



City Manager's Weekly Update

October 10, 2012

UPCOMING MEETINGS

- 10/15** City Council Closed Session, 5:30 p.m., City Manager's Large Conference Room
- 10/15** City Council Meeting, 7:00 p.m., Council Chambers
- 10/16** Community Development Committee Meeting – CANCELLED
- 10/22** City Council Work Session, 7:00 p.m., Council Chambers
- 11/5** City Council Meeting, 7:00 p.m., Council Chambers
- 11/7** Rules and Communications Committee Meeting, 4:03 p.m., Council Chambers
- 11/12** **Veteran's Day Holiday** (Observed) - City Hall and libraries closed.
- 11/13** City Council Meeting, 7:00 p.m., Council Chambers
- 11/14** Facilities Committee Meeting, 4:00 p.m., Council Chambers
- 11/15** CC/SLUSD Liaison Committee Meeting, 4:30 p.m., TBD
- 11/22 & 23** **Thanksgiving Holiday** – City Hall and libraries closed.
- 12/3** City Council Meeting, 7:00 p.m., Council Chambers

To: City Council
From: Chris Zapata, City Manager

Mark Your Calendar

2012 Flu Shot Clinics (reminder)

Monday, October 15, 9:30 a.m. to 2:30 p.m., Senior Community Center, 13909 East 14th Street

- The second of two annual Flu Shot Clinics will be held on **October 15**. This service is offered in partnership with Sutter Care at Home, formerly known as Sutter Visiting Nurse Association and Hospice (VNA). Sutter is receiving free vaccines from the county this year, so flu shots are only \$5.00 per person. There is no cost for those covered by Medicare Part B; Sutter will bill Medicare for payment. Pneumonia shots will be available for \$60, Preservative-free shots (for those pregnant or allergic to thimerosal) for \$30, and Flu Mist (for ages 2-49) for \$30. The fee is established by Sutter Care at Home, which is a non-profit organization, and the City receives no money.

19th Annual Trivia Bee (reminder)

Friday, October 19, 6:00 p.m., Marina Community Center

- San Leandro's 19th Annual Trivia Bee benefiting the San Leandro Library's Project Literacy program is being held on **October 19**. The dinner starts at 6:00 p.m., the prize drawing starts at 7:00 p.m., and the Trivia Bee starts at 7:30 p.m.

Council Information

San Leandro Police Department (SLPD) Receives Traffic Safety Award

- Chief Sandra Spagnoli is pleased to announce that due to the efforts of Traffic Sergeant Mike Sobek, who coordinates DUI traffic enforcement, SLPD has been **awarded \$12,623.32 from the Office of Traffic Safety** for the following enforcement activities: one DUI checkpoint, roving DUI units during major holidays (four officers) and funds for two motor officers at the Sausage and Suds Festival.

Council Follow-Up

San Leandro Police Department (SLPD) Policing Community Forum Update

- The crime prevention forum was a success! About 60 residents attended to learn more about crime prevention and getting involved in community policing. We will continue to build neighborhood watch groups, expand crime prevention and suppression programs, and encourage the grass roots efforts among some neighborhood watch groups to add residential surveillance cameras to their neighborhoods. There was some discussion on community-wide video surveillance and integrating technology as a force multiplier to combat crime in the future.

Businesses in the News

Local Businesses Featured in the San Francisco Business Times (articles attached)

- San Leandro received four mentions in the October 5-11 edition of the San Francisco Business Times.
- On the recent EDA grant for Lit San Leandro, the Business Times noted that the fiber network will be expanded by 7.5 miles and offers businesses speeds up to 10 gigabits per second, 2,000 the average U.S. connection.
- OSIsoft was also noted as the second largest software company in the East Bay and the fifth largest family-owned business in the Bay Area.
- Longer articles on the Village Marketplace development and U.S. Superior Stone and Tile are attached.

Correspondence From Other Agencies

East Bay Municipal Utility District (EBMUD)

- EBMUD has distributed a copy of the [Frequently Asked Questions](#) after recent informational meetings held regarding the Chabot Dam Upgrades. It will also be posted on their web site at some point this week.

\$9M Village market project stirs San Leandro

Premium content from San Francisco Business Times by Blanca Torres, Reporter

Date: Friday, October 5, 2012, 3:00am PDT



Blanca Torres

Reporter- San Francisco Business Times
Email | Twitter

As downtown San Leandro continues its urban makeover, developer Innisfree Cos. is set to start construction on a shopping center in early November.

The 28,000-square-foot Village Marketplace, a \$9 million construction project, will eventually house tenants such as Fresh & Easy, Peet's Coffee & Tea, AT&T and Chipotle.

"This will create a centerpiece for the downtown," said David Irmer, head of Innisfree.

The firm paid \$2.25 million for the 1.7-acre site, at 1550 East 14th St., which previously had a Lucky grocery store. San Leandro's former redevelopment agency purchased the land in 2007 for \$6 million, but sold it for less because Innisfree paid to demolish existing structures.

The city council approved the project in May, but the deal had to be approved by the a State oversight board in charge of former redevelopment sites. Despite the backup, Irmer expects his tenants to open their doors in a year. The contractor, Lusardi Construction Co., will complete tenant improvements as it builds the exterior.

The project's design, with storefronts next to the sidewalk and parking in the back, aims to create an urban feel.

"It's difficult to do ground-up retail development," said Solomon Ets-Hokin, a broker with Colliers International who represents Innisfree on the Village Marketplace. "You have to have quality, credit-worthy tenants and sales projections that allow them to afford the rents."

The city's goal was to attract retailers that would draw pedestrians downtown, said Cynthia Battenberg, San Leandro's business development manager.

"This is a catalyst project downtown because of the quality of the architecture and generous public gathering spaces," she said. The project lines up with the city's transit oriented development strategy surrounding its BART station.

That includes the 235,000-square-foot Creekside office complex that Innisfree and partner Lanikai Management Co. have finished building out and leasing.

Nearby, Bridge Housing is working on a 100-unit affordable housing development and OSIsoft LLC, a software maker, is in the early stages of planning a 200,000-square-foot headquarters on a seven-acre site.

Blanca Torres covers East Bay real estate for the San Francisco Business Times.

Builder supply firm found way to grow after recession

Premium content from San Francisco Business Times by Julia Love, Intern

Date: Friday, October 5, 2012, 3:00am PDT



Julia Love

Intern- San Francisco Business Times

[Email](#)

In 2010, US Superior Stone and Tile was paying over \$40,000 a month in rent and reeling from a 40 percent drop in sales.

Two years later, the San Leandro-based supplier of granite, cabinets and tile is peddling its products in a sleek new showroom, and business has dimbed about 30 percent.

The difference, manager Rand Siu says, was a roughly \$8.39 million loan, about \$3.73 million of which was backed by the Small Business Administration. The loan enabled the company to buy a larger facility in 2010. With all the space, US Superior can keep early twice as much merchandise on hand and has even taken on tenants to help with the mortgage payment, Siu said.

"When the national economy was at the bottom, this loan gave the company the opportunity to get a bigger space and take a bigger share of the market in the Bay Area," said Siu, who has served as manager since 2005. "We are very thankful to the SBA."

The SBA 504 loan was serviced and financed by TMC Financing. With commercial rents high in the Bay Area, the SBA's real estate loan program has been a source of relief for many small companies, said Mark Quinn, district director of the SBA for San Francisco. US Superior would have had to settle for a less expensive building without the loan, Siu said. The SBA's 504 loan program calls for borrowers to pay just 10 percent of the cost up front, which worked out to a roughly \$1.16 million investment for US Superior.

"Businesses can buy real estate with more leverage, and they're not putting all of their working capital into the deal," Quinn said.

US Superior opened up shop in Oakland in 2003 under the leadership of Ming Liang, a long-time contractor who still owns the company. Its inventory was long limited to granite and cabinets, and the slew of new products that the company now offers —

including travertine and plumbing supplies — has attracted many more customers, Siu said. US Superior was closed to the public on Sundays, but customers kept knocking on the door, so the store is now open seven days a week.

A number of stores selling similar goods have opened up in San Leandro and Hayward in recent years, said Chris Blair, maintenance supervisor for the Felson Companies, which manages 13 apartment complexes in the East Bay. But Blair turns to US Superior exclusively when purchasing cabinetry, granite and plumbing fixtures for apartment renovations because none of its competitors match its selection, he said.

“Their showroom is a real step up from anybody else that I’ve dealt with,” Blair said. “They are definitely players in the Bay Area.”

Before landing the SBA loan, US Superior was worried it would have to lay off some of its workforce, Siu said. Now, the company is bringing on new employees to handle the volume of visitors that the showroom has attracted.

The company’s ranks have grown from 12 employees in 2010 to 25 today, and three or four people will likely be hired in coming months, Siu said. Several of US Superior’s recent hires speak Spanish. Whereas the company once did business primarily with the Chinese community, it has drawn a wider range of customers in recent years.

Strong sales in the Bay Area have inspired the company to set its sights south. US Superior hopes to forge relationships with contractors in Los Angeles to boost sales further, Siu said. It already does business with clients in New Jersey, Washington and Hawaii, suggesting more out-of-state deals could be in the company’s future, she noted.

“Of course, it’s best to be nationwide,” Siu said. “We really hope for that one day.”

Julia Love is an editorial intern at the San Francisco Business Times.