 2019-20 Budget

Prior to this emergency, national, state, and local economies were expected to maintain growth and there were no indications of slowing. Housing stock was also increasing, and unemployment was extremely low. Unemployment has now grown to double digits as a result of the shelter in place orders. This experience is considered unprecedented as many businesses are being forced to furlough employees and temporarily or permanently close their doors.

It is difficult to forecast the actual economic impacts of COVID-19. However, staff is preparing a fiscal analysis based on information received from the State, consultants, industry experts, and also relying on historical knowledge and analysis from the impacts of the Great Recession. Staff intends on analyzing this downturn in two phases, with the first one being the pandemic itself with the SIP orders in effect and continuing through an assumed gradual lifting and the second one being the recovery period after the SIPs are fully lifted. The former appears to be easier to project as these SIPs have been in place for over a month, whereas the latter is much more difficult to project because it is unclear how long the SIPs will last and to what degree a recovery will occur, or if the economy enters a lengthier economic downturn.

To begin planning for anticipated significant adverse impacts, we have assumed operations will largely be curtailed for the remainder of the calendar year. The Governor’s order has no end date, and it is uncertain if the County Health Officer will extend the SIP. For the purposes of our economic forecasting, staff is assuming that a gradual lifting of these SIP orders will occur over the remainder of the year. Naturally, as staff receives more information as time goes on, staff will adjust the forecasting models.

The following analysis focuses on the City’s General Fund. Other funds, such as Gas Tax Funds, will also be impacted, the extent of which will be presented to the Council at a future date.



### Property Taxes

Property taxes have historically been the most stable revenue source for cities. Indeed, many California cities never saw actual declines in property taxes from one year to the next until the Great Recession.

Property tax revenues are based on assessed valuation. Counties establish and enroll their assessed values for the following fiscal year on January 1, so the assessed valuation for existing properties for fiscal year 2020-21 was set on January 1, 2020, and reflects events that occurred in calendar year 2019, such as transfers of ownership and new construction value additions. The reductions in valuations, if they occur, will generally be reflected in cities revenue in the following (2021-22) fiscal year.

With assessed valuations already set for FY 2020-21, it is reasonable to assume that overall property tax changes for secured and unsecured property taxes will match the information provided by the County Assessor's Office prior to the pandemic. Any successful property tax appeals could cause some downward impacts in FY 2020-21.

Depending upon the length of this downturn, revenues for FY 2020-21 may be reduced to reflect market values. The potential for such reductions will be evident as time passes.

### Sales Taxes

Revenue derived from sales tax is very volatile and responsive to market change and is usually measured within the first six months. Taxable sales performed as expected for the first half of the fiscal year; however, the remaining months are expected to decline significantly as the SIP orders have clearly impacted business activity.

Assuming the SIP orders are not lifted before May 3, this continued revenue loss impacts fiscal year-end projections for FY 2019-20 and could continue into FY 2020-21. At the time of this writing this report, the City's sales tax consultant is projecting an approximate 19% reduction in sales tax revenue for FY 2019-20, and 4% for FY 2020-21.

The hardest-hit areas are expected to be auto sales, gasoline sales for motor vehicles (because many people are no longer commuting and travel is limited for essential purposes), general consumer goods, and the shift from sit down dining to groceries (the latter is not taxable).

Business-to-business sales will also likely drop significantly because manufacturing of most items will slow or halt, except for medical devices and supplies, which are not taxable. The only increases that are likely to continue is sales tax revenue for out of state taxes that are distributed via the County Pool. A recent court decision (*Wayfair*) has added new taxes but not in sufficient volumes to make up for the loss of local sales tied to the COVID-19 crisis.

On March 30, Governor Newsom signed an Executive Order allowing the California Department of Tax and Fee Administration (CDTFA) to offer a 90-day extension for sales, use, and transactions tax returns and tax payments for all businesses filing a return for less than \$1 million annually in tax liability. This order automatically enrolls qualified businesses allowing them until the end of July to file their first-quarter returns. The sales tax consultants are estimating the City's calendar year first quarter possible sales tax exposure for the 90-day deferral to be \$1.27 million. This sum is due to the City at the end of the second quarter of this year. While this program limits our cash collections through May, all 90-day extensions should be remitted within the current fiscal year.

In addition to the 90-Day Sales Tax Extension Plan, small business taxpayers will be able to enter a 12-month, interest-free Installment Plan for up to \$50,000 of sales and use tax liability. Small businesses defined under this order are businesses with less than \$5 million in annual taxable sales. The impact on our revenues is a possible \$500,000 owed in FY 2019-20 being paid over 12 installments beginning in August of this year.

There is an approximate 3-month delay from when the City receives sales tax revenues after retail taxpayers have filed returns with the State. Dramatic declines can be expected to continue into the first half of FY 2020-21. Recovery is expected to be moderate and will vary across the sales tax industry groups.

#### Transactions and Use Tax ("Measure GG")

The City currently has a half-cent sales tax that is being deposited into the City's general fund and is being used to fund the construction of the new Civic Center. This is one revenue source that could remain consistent for the remainder of this fiscal year, primarily due to increased online purchases of general consumer goods, which surged in March as consumers are ordered to Shelter-In-Place.

However, a prolonged pandemic crisis could extend negative impacts into FY 2020-21. Factors that could affect assumptions include business investment deferrals, depth of unemployment spike, closures of restaurants, retail centers, and auto-related businesses and extension of SIP orders, which decreases the point of sale activity. Staff will continue to monitor for subsequent economic changes that may not have been reflected in earlier forecasts.

#### Utility Users' Tax ("UUT")

The City currently has a Utility Users' Tax ("UUT"), which is set at 3.25% of utility costs for residents and businesses. Staff does not anticipate much fluctuation in UUT revenue derived from residents. In fact, if anything, that revenue may slightly increase because most people are now at home most of the day sheltering in place. However, UUT revenue derived from businesses may drop dramatically during this pandemic because many businesses are no longer operating, and therefore not using electricity, gas, etc. The long-term effect that this pandemic will have on UUT derived from

businesses is unknown at this time since staff does not know how long the SIP orders will last and how many businesses will permanently close

#### Transient Occupancy Tax (“TOT”)

Nearly all travel is at a halt, and as a result, there will be a dramatic decrease in Transient Occupancy Tax (“TOT”) throughout the duration of this pandemic. Hotel room bookings were down by 75% for February and March. Tourism Economics, a company that tracks travel spending, predicts US travel industry revenue is expected to plummet 78% in April and May compared with the same period in 2019.

Forecasting TOT revenue beyond the length of the pandemic will be difficult. Businesses could be slow to re-hire staff and pay for travel expenses. TOT revenue is also very sensitive to market volatility. The closest market comparison to the COVID-19 emergency are events related to 9-11 and the economic impacts that followed. These included a slow-down of tourism and commercial micro-economies, which took two years for recovery.

#### Business License Taxes

The Business License Taxes were due by January 31; therefore, most businesses have already submitted renewal payments. The City has collected to date approximately \$1.1 million from 2,044 businesses for the period of January 1st through March 31st. However, as of March 31st, there were approximately 348 outstanding business license taxes owed to the City. The projected fees, for those remaining businesses, would be roughly \$94,900 in business license fees and \$47,450 in penalties, which are assessed at 50% of the business license fee.

It is too early to predict any revenue from Business License Taxes that are due in January 2021 because at this time there is no way to know how many businesses will permanently close, nor is it possible to know to what extent businesses' gross revenue will decline (business license fees are paid based off the businesses' gross revenue) without a certain end date for the SIP orders.

#### Charges for Services, Licenses, and Permits

The majority of these fees are comprised of fees associated with applications and permits issued from our Building and Planning Departments, as well as registration fees for recreational programs. Fees associated with permit activity will likely come to a virtual halt during the pandemic, and it is unknown to what extent these fees will be reduced after the pandemic.

At the time of this writing, staff anticipates that the declining permit activity, planning fees, and parks and recreation programs, and rental fees will result in a decline of 20% for charges for services, licenses, and permits for FY 2019-20.

#### Franchise Fees

Franchise fees are a form of rent paid to the City for the use of public streets and roadways. Businesses that pay franchise fees include trash collectors, cable television companies, electric utilities, and oil and natural gas pipeline companies. Federal and

state law limits the amount of some franchise fees (for example, video and cable television franchise fees) while others are percentage of costs (like utilities and trash collection).

Since electric and gas and garbage activities will continue, Franchise Fees have a similar trend to our UUT revenue to the extent fees are calculated on the portion of commercial base versus residential. In other words, commercial use will decline as business customers are using less energy and disposing of less garbage. Residential electric and gas use may increase with many people at home instead of their place of work, which could translate to slightly higher franchise fees for residential electric and gas consumption. Franchise Fees for waste disposal are expected to decline due to shut down of businesses and construction sites.

#### Expenditures

In response to the Shelter-In-Place orders, all City facilities are now closed to the public and non-essential services are suspended. Following these events, staff took the following actions to reduce City expenditures:

- Elimination of hours for all Recreation and Community Services Department part-time, seasonal, and temporary (“PST”) employees;
- Reduction of hours for PST employees in the Police Department;
- Hiring freeze for non-essential positions;
- Reduction of contract planning and building inspection services;
- Reduction of Citywide contractual services;
- Cancellation of non-essential trainings and any associated travel; and
- Reduction of overall Citywide purchases, including supplies.

Additional measures may be required to balance the FY 2019-20 budget. Staff expects to present a budget amendment to the Council at an upcoming meeting taking into account the latest impacts from COVID-19.

#### Biennial Budget and Capital Improvement Program 2020-22 Next Steps

Prior to these unprecedented events, at a City Council budget study session on February 13, 2020, staff presented to the Council a mid-year report, forecasting the General Fund projections for FY 2019-20 and the following four fiscal years. This report assumed no change to service levels that were in place prior to the COVID-19 pandemic. Copies of those forecasts are attached to this staff report for reference. At the study session, next steps for the 2020-2022 Biennial Budget and Capital Improvement Program process were also provided. Due to the COVID-19 pandemic, steps in the budget process have been delayed. At the Council meeting, staff will present the next steps that will need to be taken in order to adopt a 2020-2022 Biennial Budget and Capital Improvement Program in June.

**Attachments** – Forecasts from February 13, 2020 City Council Budget Study Session; PowerPoint to be added to City’s website closer to the meeting date of April 23, 2020

**Action** – Staff recommends that the City Council receive this report.

**F.8 Resolution authorizing the Annual Program Application Submittal for Measures B and BB funding of Ride-On Tri-City! transportation services – from Recreation and Community Services Director Zehnder. (RESOLUTION)**

**Background/Discussion** – The Alameda County Transportation Commission (ACTC) administers the distribution of Measure B and Measure BB, a combined one cent transportation sales tax which provides funding to the City of Newark to provide transportation services for the elderly and disabled. Each year the City is required to submit an application for funding and a budget to ACTC outlining the transportation services to be offered in the upcoming fiscal year.

For fiscal year 2019-2020, the Ride-On Tri-City! program provided 4,413 wheelchair accessible van rides and 1,977 same-day taxi voucher rides for Newark residents. Projections for fiscal year 2020-2021 include 4,811 Wheelchair Accessible Van rides (WAV), 1,726 Taxi Voucher rides and 1,917 Transportation Network Rides (TNC) rides through provider Lyft and Uber. As of April 1, 2020, riders utilizing the TNC program through a call center will now access service through provider GoGoGrandparent (Life Elder Care was the previous provider of call center services).

ACTC forecasts that the City of Newark will receive approximately \$220,008 in Measure B sales tax revenue and \$136,327 in Measure BB sales tax revenue for Fiscal Year 2020-2021.

In 2013, the City of Newark amended the Joint Powers Agreement with the City of Fremont enabling Fremont to provide transportation services to eligible Newark residents. Eligible Newark residents include those 70 years and older or who are unable to use public transportation independently due to a disability or disabling health condition. Due to the variety of services now available, Fremont and Newark staff re-branded all services as Ride-On Tri-City! Ride-On Tri-City! now provides the following suite of services:

- **Specialized Wheelchair-Accessible Van Service:** available through pre-scheduled reservations, Monday through Friday, 8:00 am – 6:00 pm, Saturday and Sunday, 9:00 am – 3:00 pm. Service area includes all parts of Fremont, Union City and Newark. Fee is \$4.00 per one-way trip.
- **Same Day Taxi Trips:** Program participants can access subsidized curb-to-curb taxi rides by purchasing taxi vouchers at a cost of \$4 each; each voucher subsidizes up to \$20 of taxi meter fare. Only one voucher can be used per one-way trip. Program participants are responsible for paying any fare beyond the \$20 voucher subsidy and for tipping the driver. The service is not wheelchair accessible at this time.
- **Same Day TNC Trips:** Subsidized curb-to-curb TNC rides are provided to eligible program participants in one of two ways: 1) Program participants who have their own smartphones access rides through Lyft and Uber ride hailing apps, and; 2) Program

participants without smartphones contact a call center (GoGoGrandparent) that will schedule a ride through Lyft or Uber. Riders pay the first \$4 of the TNC trip and the program subsidizes up to \$16 in fare; riders are responsible for any amount over \$20. The City of Fremont is currently working with Lyft to see if wheelchair-accessible vehicles can be made available on the Lyft platform for Ride-On Tri-City! Program Participants. If wheelchair accessible TNC vehicles become more widely available, the demand for more traditional WAV service which requires advance reservations may decrease and the City would make corresponding adjustments to its transportation services.

In addition to these transportation services, Newark riders also receive access to supplemental transportation services offered through the Fremont Human Services Department:

- Tri-City Travel Training Program;
- Senior Clipper Card Distribution Program; and
- Tri-City Mobility Management Program.

For these services, the City of Newark will reimburse the City of Fremont at a cost to not exceed \$290,000. This includes a cost per trip billing for all one-way trips as well as monthly administrative fees. The remainder of the funds will be transferred to operational reserves. Should rider demand be greater than projected, the City of Newark has sufficient Measure B and Measure BB Operational Reserves which can be used to offset additional service costs.

The City will also utilize Measure B and Measure BB funding to subsidize the Life Eldercare, Inc., Meals on Wheels service, which provides over 15,000 home-delivered meals annually to Newark residents. Staff is proposing that the level of funding for Fiscal Year 2020-2021 remain at \$7,000, which is the maximum amount allowed by ACTC.

**Attachments** – Resolution, Application for Measure B and BB funding

**Action** – Staff recommends that the City Council, by resolution, authorize the City Manager or his or her designee to submit the Annual Paratransit Program Plan Application for Measure B and Measure BB funding for Ride-On Tri-City! transportation services for Fiscal Year 2020-2021.

- F.9 Oral Update on the City’s response to the COVID-19 Local Emergency – from City Manager Benoun and Interim City Attorney Kokotaylo.**
- F.10 Direction to Initiate Proceedings for the Levy and Collection of Assessments for Landscaping and Lighting District Nos. 1, 2, 4, 6, 7, 10, 11, 13, 15, 16, 17, 18 and 19 in accordance with the provisions of the**

**Landscaping and Lighting Act of 1972 – from Public Works Director Fajeau. (RESOLUTION)**

**Background/Discussion** – The City Council has previously created Landscaping and Lighting District Nos. 1, 2, 4, 6, 7, 10, 11, 13, 15, 16, 17, 18 and 19 to provide for the operation and maintenance of certain landscaping and lighting improvements. These districts are as follows:

Landscaping and Lighting District No. 1: Central Avenue between Filbert Street and Willow Street - Provides for the maintenance of median landscaping on Central Avenue between Filbert Street and Willow Street and buffer landscaping adjacent to the Alameda County Flood Control channel immediately west of Filbert Street, and for the maintenance and operation of median street lights along this portion of Central Avenue.

Landscaping and Lighting District No. 2: Jarvis Avenue and Newark Boulevard adjacent to Dumbarton Technology Park and Four Corners shopping centers - Provides for the maintenance of Jarvis Avenue and Newark Boulevard median island and in-tract buffer landscaping and landscape irrigation systems adjacent to and within the boundaries of Tract 5232, the Dumbarton Industrial Park, and the Four Corners shopping centers.

Landscaping and Lighting District No. 4: Stevenson Boulevard and Cherry Street adjacent to New Technology Park - Provides for the maintenance of Stevenson Boulevard median island landscaping from the Nimitz Freeway to the railroad tracks west of Cherry Street and maintenance of median islands and up to 50 feet of greenbelt landscaping adjacent to Cherry Street and the interior loop streets within the boundaries of Stevenson Point Technology Park, the maintenance of landscaping across the Newark Unified School District property on Cherry Street, and the street lighting maintenance, trash capture device maintenance , and neighborhood park maintenance of Zone 2 - Sanctuary.

Landscaping and Lighting District No. 6: Cedar Boulevard, Duffel Redevelopment Area No. 2 - Provides for the maintenance of all street landscaping within the public right-of-way, and landscaping and landscape irrigation systems within easement areas and developed properties in Redevelopment Area No. 2 at Cedar Boulevard and Stevenson Boulevard plus the Stevenson Station Shopping Center.

Landscaping and Lighting District No. 7: Newark Boulevard, Rosemont Square Shopping Center - Provides for the maintenance of buffer landscaping and the landscape irrigation system within the public right-of-way and easement areas for Rosemont Square Shopping Center.

Landscaping and Lighting District No. 10: Consolidated District - Provides for the maintenance of landscaping and landscape irrigation systems within the right-of-way and easement areas for all of the Inactive Subdistricts.

Landscaping and Lighting District No. 11: Edgewater Drive medians - Provides for the maintenance of landscaped medians on Edgewater Drive.

Landscaping and Lighting District No. 13: Citation Homes and Bren Development/ Thornton Avenue - Provides for maintenance of the landscaping and lighting irrigation systems for Thornton Avenue, Cedar Boulevard, Willow Street, and other streets within these subdivisions. This district was relieved from the responsibility for maintenance of median landscaping on Thornton Avenue in May 1997. This district is therefore now an inactive district.

Landscaping and Lighting District No. 15: Robertson Avenue at Iris Court - Provides for the maintenance of the landscaping and irrigation systems on Robertson Avenue at Iris Court.

Landscaping and Lighting District No. 16: Kiote Drive in Tract 6671 - The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement along the street frontage of Kiote Drive in Tract 6671 and the landscaping, irrigation system, recreation facilities, and storm drainage pump station and filtration system for the mini-park common area.

Landscaping and Lighting District No. 17: Newark Boulevard and Mayhews Landing Road in Tract 7004 – The maintenance of landscaping and the landscape irrigation system within the public right-of-way of the Newark Boulevard and Mayhews Landing Road frontages of Tract 7004.

Landscaping and Lighting District No. 18: Cedar Boulevard median on the frontage of Tract 8130 – The maintenance of landscaping and the landscape irrigation system within the Cedar Boulevard median area along the frontage of Tract 8130 between Central Avenue and Smith Avenue.

Landscaping and Lighting District No. 19: Willow Street and Enterprise Drive in the Bayside Newark Transit Oriented Development – Provides for the maintenance of landscaping and the landscape irrigation system within the Willow Street and Enterprise Drive medians and traffic circles, maintenance of public street lighting systems, and maintenance of other improvements in the Bayside Newark Transit Oriented Development.

There are no new proposed improvements or substantial changes this year to existing improvements within any of the Landscaping and Lighting Districts.

In accordance with the Landscaping and Lighting Act of 1972 and the Government Code, the City Council is required to conduct a public hearing regarding the levy of annual assessments for the upcoming fiscal year. The City must publish a hearing notice, accept the annual Engineer's Reports for each district and conduct a public hearing. At subsequent meetings, the City Council will be asked to approve the



completed engineer's reports and to schedule a public hearing for the proposed annual assessments.

**Attachment - Resolution**

**Action** - Staff recommends that the City Council, by resolution, initiate proceedings for the levy and collection of assessments for Landscaping and Lighting District Nos. 1, 2, 4, 6, 7, 10, 11, 13, 15, 16, 17, 18 and 19 in accordance with the provisions of the Landscaping and Lighting Act of 1972 for fiscal year 2020-2021.

**G. CITY ATTORNEY REPORTS**

**H. ECONOMIC DEVELOPMENT CORPORATION**

**I. CITY COUNCIL MATTERS**

**J. CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY**

**K. ORAL COMMUNICATIONS**

**L. APPROPRIATIONS**

Approval of Audited Demands.

**(MOTION)**

**M. CLOSED SESSION**

- M.1 Closed session for conference with Labor Negotiators pursuant to California Government Code Section 54957.6. Agency designated representative: City Manager Benoun and Assistant City Manager Hovorka, Employee Groups: the Newark Police Association, the Newark Police Management Association, the Newark Association of Miscellaneous Employees; City Officials and the Management, Supervisory, and Professional Employee Group; and the Confidential Employee Group.**

**N. ADJOURNMENT**

**IMPORTANT NOTICE REGARDING APRIL 23, 2020 CITY COUNCIL MEETING**

Due to the COVID-19 pandemic, the City of Newark is making several changes related to City Council meetings to protect the public's health and prevent the disease from spreading locally. As a result of the COVID-19 public health emergency, including the Alameda County Health Officer and Governor's directives for everyone to shelter in place, **the City Council Chambers will be closed to the public.** Members of the public should attempt to observe and address the Council using the below technological processes.

This meeting is being conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29-20 dated March 17, 2020, regarding the COVID-19 pandemic. In accordance with Executive Order N-29-20, the public may only view the meeting on television and/or online.

Mayor Nagy, Vice Mayor Freitas, and Council Members Collazo, Hannon, and Bucci will be attending this meeting via teleconference. Teleconference locations are not open to the public. All votes conducted during the teleconferencing session will be conducted by roll call vote.

**How to view the meeting remotely:**

Live television broadcast - Comcast Channel 26

Livestream online at- <https://www.newark.org/departments/city-manager-s-office/agendas-minutes/live-streaming-meetings>

**How to participate in the meeting remotely:**

Provide live remote public comments, when called upon by the City Clerk:

From a PC, Mac, iPad, iPhone or Android device: <https://zoom.us/j/94879266809> Webinar ID 948-7926-6809 (to supplement a device without audio, or to just call in, please also join by phone: US: +1 669 900 6833, same Webinar ID 948-7926-6809.)

**Submission of Public Comments:**

Public comments received by 4:00 p.m. on the Council meeting date will be provided to the City Council and considered before Council action. Comments may be submitted by email to [City.clerk@newark.org](mailto:City.clerk@newark.org). Comments may also be submitted via e-mail to [city.clerk@newark.org](mailto:city.clerk@newark.org) at any time prior to closure of the public comment portion of the item(s) under consideration.

Reading of Public Comments: The City Clerk will read aloud email comments received during the meeting that include the subject line "FOR THE RECORD" as well as the item number for comment, provided that the reading shall not exceed five (5) minutes, or such other time as the Council may provide, consistent with the time limit for speakers at a Council meeting and consistent with all applicable laws.

Pursuant to Government Code 54957.5: Supplemental materials distributed less than 72 hours before this meeting, to a majority of the City Council, will be made available for public inspection at this meeting and at the City Clerk's Office located at 37101 Newark Boulevard, 5<sup>th</sup> Floor, during normal business hours. Materials prepared by City staff and distributed during the meeting are available for public inspection at the meeting or after the meeting if prepared by some other person. Documents related to closed session items or are exempt from disclosure will not be made available for public inspection.

For those persons requiring hearing assistance, please make your request to the City Clerk two days prior to the meeting.