

April 16, 2013, 7:00 p.m.

City Council Chambers, 333 Civic Center Plaza

Web Site: www.ci.tracy.ca.us

Mayor Ives called the meeting to order at 7:05 p.m. and led the Pledge of Allegiance.

The invocation was offered by Rajan Zed, Universal Society of Hinduism.

Roll call found Council Members Manne, Rickman, Young, Mayor Pro Tem Maciel and Mayor Ives present.

Mayor Ives presented a proclamation to Police Chief Hampton, in recognition of National Public Safety Telecommunications Week.

Mayor Ives presented a proclamation to Brian Pekari, Community Organizer, Tracy United to Make a Difference, in recognition of National Volunteer Week.

Mayor Ives presented a proclamation to Boys and Girls Club Executive Director – Kelly Wilson, and Chief Volunteer Officer - Mike Souza, in recognition of Boys and Girls Club Month.

Abigail Hickman presented the proceeds from an Animal Shelter fundraiser to Mayor Ives and Benjamin Miller, Animal Control Supervisor.

1. CONSENT CALENDAR - It was moved by Mayor Pro Tem Maciel and seconded by Council Member Rickman to adopt the Consent Calendar. Roll call vote found all in favor; passed and so ordered.
 - A. Approval of Minutes – Regular Meeting Minutes of February 19, 2013, were approved.
 - B. Authorize Grant Applications for San Joaquin Valley Air Pollution Control District's (SJVAPCD) Public Benefit Grant Program and Authorize the Development Services Director to Execute Grant Documents – Resolution 2013-055 authorized the grant applications.
2. ITEMS FROM THE AUDIENCE – Wayne Schneider, 1401 Michelle Avenue, stated he was rejuvenating the Tracy Sports Hall of Fame with a kick-off banquet scheduled in April or May 2014. Mr. Schneider stated he was hoping Council would consider City Hall as the home to display plaques for those inducted into the Tracy Sports Hall of Fame.
3. PUBLIC HEARING TO ADOPT TWO MITIGATED NEGATIVE DECLARATIONS AND APPROVE THE CITYWIDE STORM DRAINAGE, PARKS, PUBLIC SAFETY, AND PUBLIC FACILITIES MASTER PLANS – Kuldeep Sharma, City Engineer, provided the staff report. Mr. Sharma stated that the City's existing Master Plans were approved in mid-1990s and the City adopted its new General Plan on February 1, 2011. The new General Plan identifies existing and new areas of development within and around the

existing City limits. It includes areas east of the City up to Banta Road and to the west up to the Altamont Pass south of I-205. The new General Plan also includes the Larch Clover area both north and south of I-205.

Due to the increased development interest in the General Plan area, various property owners requested in 2009, that the City finalize the Infrastructure Master Plans to serve the new developments. The City acquired the services of various consultants to finalize the Infrastructure Master Plans and complete the environmental documents for a total cost of \$3.1 million.

The Roadways and Transportation Master Plan was completed ahead of the other Master Plans since it identifies the location and alignments of the roadway network which is essentially used for the layout of the other infrastructure elements. Council adopted the Citywide Roadway and Transportation Master Plan at a special Council meeting on November 26, 2012. Water and Wastewater Master Plans were approved by Council on January 15, 2013.

The City's Storm Drainage Master Plan was completed by Stantec Consulting, Inc. of Sacramento, California. In addition to the East and West side channel watershed, the Master Plan identified the Lammers watershed area and storm drainage collection systems. The Master Plan provides amendments to the East side channel system to include new areas of development. The storm drainage system provides a combination of channels, pipe systems, and detention basins.

MIG, Inc. of Portland, Oregon is the City's consultant responsible for completion of the Parks Master Plan. The Master Plan reconciles the City's existing park acreage and facilities, and further identifies park requirements from new residential developments. Three acres of neighborhood parks and one acre of community park acreage will be added per 1,000 of new population. The minimum acreage of park will be six acres for a neighborhood park.

The City's Public Safety Master Plan was prepared by Indigo/Hammond + Playle Architects, LLP after extensive coordination with the Police and Fire Departments. The plan studied various alternatives to meet safety needs as a result of new developments in Tracy. With the full build out of the City's General Plan, a new Police facility will be required in the Eleventh Street corridor.

The existing Police facility will become Public Safety Center with EOC, dispatch, evidence, and data center. The existing firing range site at the south end of town will be upgraded to provide a joint Fire and Police training facility.

The City's Public Facilities Master Plan was also prepared by Indigo/Hammond + Playle Architects, LLP after coordination with multiple departments including Parks and Public Works. New developments will require expansion of the existing facilities at the Boyd Service Center, Community Center, City Hall, and additional facilities for the Public Library and Aquatics Center. All new residential and non-residential developments will share the costs of new facilities. However, costs attributed to Parks and Library facilities will be borne by new residential development only.

In accordance with the California Environmental Quality Act (CEQA) Guidelines, two Initial Study/Section 15183 Analyses and Mitigated Negative Declarations (IS/MND) were prepared to evaluate potential environment effects of the project. One IS/MND was prepared to analyze the Storm Drain Master Plans and the other IS/MND analyzed the potential effects of the Parks, Public Facilities and Public Safety Master Plans. Each of these IS/MNDs include Mitigation Monitoring and Reporting Programs for implementation.

There is no impact to the General Fund from approval of the Citywide Storm Drainage, Parks, Public Safety, and Public Facilities Master Plans. The cost of completion of the Master Plans, and their CEQA documentation was funded by the development community. The cost of construction of the physical infrastructure listed in the Master Plans will be borne by the developments through development impact fees or other funding mechanisms without any impact to the City's General Fund.

Staff recommended that Council adopt the Mitigated Negative Declarations and approve the Citywide Storm Drainage, Parks, Public Safety, and Public Facilities Master Plans.

Mayor Ives referred to the Storm Drain Master Plan, asking if the plan provides the opportunity to mitigate vulnerabilities related to the "first flush" concept. Mr. Sharma stated the Plan does comply with all current requirements. Mayor Ives asked if the potential exists to treat this water. Mr. Sharma stated the concept was not part of the Master Plan.

Mayor Ives asked if the Public Safety Master Plan propagates a level of staffing that currently exists. Mr. Sharma stated yes.

Mayor Ives asked if there were fire related assumptions regarding Mountain House related to facilities. Al Nero, Fire Chief, stated the current agreement with Mountain House contemplates additional fire houses as the area continues to grow. Mayor Ives asked if a fire training facility was included in the Plan. Mr. Shama stated yes.

Mayor Ives asked if the Parks Master Plan was reviewed by the Parks and Community Services Commission. Mr. Sharma stated yes. Mayor Ives asked if the Plan included any design direction related to how parks are built (i.e., flat or rolling). Mr. Sharma stated the guidelines suggest parks surfaces that are flat.

Mayor Ives opened the public hearing. As there was no one wishing to address Council on the item, the public hearing was closed.

Council Member Rickman asked how the amenities were determined for each park. Mr. Sharma stated the Plan provides a menu of activities and was based on park size, existing amenities, and funding.

Mayor Pro Tem Maciel asked how far in the future the Master Plans were projecting. Mr. Sharma stated 25-30 years.

Council Member Young asked about plans for the Lolly Hansen Senior Center. Mr. Sharma indicated improvement plans for the Senior Center call for the addition of 1,100 square feet.

Council Member Rickman asked if any consideration had been given to attaching the Senior Center to the Community Center. Mr. Sharma indicated options were explored, and the proposed improvements were found to be the preferred option.

Council Member Rickman asked if seniors were given the opportunity to provide input. Mr. Sharma stated input would be sought at the design stage.

Council Member Young indicated it would be nice to have a senior area that included a combined Senior Center and Community Center.

Mr. Sharma explained that upon completion of the Master Plans, a Finance and Implementation Plan would be prepared which would prioritize the projects and provide Council and the community with a clearer picture.

Council Member Young asked if the Finance and Implementation Plan would return to the current or future Council. Mr. Sharma stated the Finance and Implementation Plans are updated every year.

Mayor Ives asked if the City was constrained related to public facilities as described in the Master Plan. Mr. Sharma stated staff used the existing Master Plans and limited the scope to those areas. Mayor Ives asked if that flexibility was mandated by law. Mr. Sharma explained that AB 1600 relates to a nexus of the areas and uses, and allows some flexibility. Mayor Ives asked if Council was constrained by the projects identified in the Master Plans. Mr. Sharma stated yes.

Mayor Ives asked when the Finance and Implementation Plans would return to Council. Mr. Sharma indicated within the next couple of months.

It was moved by Mayor Pro Tem Maciel and seconded by Council Member Rickman to adopt Resolution 2013-056, adopting two Mitigated Negative Declarations and approving the Citywide Storm Drainage, Parks, Public Safety, and Public Facilities Master Plans. Voice vote found all in favor; passed and so ordered.

4. COUNCIL DISCUSSION REGARDING GENERAL SITE SELECTION CRITERIA AND A REGIONAL DEVELOPMENT FEE COMPARATIVE ANALYSIS RECENTLY COMPLETED BY THE SAN JOAQUIN PARTNERSHIP – Andrew Malik, Development Services Director, provided the staff report. Mr. Malik stated that in order to develop and implement an effective Economic Development Strategy and attract private investment into the community, it is important to understand which site selection factors influence those private investment decisions. Even more important, is how to specifically meet the needs and expectations of companies relative to those site selection factors.

There are numerous site selection factors that play a role in attracting new development; retail establishments will typically look at population growth and density, disposable income, traffic counts, etc., while manufacturing facilities may focus more on proximity to consumer markets, supplier proximity, energy costs, and labor availability. Area Development Magazine recently surveyed over 120 national site selection consultants and provided a comprehensive list of the typical selection factors being reviewed by firms in a broad range of industries - from Manufacturing to Healthcare/Life Sciences to

Data Centers. Annual tracking of these survey findings is important because it shows how site selection factors can change over time. The article and survey identifies 26 site selection factors and nine Quality of Life factors used to make new location decisions.

The survey findings represent a collective view from site selection consultants and corporate real estate executives across the nation. It is important to understand that Tracy's economy and competitive position is part of the larger national and international economy. For example, earlier this year Tracy was one of a few cities who hosted a Chinese delegation interested in pursuing a renewable energy manufacturing project.

Staff also participates with the State of California at national tradeshows targeting Renewable Energy, Bio-Tech, Advanced Manufacturing, and Medical Design industries. Another example of how Tracy competes on a regional and national scale can be seen by the recent attraction of Amazon. The City was able to successfully communicate how our competitive benefits and position were a match for Amazon's global location strategy.

While there are certain site selection factors that are outside of the control or authority of the City, staff, over the past few years have been working diligently to address those factors that the City can control. Through the Council's actions over the past 3-5 years, Tracy has made great progress toward addressing the fundamental site selection factors in order to compete and attract private investment.

The Site Selection Consultant Survey also included findings related to Quality of Life factors that can influence the decision to locate a new facility within a community. There is a typical saying that everyone in a community is involved in Economic Development; this supports that theory. There are numerous factors that influence the decision to locate a new facility within a community. While prioritized as 11 out of 26, fees and occupancy costs are still an important factor in the site selection process. As such, the San Joaquin Partnership (SJP) has been working on an updated Regional Development Fee Comparative Analysis to show how individual cities and the region compare relative to development impact fees.

The Regional Development Fee Comparative Analysis is the fourth publication that has been prepared by the SJP. The purpose of the study is to provide a comparative basis for regional competitiveness. The comparative analysis of the report provides a snapshot of the permitting, infrastructure, mitigation and finance district costs of 21 jurisdictions utilizing six basic land use models: Residential (single-family and multifamily), Commercial (retail and office), and Industrial (logistics and manufacturing).

The SJP e-mailed questionnaires to 28 jurisdictions requesting development fee information based on fee schedules effective July 1, 2012, on each of the six development model types. The SJP received completed questionnaires from 18 jurisdictions. Using individual jurisdictions published development fee schedules, the SJP completed the calculations for three additional communities (Livermore, Patterson, and Mountain House).

The SJP determined that the use of a "model" structure would be the most effective tool to compare development fees among the 21 jurisdictions. The development fees identified within the analysis related to new construction and included the respective

jurisdictions fees related to Building Permit and Plan Check Fees, Public Facilities Fees, Infrastructure, Other Agencies, and Finance Districts and Taxes.

Mr. Malik provided several comparative charts on the overhead and outlined their significance.

Tracy's development fee structure, for the six models analyzed, falls generally in the middle range among the regional competition. In other words, Tracy's development fees are generally lower than those jurisdictions closer to the Bay Area or along the Hwy 80 corridor, but are higher than some jurisdictions farther into the Central Valley. There are some development models (Office and Retail) where Tracy has even lower development fees than most of the jurisdictions in the Central Valley.

It is important to note that cities must follow very strict State regulations (AB 1600) when it comes to establishing impact fees. Impact fees charged to new development must show a nexus to the infrastructure needed for those same developments. Cities cannot simply lower or raise development fees without some justification or relationship to the infrastructure needed. If impact fees are lowered and development standards have not been correspondingly reduced, then there may be impacts to those city's general funds.

Tracy's development fees are competitively positioned in the region. The City's design standards and amenities funded by new development (bike/pedestrian trails, recreational facilities, library etc.) will ensure that Tracy is an attractive destination for quality job generating employers now and into the future. Tracy is positioned as the high value proposition for business investment and offers a superior service based on speed to market coupled with a superior location.

Mayor Ives invited members of the public to address Council on the item. There was no one wishing to address Council.

Mayor Ives briefly discussed strategies regarding fees and how it relates to specific types of development.

Council Member Rickman stated now that the City knows how it compares regionally, it was time to identify what we want and pursue it aggressively. Mr. Malik stated the report was fundamental and that the City has the economic strategy to make it a reality.

Council Member Rickman indicated with the lack of freeway frontage property in the East Bay, it provides Tracy with an opportunity to shine in that area.

Mayor Pro Tem Maciel indicated it was important to keep in mind that all things are not equal and that it was truly a balancing act.

Council Member Young stated it was important to note how expedited permitting has moved up in priority for developers, and complemented staff for their efforts.

Council Member Manne thanked staff for the report and for their efforts in fast track permitting.

Council accepted the report.

5. DISCUSS THE PROPOSED COUNCIL STRATEGY AREAS, GOALS AND OBJECTIVES, AND PERFORMANCE MEASURES FOR FY 14/15 AND FY 15/16 AND PROVIDE DIRECTION TO STAFF – Leon Churchill, Jr., City Manager, introduced the Leadership Team members who would be presenting the goals.

Ana Contreras, Community Preservation Manager, presented the Public Safety Strategy. The purpose of the Public Safety Strategy is to create a safe community by promoting a responsive public safety system that includes civic engagement and partnerships, community involvement, public education and offering prevention, intervention and suppression services that meet the needs of Tracy residents.

The four goals identified in the Public Safety Strategy include the following: (1) Partner with and engage residents to address public safety concerns, (2) Promote public health, safety, and community welfare by responding and addressing unsafe, unhealthy or blighted conditions in homes, neighborhoods and the entire community, (3) Enhance citywide disaster preparedness, and (4) Reduce the number of major injury collisions.

For Goal 1, Partner with and engage residents to address public safety concerns, two objectives have been identified:

Objective 1: Increase awareness on vandalism and public nuisances in parks and neighborhoods.

Objective 2: Increase public education and visibility within the community to include public educational programs by the Police Department, Fire Department, and Code Enforcement by attending community events such as the Tracy Bean Festival, Juneteenth festivities, etc.

Five performance measures have been identified to ensure goals are being met. These include: Increase visibility and usage of GO Request smart phone app (Government Outreach) to internal and external customers by 20%; Re-establish an Adopt a Park program, with the adoption of four parks during years 2013/2014 and an additional four during year 2014/2015; Increase VIP participants by 10% annually; Increase Drown Without a Sound presentations by 10% annually; Increase Neighborhood Watch program by 5% annually.

For Goal 2, Promote public health, safety, and community welfare by responding and addressing unsafe, unhealthy or blighted conditions in homes, neighborhoods and the entire community, three objectives have been identified: These include the following:

Objective 1: Address violations of all City and State codes.

Objective 2: Inspect and respond to complaints of violations, deficiencies, zoning or other public nuisance conditions.

Objective 3: Create a more streamlined approach in the enforcement process for violations that cross departmental lines, such as weed abatement and inoperable vehicles.

There are five performance measures associated with the Public Safety Strategy Goal 2: Increase field inspections annually by 10%; Resolve 98% of all violations annually without court action; Complete initial inspection within 72 hours of report of violation;

Broaden education platform to include outreach through K-8 school grades; Implement an internal training program to address the abatement process of inoperable vehicles and overgrown weeds and rubbish by other departments.

For Goal 3, Enhance citywide disaster preparedness, two objectives have been identified:

Objective 1: Create and implement a community education program for both internal and external customers to prepare and respond to man-made and natural disasters.

Objective 2: Develop a safety plan in the event of power outage, technological failure or natural or man-made disasters to as not to impact public safety.

Three performance measures for Public Safety Strategy Goal 3 are: Increase Community Emergency Response Team (CERT) graduates by 10% annually; Participate in the annual Statewide "Great Shake Out" Earth Quake Preparedness Drill; Implement a City Hall Emergency Evacuation and Safety Plan for City Hall employees.

For Goal 4, Reduce the number of major injury collisions, two objectives have been identified:

Objective 1: Increase awareness of distracted drivers and no texting while driving initiatives.

Objective 2: Increase traffic related enforcement by 5%.

The three performance measures for Goal 4 are: Conduct presentations to all local high schools regarding distracted driving and texting while driving statistics; Develop and distribute literature at a citywide level on current trends relating to distracted driving and don't text while driving initiatives; Participate in three community safety events.

Mayor Ives asked what the timeline was for the strategies. Mr. Churchill indicated it represented a two year business plan.

Mayor Ives asked that the Council look at the purpose statements to ensure they have captured what the Council wants to achieve.

Mayor Pro Tem Maciel stated the purpose statement was all-encompassing, but in the execution, he did not find "suppression" represented in the strategy. Mr. Churchill indicated the business plans focus on those items that are new or altered and do not necessarily outline the day-to-day operation of the City.

Mayor Pro Tem Maciel indicated he liked the idea of adopting a park and asked if community involvement would be sought for those parks that may require additional work. Ms. Contreras indicated the concept was presented several years ago and that once staff begins implementation of the program, the Parks and Community Services Commission would be involved in establishing a program and criteria for adopting a park.

Council Member Manne asked if the strategic priority team members were provided with the results of the Council's priorities from the workshop. Ms. Contreras stated yes.

Mayor Ives stated he took exception to one word "create" which would imply one does not exist. Mayor Ives indicated he wants it clear to everyone reading the statement that the City's public safety culture and the way the City deals with public safety reflects the values of our City. Council Member Young suggested the word "foster".

Mayor Ives asked for clarification regarding Public Safety Goal 2, Objective 2. Ms. Contreras stated the purpose was to eliminate duplication of staff resources.

Mayor Ives referred to Goal 3 and asked if there was a retention program regarding CERT graduates. Mayor Ives asked if the Council could do more for the program such as providing a home. Al Nero, Fire Chief, stated the CERT program was a valuable part of the public safety umbrella and the City has increased the number of graduates and trainees. Fire Chief Nero stated the City was not having a problem in retaining CERT graduates. Fire Chief Nero added that the goal was to increase the number of CERT graduates to incorporate them with emergency response teams with the Fire Department and Police Department. Fire Chief Nero stated there was a home for CERT in the Fire Administration building for storage, meeting and training.

Council Member Young referred to Goal 3 and asked where individuals would obtain information regarding the City Hall Emergency Evacuation and Safety Plan. Council Member Young asked if community education on emergency preparedness was planned for over the next two years. Ms. Contreras stated a training opportunity was scheduled for October 2013, for the Central California region.

Monica Gutierrez, Management Analyst, presented the Quality of Life Strategy. The purpose of the Quality of Life Strategy is to provide an outstanding quality of life by enhancing the City's amenities and services and cultivating connections to promote positive change and progress in our community.

Four goals identified in the Quality of Life Strategy include: (1) Improve current recreation and entertainment programming and services to reflect the community and match trending demands, (2) Address City amenities and facility usage with an emphasis on accessibility and streamlined services, (3) Cultivate Community Engagement through digital and traditional means, and (4) Coordinating community outreach with all four strategies.

For Goal 1, Improve current recreation and entertainment programming and services to reflect the community and match trending demands, three objectives have been identified:

Objective 1: Analyze current programming participation trends and submitted evaluations.

Objective 2: Interpret City and School District demographic shifts and recommend service improvements accordingly.

Objective 3: Restructure recreation programming and cultural arts services throughout the City to align with above.

Five performance measures have been identified to ensure goals are being met. The first year performance measures are as follows: Review at least 80% of submitted

evaluations from classes between the summer of 2012 and summer of 2013; Generate a quarterly report from class to view participation trends; Pilot at least three new recreation and cultural arts classes/programs per season; Present at least six presentations to City departments, including Council on the demographic changes affecting programming and recreational services; Increase resident enrollment by 10% in City classes.

For Goal 2, Address City amenities and facility usage with an emphasis on accessibility and streamlined services, three objectives have been identified:

Objective 1: Update facility use policies to protect and preserve our current inventory of amenities

Objective 2: Explore public-private facility initiatives geared towards a multi-use facility.

Objective 3: Implement facility and class software improvement recommendations to sync, facility rentals, class enrollments and cultural art needs.

Five performance measures have been identified to ensure goals are being met. These measures pertain to the two year plan and include: Conduct at least three community conversations with facility users to discuss policy; Provide management with a semi-annual inventory of current partnerships; Launch new class software; Increase software registrants by at least 10%; Train at least ten staff members on the new class software. For Goal 3, Cultivate Community Engagement through digital and traditional means, three objectives have been identified:

Objective 1: Develop a value based marketing and communications plan that bridges the gap between residents, businesses and the city.

Objective 2: Implement an on-line citizen engagement plug-in to the website that allows residents to share ideas, comment on agenda items and receive news at their leisure.

Objective 3: Explore media partnerships with local news agencies to feature or provide column space for City news, editorials and information.

There are five performance measures associated with the Quality of Life Strategy Goal 3. These measures pertain to the two year plan and are as follows: Circulate four marketing pieces to strategic locations throughout the city; Increase digital users of current City tools by 20%; Increase website "new" visitor hits by 15%; Produce at least six articles/information pieces for media publication; Host at least two media receptions at City Hall.

For Goal 4, Coordinating community outreach with all four strategies, two objectives have been identified:

Objective 1: Implementation of an electronic communication strategy to enhance civic engagement.

Objective 2: Assist Public Safety strategy team with Goal 1, Objective 2, Increase public education and visibility within the community to include public educational programs by the Police Department, Fire Department, and Code Enforcement by attending community events such as the Tracy Bean Festival, Juneteenth

festivities, etc., and the Economic Development team with Goal 2, Objective 2 (Increase the recreational opportunities and events that draw people into Tracy).

There are four performance measures associated with the Quality of Life Strategy Goal 4. These measures pertain to the two-year plan and are as follows: Increase visibility and usage of email subscription service to internal and external customers by 20%; Collaborate with strategy teams on at least four public education and marketing events; Identify at least six community outreach opportunities; Create four email distribution templates for City departments.

Mayor Pro Tem Maciel asked if piloting three new programs per season referring to Goal 1, Performance Measure 3 was done in conjunction with programs that might not be worthy of continuing. Ms. Gutierrez stated that was correct and provided an example.

Mayor Pro Tem Maciel asked for clarification regarding producing media pieces and hosting media receptions. Ms. Gutierrez indicated the goal was to partner with local media and the community.

Council Member Manne asked if implementing the "Class" software referred to in Goal 2, Objective 3, was something the City already has or would it be a capital improvement project. Ms. Gutierrez stated funding had already been appropriated for the software and staff was looking at models trying to determine the best fit.

Ed Lovell, Management Analyst, provided the Governance Strategy. The purpose of the Governance Strategy is to retain and attract new talent, enhance fiscal stability, and improve the use of technology for the betterment of the community of Tracy.

Three goals identified in the Governance Strategy include the following: (1) Further develop an organization that attracts, motivates, develops and retains a high quality, engaged, informed and high-performing workforce, (2) Ensure continued fiscal sustainability through financial and budgetary stewardship, (3) Identify technological resources to promote communication and civic engagement, enhance City services, and promote organizational productivity.

For Goal 1, Further develop an organization that attracts, motivates, develops and retains a high quality, engaged, informed and high-performing workforce, three objectives have been identified:

- Objective 1: Identify outreach opportunities to promote Tracy as a desirable place to work
- Objective 2: Affirm organizational values
- Objective 3: Evaluate and promote Tracy W.I.N.S. (When Initiative Nurtures Success)

Five performance measures have been identified to ensure goals are being met. These include: List of methods for outreach and promotion of Tracy is created; Analysis of interdepartmental sampling of organizational values, and revise if necessary; Maintain 95% enrollment capacity in each Tracy Performance Institute (TPI) class; 80% of all TPI course evaluations rates four or above; Analysis of curriculum.

For Goal 2, Ensure continued fiscal sustainability through financial and budgetary stewardship; three objectives have been identified: These include the following:

- Objective 1: Update General Fund reserve policy.
- Objective 2: Development of revenue strategies.
- Objective 3: Development of expenditure reduction strategies.

There are four performance measures associated with the Governance Strategy Goal 2. They are as follows: Updated General Fund reserve policy that is part of the annual budget book; Comprehensive fee study of development fees with proposed fees and rates; Council approved one-time revenue policy; Council approved long term liability strategy.

For Goal 3, Identify technological resources to promote communication and civic engagement, enhance City services, and promote organizational productivity; two objectives have been identified:

- Objective 1: Develop Information Technology (IT) policy guidelines to coordinate and streamline the implementation of new software/hardware.
- Objective 2: Implement productivity initiatives to improve organizational effectiveness.

The three performance measures for Governance Strategy Goal 3 are: Policy for software/hardware standardization throughout the City developed; Areas identified where technology can be used to make improvements along with associated costs; Prioritized technology resource list along with associated costs.

Council Member Rickman indicated residents may not be aware of the iPhone applications.

Mayor Pro Tem Maciel referred to governance asking if Council should be looking at their goals or at staff goals. Mayor Ives outlined opportunities for Council development if so desired by Council.

A discussion ensued regarding transparency and governance.

Mayor Ives proposed wording "... to improve the use of technology to enhance transparency for the betterment of the community of Tracy". Mr. Lovell stated it would be added to the purpose statement.

Amie Mendes, Economic Management Analyst, provided the Economic Development Strategy. The purpose of the Economic Development Strategy is to enhance the competitiveness of the City while creating a strong and diverse economic base.

The four goals identified in the Economic Development Strategy include the following: (1) Create head-of-household jobs reflective of the City's target industries and those that best match the skill sets of the local labor force, (2) Attract retail and entertainment uses that offer residents quality dining, shopping and entertainment experiences,(3) Support a higher education presence in Tracy, and (4) Position Tracy as the preferred location for start-up companies and entrepreneurial investment.

For Goal 1, Create head-of-household jobs reflective of the City's target industries and those that best match the skill sets of the local labor force, three objectives have been identified:

Objective 1: Focus business recruitment efforts on identified target industries – including: Medical Equipment and Supplies, Food Processing, Renewable Resources and Technology, Manufacturing, Backroom Office and Information Technology.

Objective 2: Foster relationships with the existing business community to support the overall upgrade and expansion of employment opportunities.

Objective 3: Continuously improve the streamline permit process and ensure quality infrastructure to meet future development needs.

Three performance measures have been identified to ensure goals are being met. These include: Increase overall job growth by 5% citywide annually; Target 30% of new jobs annually to be head-of-household positions; Approve four Grow Tracy Fund Loans to new/existing businesses.

For Goal 2, Attract retail and entertainment uses that offer residents quality dining, shopping and entertainment experiences, three objectives have been identified:

Objective 1: Focus retail recruitment efforts on quality retailers and restaurants that meet the desires of the community.

Objective 2: Increase the recreational opportunities and events that draw people into Tracy.

Objective 3: Collaborate with and support the Tracy City Center Association in an effort to increase the drawing power of the downtown.

There are four performance measures associated with the Economic Development Strategy Goal 2 as follows: Attract five 'unique' retailers that are not currently in the trade area; Increase sales tax revenue by 8% annually; Increase Transient Occupancy Tax (TOT) revenue by 5% annually; Decrease downtown vacancy rate by 5% annually.

For Goal 3, Support a higher education presence in Tracy, three objectives have been identified:

Objective 1: Research and collect supportive data to demonstrate the regional demand for higher education.

Objective 2: Identify potential higher education partners and begin marketing and outreach efforts to encourage the development of programming in Tracy.

Objective 3: Partner with the current university recruitment group in educating the Tracy community on the assessment and possible benefits of higher education in Tracy.

The two performance measures for Economic Development Strategy Goal 3 are: Distribute marketing and outreach materials to a dozen higher education institutions; Meet with and tour four higher education institutions in Tracy.

For Goal 4, Position Tracy as the preferred location for start-up companies and entrepreneurial investment, two objectives have been identified:

Objective 1: Promote the growth and development of existing incubator and entrepreneur programs in the region, including: San Joaquin Angel Network, Altamont Cowork, Tracy Chamber Entrepreneurs Group, etc.

Objective 2: Attract start-up companies and entrepreneurs from the Silicon Valley and Bay Area region.

There are three performance measures associated with the Economic Development Strategy Goal 4 as follows: Identify two office locations and associated funding to aid in the attraction of start-ups and entrepreneurs; Foster relationships with five start-up companies and/or entrepreneurs; Secure \$50,000 of sponsorship funding to further develop the initiative of attracting start-ups and entrepreneurs to Tracy.

Mr. Churchill concluded the presentation stating Council's comments would be incorporated. Mr. Churchill explained this government is based on unity of command and this organization will follow Council's direction.

Mayor Pro Tem Maciel clarified that the items listed are new goals and the City will also continue with what is working well. Mr. Churchill indicated the marketplace will bring the here and now to our doorstep; that our job is to push down and out and diversify the economy.

Mayor Pro Tem Maciel stated he wanted to ensure that there is balance.

Council Member Manne asked Ms. Mendes to elaborate on Goal 3 Performance Measures. Ms. Mendes stated it included bringing businesses to Tracy and touring the City.

Council Member Manne asked if staff believed that by distributing 12 marketing and outreach materials the City would get four new businesses. Ms. Mendes stated staff believed it was a good way to start the marketing.

Council Member Manne asked where the goal of four businesses came from. Ms. Mendes indicated it was a number staff believed could be accomplished.

Council Member Manne stated Goal 4 was not necessarily a Council objective and that it came from the State of the City address, asking if Council agreed it should be part of the strategy. Mayor Ives stated due to its visibility, it was important.

Council Member Young suggested changing the word "creating" to "developing" a strong and diverse economic base.

Council Member Young stated she viewed Goal 2, Objective 2 "increase the recreation" as an objective, but did not see it as a performance measure. Council Member Young added that the City needs a roller skating rink.

Council Member Rickman referred to Goal 4 in relation to small businesses stating positioning Tracy as the preferred location for start-up companies and entrepreneurial

investment could provide a lucrative job market in Tracy. Council Member Rickman stated economic development is intertwined with quality of life and that the City needed to identify what we want and go after it.

Council Member Rickman referred to Goal 2 and the location of businesses. Council Member Rickman suggested companies should be able to decide where they want to locate.

Mayor Ives asked what the term of the plan was. Ms. Mendes indicated the strategy is for two years.

Mayor Ives asked what a 5% increase in jobs would mean. Andrew Malik, Development Services Director, stated approximately 800 additional jobs.

Mayor Ives asked Mr. Churchill if he had the resources to achieve these objectives. Mr. Churchill suggested Council look at the Development Services budget when it is presented and that resources would have to be expanded to achieve the objectives.

Mayor Ives invited members of the public to address Council on the item.

George Riddle referred to Goal 3, Objective 2 on public safety, asking if there was already a plan in place. Mr. Riddle suggested after six months software/hardware becomes obsolete. Mr. Riddle stated he did not see any schooling listed for trade jobs.

Council Member Rickman stated Mr. Riddle had a good point regarding trade schools. Mayor Ives stated the plan does not preclude that type of schooling.

6. ACCEPT UPDATE ON SCHULTE ROAD SOLAR PROJECT - Rod Buchanan, Interim Public Works Director, provided the staff report. The Schulte Road property is approximately 200-acres in total and is located on the south side of Schulte Road, west of Lammers Road. On September 18, 2012, Council considered appropriating \$1,115,250 from the Residential Areas Specific Plan (RSP) Fund for costs associated with the removal of use restrictions and Federal reversionary rights on the 150-acre Schulte Road parcel. Council did not approve the appropriation and instead directed staff to request that General Services Agency (GSA) grant an extension while the City performed due diligence on the viability of a renewable energy project on the site.

GSA did grant a six month extension to the City on the following two conditions:

1. The City agrees to pay a \$50,000 deposit by November 14, 2012, which would be applied to the purchase price; and
2. Complete the purchase by April 1, 2013

On November 7, 2012, Council approved the appropriation of \$50,000 from the RSP Fund to be used for the deposit. Council also approved \$40,000 from the RSP Fund for necessary consultant services to assess the viability and best options for a renewable energy project on the site including obtaining and evaluation of necessary project development information, development of a Request for Proposals and evaluation of submitted proposals. An RFP was issued for consulting services and in December 2012, URS Corporation (URS) was the consultant chosen to assist the City. URS did finalize

the Schulte Road Renewable Energy Development Options report in February, 2013. The report stated that several development pathways could be pursued to implement a viable renewable energy project on the Schulte site. Given the many potentially feasible solar development options at the Schulte Road Site, URS recommended that the City request bids for solar developers for pursuing one or more of the development options addressed in the report. Based on responses received from bidders, the City could then make an informed decision about whether it is in the City's best interest to purchase the additional 150-acres.

An RFP was issued for project proposals on February 21, 2013, and two proposals were received on March 26, 2013. Concurrently, on March 7, 2013, a three-month extension request was sent to GSA in order to evaluate the responses, complete negotiations and execute an agreement. GSA responded and granted a four-month extension to complete the revisionary transaction under the following three conditions:

- 1) GSA will contract for an updated appraisal and requests that the City pay in the form of a deposit for the previous and updated appraisals in the total amount of \$9,500 by May 1, 2013;
- 2) The City will pay the updated abrogation amount reflected by the new appraisal, but not less than the previous abrogation amount of \$1,100,000.
- 3) The City Council will approve the resolution to purchase the property by July 20, 2013 and complete the transaction by August 1, 2013.

The GSA letter also states that if the City cannot complete the purchase by August 1, 2013 and voluntarily reverts the property, the \$50,000 deposit will be refunded and the \$9,500 will be retained to cover appraisal expenses.

Two proposals were received from reputable companies. Both Ecoplexus and SunPower are reputable bidders in the industry, and both are capable of delivering projects similar to those being proposed. The fact that two reputable, and capable, bidders have been engaged by this process confirms that a renewable energy project is potentially viable both in technical and financial nature on the Schulte site, and could potentially meet the City's objectives for beneficial use and financial gain. However, prior to being able to adequately recommend potential award, additional information is required from both bidders.

For purposes of comparison, attention was directed to the Ecoplexus "City RES-BCT" project option. This, and the project proposed by SunPower are nearly the same in size and scope. The terms achieved through negotiation of this project option could decide the awardee for that project and may serve as a basis of comparison in general between the two bidders.

The importance and purpose of the "interim payments" item in the RFP will be emphasized. Both proposals may contain contingencies on forward movement of projects prior to payment to the City. It will be made clear that interim or "site control" payments should be necessary for engagement, regardless of the potential in the future for the projects to never reach fruition. This is the nature of option agreements, and the bidders should be expected to agree to favorable interim payments to the City. This will also protect the City with guaranteed minimum revenue from the site and provide some incentive for speedy development.

It may be possible to ultimately engage both bidders for projects on the Schulte site. Engaging both bidders could benefit the City by essentially playing to the strengths of both developers, and could lead to favorable lease/option rates for the highest percentage of the total site acreage.

Logical next steps could include parallel engagement of both bidders in good faith negotiations to terms, financials, and additional information that could lead to an award for project development. URS has itemized details and points from both proposals that require further due diligence. Requests for further information from both bidders will be requested by URS on behalf of the City.

The City may also consider its own independent due diligence on the site to ensure that there are no pitfalls or fatal flaws associated with the site itself that may surface later in the project development cycle.

There is no fiscal impact for this report. The amount of \$50,000 has been previously paid to fulfill the request from GSA for a deposit. This amount is refundable in the event the City does not move forward with completing the acquisition of the Schulte Road property. The amount of \$9,500 is needed for a deposit for costs associated with previous and future appraisals and can be paid out of the current CIP (#79367).

Dustin Jolley, URS, provided a brief synopsis of the two proposals and stated it was his opinion that both proposers were reputable. Mr. Jolley further stated that prior to being able to recommend an awardee, additional analysis was needed along with further negotiation with the bidders.

Staff recommended that City Council accept the update on the Schulte Road Solar Project.

Mr. Buchanan added that Surland Communities submitted a letter of interest to purchase the 200 acre site and that staff would come back on May 21, 2013, and provide Council with all options.

Mayor Ives invited members of the public to address Council. There was no one wishing to address the Council.

It was moved by Council Member Rickman and seconded by Council Member Manne to accept the report on the Schulte Road Solar Project. Voice vote found all in favor; passed and so ordered.

7. ITEMS FROM THE AUDIENCE – None.
8. STAFF ITEMS
 - A. Receive and Accept the City Manager Informational Update - Leon Churchill, Jr., City Manager, provided the staff report. Mr. Churchill added that assertions of a \$5.5 million giveaway were misleading and bordered on scandal baiting.

Mr. Churchill stated America's innocence and optimism was shaken by the recent events in Boston and our hearts and prayers go out to those affected. Mr. Churchill added that today the City's optimism and innocence clawed back with the ribbon cutting ceremony of Legacy Fields.

Council accepted the City Manager's Informational Update.

9. COUNCIL ITEMS

- A. Consider Whether an Item to Discuss Naming the Firearms Facility Should be Placed on a Future City Council Agenda – It was Council consensus to place an item on a future City Council agenda to discuss naming the Firearms Facility.
- B. Appoint Applicants to the Transportation Advisory Commission - It was moved by Council Member Manne and seconded by Council Member Rickman to appoint Christina Frankel, Ameni Alexander and Michael Carter to serve four year terms on the Transportation Advisory Commission, expiring on April 30, 2017. Voice vote found all in favor; passed and so ordered.

Council Member Rickman asked if the Tracy Sports Hall of Fame item needed a sponsor. Mr. Churchill stated it was clear that Council directed staff to research the item and return to Council.

Council Member Young asked that an item be placed on a future agenda to determine if Council would like to discuss a Senior Commission.

10. ADJOURNMENT - It was moved by Council Member Manne and seconded by Council Member Rickman to adjourn. Voice vote found all in favor; passed and so ordered. Time: 10:08 p.m.

The above agenda was posted at the Tracy City Hall on April 11, 2013. The above are summary minutes. A recording is available at the office of the City Clerk.

Mayor

City Clerk