



MINUTES OF THE SPECIAL CITY COUNCIL MEETING
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, May 7, 2019, 7:00 p.m.

The meeting of the Special City Council was called to order by Mayor Halliday at 7:00 p.m., followed by the Pledge of Allegiance led by Council Member Lamnin.

ROLL CALL

Present: COUNCIL MEMBERS Zermeño, Márquez, Mendall, Lamnin, Wahab, Salinas
MAYOR Halliday
Absent: None

CLOSED SESSION ANNOUNCEMENT

The City Council convened in closed session at 5:00 p.m., concerning three items: 1) public employment pursuant to Government Code 54957 regarding the City Manager's annual performance evaluation; and 2) conference with legal counsel pursuant to Government Code 54956.9(d)(4) regarding two cases. Mayor Halliday reported there was no reportable action related to Item 1. City Attorney Lawson reported the City Council unanimously approved to add one case to the closed session agenda pursuant to Government Code 54954.2 because the need for action came to the attention of the City subsequent to the agenda being posted. City Attorney Lawson noted there was no reportable action related to the three cases.

PRESENTATION

Mayor Halliday announced the Sixth Annual Student Poetry Contest presented by Friends of the Hayward Library. Library Commission Member Bufete announced the winners of the Student Poetry Awards who were students from Hayward High School, M.L.K Jr. Middle School, Lorin Eden Elementary, Schafer Park Elementary, and Stonebrae Elementary. The winners were presented with scholarships sponsored by Friends of Hayward Library and the Grand Prize Winner received a Chromebook.

PUBLIC COMMENTS

Mr. Jim Drake, Hayward resident, spoke about alleged violations of the Taqueria Elmezcal's Conditions of Approval.

Mr. John Eargle, property manager, spoke about parking restrictions on D Street and inquired about the course of action needed to modify such restrictions.

CONSENT

Consent Item 1 was removed from the consent calendar for a separate vote.

1. Adoption of Ordinance Adopting the Downtown Development Code and Amending the City's Zoning Map to Incorporate All Proposed Downtown Hayward Regulating Plan Map Amendments Contained in Figure 2.1.020.1 of the Downtown Specific Plan and Code **CONS 19-309**

Staff report submitted by City Clerk Lens, dated May 7, 2019, was filed.

Mayor Halliday highlighted the report had a formatting glitch that showed the Mayor voting no and clarified for the record that she had voted in favor of the ordinance when it was introduced on April 30, 2019.

It was moved by Mayor Halliday, seconded by Council Member Mendall, and carried unanimously, to approve the ordinance:

Ordinance 19-09, "An Ordinance of the Council of the City of Hayward Adopting the Downtown Development Code and Amending the City's Zoning Map to Incorporate all Proposed Downtown Hayward Regulating Plan Map Amendments Contained in Figure 2.1.020.1 of the Downtown Specific Plan and Code"

2. Adoption of a Resolution Appropriating \$509,000 from the General Fund to the Hayward Area Shoreline Planning Agency (HASPA) Fund to Initiate the Shoreline Master Plan Grant **CONS 19-259**

Staff report submitted by Development Services Director Simpson, dated May 7, 2019, was filed.

It was moved by Council Member Lamnin seconded by Council Member Márquez, and carried unanimously, to approve the resolution:

Resolution 19-076, "Resolution Appropriating \$509,000 from the General Fund to the Hayward Area Shoreline Planning Agency (HASPA) Fund to Initiate the Shoreline Master Plan Grant"

3. Resolution to Preliminarily Approve the Engineer's Report and Set the Public Hearing Date for Annexing the Parkside Heights Properties into Consolidated Landscaping and Lighting District 96-1 **CONS 19-269**

Staff report submitted by Development Services Director Simpson, dated May 7, 2019, was filed.

It was moved by Council Member Lamnin seconded by Council Member Márquez, and carried unanimously, to approve the resolution:



MINUTES OF THE SPECIAL CITY COUNCIL MEETING
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, May 7, 2019, 7:00 p.m.

Resolution 19-077, "Resolution Initiating Proceedings, Providing Intention to Levy Assessments, Preliminarily Approving Engineer's Report, and Providing for Notice of Hearing for the Formation of Benefit Zone No. 17 of the City of Hayward Landscaping and Lighting Assessment District No. 96-1 for the Parkside Heights Property"

4. Resolution to Preliminarily Approve the Engineer's Report and Set the Public Hearing Date for Annexing the SoHay Properties into the Consolidated Landscaping and Lighting District 96-1 **CONS 19-272**

Staff report submitted by Development Services Director Simpson, dated May 7, 2019, was filed.

It was moved by Council Member Lamnin seconded by Council Member Márquez, and carried unanimously, to approve the resolution:

Resolution 19-078, "Resolution Initiating Proceedings, Providing Intention to Levy Assessments, Preliminarily Approving Engineer's Report, and Providing for Notice of Hearing for the Formation of Benefit Zone No. 18 of the City of Hayward Landscaping and Lighting Assessment District No. 96-1 for the SoHay Properties"

5. Professional Services Agreement with Advanced Mobility Group, Inc.: Approval of Amendment No. 2 to Increase the Total Agreement Amount to \$267,500 and Appropriation of Funds **CONS 19-263**

Staff report submitted by Public Works Director Ameri, dated May 7, 2019, was filed.

It was moved by Council Member Lamnin seconded by Council Member Márquez, and carried unanimously, to approve the resolutions:

Resolution 19-079, "Resolution Authorizing the City Manager to Execute Amendment No. 2 to the Professional Services Agreement with Advanced Mobility Group, Inc. for Traffic Signal Design and Related Services"

Resolution 19-080, "Resolution Authorizing the Transfer of \$195,000 from Various Capital Funds and Revenues to the

General Fund, and Amending Resolution 18-089 to Authorize the Appropriation of these Additional Funds to Support the Transportation Operating Budget”

6. Resolution Approving Grant of Easement for a Utility Vault on a Portion of City-owned Property Located at 1241 Walpert Street **CONS 19-280**

Staff report submitted by Public Works Director Ameri, dated May 7, 2019, was filed.

It was moved by Council Member Lamnin seconded by Council Member Márquez, and carried unanimously, to approve the resolution:

Resolution 19-081, “Resolution Approving Grant of Easement for a Utility Vault on a Portion of the City-Owned Property Located at 1241 Walpert Street”

7. Authorization for the City Manager to Execute a Memorandum of Understanding with the Alameda County Health Care Services Agency for Medi-Cal Administrative Activities Provided by the Youth and Family Services Bureau of the Hayward Police Department and Appropriate Related Funds **CONS 19-290**

Staff report submitted by Police Chief Koller, dated May 7, 2019, was filed.

It was moved by Council Member Lamnin seconded by Council Member Márquez, and carried unanimously, to approve the resolution:

Resolution 19-082, “Resolution Authorizing the City Manager to Negotiate and Execute a Memorandum of Understanding with the Alameda County Health Care Services Agency for Medi-Cal Administrative Activities Provided by the Youth and Family Services Bureau of the Hayward Police Department and Appropriate Related Funds”

WORK SESSION

8. Review of Capital Improvement Program for FY 2020 - FY 2029 (Report from Public Works Director Ameri) **WS 19-034**

Staff report submitted by Public Works Director Ameri, dated May 7, 2019, was filed.

Public Works Director Ameri provided a synopsis of the staff report.

There being no public comments, Mayor Halliday opened and closed the public comments section at 7:59 p.m.



MINUTES OF THE SPECIAL CITY COUNCIL MEETING
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, May 7, 2019, 7:00 p.m.

Discussion ensued among Council Members and City staff about: the Innovative Deployment to Enhanced Arterials (IDEA) grant; Complete Streets and Tennyson Corridor strategic initiative goals; unfunded needs and the plan to rebuild the I-880/Whipple Road-Industrial Parkway Southwest and I-880/Industrial Parkway West interchanges; opportunities for joint property use; cast-iron and asbestos cement water pipelines; and traffic calming measures.

Council Member Márquez mentioned she serves as the Chair of the Council Infrastructure Committee (CIC) along with Council Member Mendall and Council Member Salinas and noted the CIC considered 14 potential policy related topics at its April 16, 2019 meeting and decided to focus on the following recommendations during the upcoming year: funding allocation for pavement rehabilitation versus traffic calming; planned implementation for equity; funding levels for multi-modal study recommendations; bicycle and pedestrian infrastructure improvements; and scarcity of on-street parking supply.

Council Members offered the following recommendations: consider using the resident satisfaction survey to help prioritize various infrastructure projects; consider allowing a legal U-turn for the Carlos Bee Boulevard project; provide for discussion regarding the Neighborhood Improvement Program; establish a range of affordability for the police building; address light and heat when the sound component for the rotunda is considered; look into the undergrounding for the Tennyson Corridor; consider possible services that can be provided to surrounding police departments when the new police building is built; and ensure the jail is preserved as part of the new police building.

LEGISLATIVE BUSINESS

9. Approval of Round 1, Tier 2 Commercial Cannabis Permits for Cannabis Cultivation, Manufacturing, Distribution, Delivery, and Microbusinesses (Report from City Manager McAdoo) **LB 19-023**

Staff report submitted by Development Services Director Simpson, dated May 7, 2019, was filed.

City Manager McAdoo stated staff was recommending the Council continue consideration of Always On Time Consulting and Prevision Apothecary cannabis businesses until further investigation and evaluation is conducted, based on information received by staff earlier in the day. Management Analyst II Stefanski provided a synopsis of the staff report and announced Mr. Jubran Kanaan, Senior Consultant with ICF, was available to answer questions.

Discussion ensued among Council Members and City staff regarding point of contact for complaints and public education campaign to keep residents informed, renewal process, safety and security plan, revocation of permit, and local authority process.

Council Member Salinas suggested staff consider having local hospitals and the Firehouse Clinic track cannabis related problems and have the Police Department, through the Student Resource Officers and higher institutions, track and codify crimes and behaviors directly related to cannabis.

Mayor Halliday opened the public hearing at 8:50 p.m.

The following cannabis business representatives introduced their businesses and responded to questions posed by Council Members. Business representatives stated they were agreeable to enter into labor peace agreements.

Mr. Michael Stevens - Meristematic, Inc., San Francisco resident

Mr. David Benett - CBRA, Inc., Moraga resident

Mr. Joseph Polyak - Mijosa, LLC., San Mateo resident

Dr. Bao Le - BAS Research, Fremont resident

Ms. Emily Scarbrough - Empress Extracts, Oakland resident

Mr. Gregory Gill, Long Beach resident, Dr. Ramesh Chimmani, Fremont resident, and Mr. Gurpreet Singh, Orinda resident - Gurpreet Singh

Mayor Halliday closed the public hearing at 9:10 p.m.

Council Member Zermeño offered a motion per staff's recommendation to approve the resolution for six cannabis businesses.

Council Member Mendall seconded the motion.

Council Member Salinas stated he would be voting against the motion because he was concerned about the negative impact the cannabis industry will have on children and the youth.

Council Member Lamnin noted Hayward has a research institution and the opportunity to dig into medical benefits and recommended that Hayward Local Agency Committee (HLAC) review the California Healthy Kids Survey data and evaluate potential implications.

Council Member Mendall noted Hayward voters approved the legalization of recreational cannabis and its taxation, and Hayward had a strong regulatory control for the industry.

Mayor Halliday noted the cannabis industry came to California and Hayward has an effective process to examine businesses and expects them to operate according to regulations stipulated.



MINUTES OF THE SPECIAL CITY COUNCIL MEETING
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, May 7, 2019, 7:00 p.m.

It was moved by Council Member Zermeño, seconded by Council Member Mendall, and carried with the following vote, to approve the resolution for six cannabis companies: Meristematic Inc. (Cultivation), CBRA, Inc. (Delivery), Mijosa, LLC (Distribution), BAS Research (Manufacturing), Empress Extracts (Manufacturing), and Gurpreet Singh (Manufacturing):

AYES: COUNCIL MEMBERS Zermeño, Márquez, Mendall, Lamnin, Wahab
MAYOR Halliday
NOES: COUNCIL MEMBER Salinas
ABSENT: NONE
ABSENTAIN: NONE

Resolution 19-083, "Resolution Awarding Commercial Cannabis Permits for Cannabis Cultivation, Manufacturing, Distribution, Delivery, and Microbusiness Operations"

It was moved by Council Member Zermeño, seconded by Council Member Mendall, and carried with the following vote, to continue approval of two cannabis companies (Precision Apothecary and Always on Time Consulting) until further investigation is complete:

AYES: COUNCIL MEMBERS Zermeño, Márquez, Mendall, Lamnin, Wahab
MAYOR Halliday
NOES: COUNCIL MEMBER Salinas
ABSENT: NONE
ABSENTAIN: NONE

10. Adoption of a Resolution Rescinding Approval of a Commercial Cannabis Permit - Vista Development Enterprises (Report from City Manager McAdoo, City Attorney Lawson, and Development Services Director Simpson) **LB 19-025**

Staff report submitted by Development Services Director Simpson, dated May 7, 2019, was filed.

Senior Assistant City Attorney Vigilia provided a synopsis of the staff report.

Mayor Halliday opened the public hearing at 9:32 p.m.

Mr. Scott Candell, Attorney for Vista Development Enterprises, Inc., referred to content in a letter with exhibits included with the staff report as Attachment VI, and urged the City Council to reject staff's recommendation to withdraw the permit and allow Mr. Igor Goldenberg to continue through the CUP process.

Mayor Halliday closed the public hearing at 9:40 p.m.

It was moved by Council Member Salinas, seconded by Council Member Mendall, and carried unanimously, to approve the resolution:

Resolution 19-084, "Resolution Rescinding Approval of a Commercial Cannabis Permit to Vista Development Enterprises for Operation of a Cannabis Distribution Business"

11. General Plan Annual Report (Report from Development Services Director Simpson) **LB 19-026**

Staff report submitted by Development Services Director Simpson, dated May 7, 2019, was filed.

Development Services Director Simpson announced the report and introduced Associate Planner Blanton who provided a synopsis of the staff report.

There being no public comments, Mayor Halliday opened and closed the public hearing at 9:52 p.m.

The City Council accepted the General Plan update, appreciated overall progress made and noted the Plan was a helpful tool that could be used during the Council's prioritization setting session. Members of the City Council offered the following comments: track data differently and separate the ongoing projects list from target for completion date projects, while continuing to monitor progress; evaluate the two measures for Complete Streets (Assessment and Evaluation) from a capacity perspective; exercise caution with additional development impact fees which contribute to the cost of housing; consider streamlining projects related to CEQA and evaluate prioritizing Design Guidelines Land Use LD - 3 and allocate resources accordingly; regarding Community Services CS-4 Homeless Services Partnership, ensure there is someone in that interdisciplinary working group who is currently homeless or has been in the last five years; regarding Item 6 School Safety, consider the app or similar app used for security personnel to enable students to report incidents on campus; use careful language to avoid focusing on specific entities; consider revitalizing the "Youth Hall of Fame" as part of the Education Awards Program and have it evaluated by the Committee; and consider a public kiosk at City Hall and the Library to access the General Plan and other City produced plans.

INFORMATIONAL ITEM

12. Informational Report to the City Council on the Personnel Commission Revised Scope of Duties and Goals and Accomplishments for Fiscal Years 2018 and 2019 **RPT 19-286**

Staff report submitted by Human Resources Director Collins, dated May 7, 2019, was filed.



MINUTES OF THE SPECIAL CITY COUNCIL MEETING
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, May 7, 2019, 7:00 p.m.

Human Resources Collins and the Personnel Commission were commended for bringing the informational item before the City Council.

CITY MANAGER'S COMMENTS

There were none.

COUNCIL REPORTS AND ANNOUNCEMENTS

Council Member Zermeno thanked Council Members, City staff and those who attended the Cinco de Mayo festival on May 4, 2019.

COUNCIL REFERRALS

There were none submitted.

ADJOURNMENT

Mayor Halliday adjourned the meeting at 10:15 p.m. Mayor Halliday announced there would be a special City Council meeting on Saturday, May 11, 2019.

APPROVED

Barbara Halliday
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward