



CITY COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

MEETING MINUTES – February 3, 2025

CALL TO ORDER: Mayor Salinas called the regular meeting to order at 5:01 p.m.

ATTENDANCE: (September 2024-July 2025)

Meeting Attendees	Present 02/3/25	All Meetings Year to Date		Meetings Mandated By Resolution	
		Present	Absent	Present	Absent
Mayor Salinas	✓	4	0	4	0
City Council Member Andrews	✓	4	0	4	0
City Council Member Bonilla		2	2	2	2

OTHERS IN ATTENDANCE:

Dr. Ana M. Alvarez, City Manager; Dustin Claussen, Assistant City Manager; Paul Nguyen, Chief Economic Development Officer; Daniel Mao, Economic Development Specialist; Amber Green, Economic Development Specialist; Javier Castro, Community Programs Specialist; Sara Buizer, Director of Development Services; Elizabeth Blanton, Senior Planner; Sachiko Riddle, Assistant Planner; Jeremy Lochirco, Planning Manager; Franky Orellana, Temp Information Systems Support Technician; Lucy Lopez, Hayward Chamber of Commerce CEO; Todd Falduti, Southland Mall General Manager; Nick DHIA; Peyton; Joel DiGiorgio; Steven Tavares

PUBLIC COMMENTS

There were none.

1. APPROVAL OF MINUTES OF SPECIAL MEETING December 2, 2024

A motion to approve the minutes from the December 2, 2024, Regular Meeting was made by City Council Member Andrews and seconded by Mayor Salinas. The minutes were approved.

2. Development Activity and Selected Property Updates (Oral Report Only)

Development Services Director Sara Buizer introduced Economic Development Specialist Amber Green, and together they provided a presentation on development activities and property updates. Mayor Salinas expressed enthusiasm for Arthur Mac's and emphasized the importance of doing whatever is necessary to facilitate their establishment.

City Council Member Andrews inquired about the necessary steps to finalize Arthur Mac's project. Director Buizer explained that the primary challenge was understanding occupancy regulations for this non-traditional, primarily outdoor restaurant. She noted that a recent issue had been resolved but that staff were still working on determining how the site, situated on a vacant lot between two buildings, would function safely, particularly in the event of a fire. Ensuring compliance with Fire Department safety requirements remains a key challenge. Additionally, she stated that Arthur Mac's would need to establish utility connections and coordinate with various parties, including PG&E.

City Council Member Andrews asked whether the Fire Department had visited Arthur Mac's other locations in the Bay Area. Director Buizer responded that she could not speak on behalf of the Fire Department. City Council Member Andrews suggested that Fire Department staff visit other locations, as other cities have successfully addressed similar safety concerns. She emphasized that if this project is not approved, it would send the wrong message regarding the use of unconventional, yet proven, building materials and adaptive reuse. She added Arthur Mac's proposed use of a repurposed Bay Area Rapid Transit (BART) car is expected to attract visitors and generate interest. City Manager Dr. Ana Alvarez reassured the City Council that staff recognize the importance of this project and are working to expedite the process.

City Council Member Andrews also expressed concern over Jiva Life's lack of progress despite receiving development approval.

City Council Member Andrews expressed support for the affordable housing project at Mission Crossings and inquired whether the new owners of the Holiday Inn were interested in investing in the Mission Crossings property.

Mayor Salinas requested that Mission Crossings improve the front landscaping, which is currently being used for parking. Director Buizer clarified that the vacant lot at the front is owned by a different party.

City Council Member Andrews asked whether AB 2729's automatic entitlement extensions apply to properties beyond Maple and Main. Director Buizer confirmed that the extension applies to all residential projects.

City Council Member Andrews inquired whether the Maple and Main development consists solely of market-rate housing. Director Buizer stated that it includes both market-rate and affordable housing units.

City Council Member Andrews asked whether gyms have specific quality standards, noting that the gym at Lincoln Landing is superior to others in the area. Chief Economic Development Officer Paul Nguyen explained that if gyms meet their corporate and the City's community preservation code standards, the City has no authority to intervene.

Mayor Salinas asked about Lincoln Landing's occupancy rate. Director Buizer reported that residential units are 80% occupied, but the commercial spaces require additional tenants.

Mayor Salinas inquired about the future use of the former Sears property. Director Buizer explained that mixed ownership complicates redevelopment efforts. She noted that the property is within Zone 6 of the Airport Safety Zone which is the most flexible zoning area within the flight path.

City Council Member Andrews asked what types of retailers might occupy the former Sears site. Director Buizer stated that adaptive reuse is a possibility, but demolition and reconstruction could also be considered.

City Council Member Andrews raised concerns about suspicious activity near the former Honda site on Mission Blvd., despite efforts to maintain lighting and cleanliness. Mayor Salinas added that he had seen images of individuals vandalizing the area.

Mayor Salinas suggested identifying an older property along newly paved bike paths on Mission Blvd. that could accommodate a bike shop.

Mayor Salinas requested an update on the funding gap for the Stack Center. Director Buizer stated she would follow up with the Council.

City Council Member Andrews asked about potential temporary pop-up uses for a vacant space in the Cinemaplace complex. Mayor Salinas mentioned an interested business owner. Assistant City Manager Dustin Claussen noted that there are two applications for the property.

City Council Member Andrews proposed the idea of a cat café in vacant spaces. Assistant City Manager Claussen responded that the vacant spaces are currently in disrepair.

Mayor Salinas inquired about lease expiration dates at Cinema Plaza. Assistant City Manager Claussen stated that he would provide the Council with a report on lease agreements for individual suites.

City Council Member Andrews suggested that the movie theater enhance its marketing efforts. Assistant City Manager Claussen stated that while the City could engage with the theater, marketing decisions ultimately fall under its management. However, a partnership could be explored.

City Council Member Andrews advocated for preserving and illuminating the Old City Hall building's frames, expressing concerns about increasing security costs. Assistant City Manager Claussen acknowledged the challenge and stated that staff are considering all options, as maintaining the structure remains a resource drain.

Mayor Salinas questioned whether the City was simply waiting for an earthquake to bring down the Old City Hall building. Assistant City Manager Claussen clarified that this was not the intent and that the executive team is developing potential options, which will be presented to the Council along with cost estimates.

Mayor Salinas asked whether the Council could provide input on future uses for the former CVS site on Foothill Blvd. Chief Economic Development Officer Nguyen explained that while any conforming business can occupy the space under city zoning ordinances, the Economic Development team does help guide brokers based on Council and community preferences. However, the final decision remains a private transaction.

City Council Member Andrews inquired whether there had been any interest in repurposing former pharmacy buildings for housing. Chief Economic Development Officer Nguyen stated that no inquiries have been received to date.

City Council Member Andrews noted ongoing suspicious activity at Auto Plaza and at 26801 Mission Blvd. She acknowledged staff efforts to address security concerns at the latter location.

City Council Member Andrews asked whether the City could take action to address the closure of national banks. Chief Economic Development Officer Nguyen explained that, in general, the City has little influence, as banks argue that their services are accessible online.

Mayor Salinas suggested engaging property owners to activate vacant spaces with pop-up businesses. Chief Economic Development Officer Nguyen stated that staff regularly contacts property owners, but most have been resistant to activation efforts.

Mayor Salinas asked if the City could implement regulations for vacant buildings. Senior Planner Elizabeth Blanton confirmed that staff is exploring this issue and will provide further details in the next presentation.

Mayor Salinas requested clarification on the property lines at the former Sears site in Southland. Todd Falduti, General Manager of Southland Mall, provided details on the various property boundaries affecting the site.

3. Business-Friendly Hayward Project Update (Oral Report Only)

Chief Economic Development Officer Paul Nguyen introduced the item, followed by Senior Planner Elizabeth Blanton, who introduced Assistant Planner Sachiko Riddle and Economic Development Specialist Amber Green. Together, they presented an update on the Business-Friendly Hayward Project.

Southland Mall General Manager Todd Falduti and Hayward Chamber of Commerce CEO Lucy Lopez provided insights into the state of retail nationwide. They emphasized that cities must explore alternative economic strategies beyond traditional retail due to the rise of online shopping platforms.

Mayor Salinas suggested implementing standardized retail operating hours to ensure consistency among businesses. He also raised concerns about businesses keeping their front entrances locked while directing customers to enter through back doors. Additionally, he proposed incorporating window paintings into businesses to promote public art initiatives.

Mayor Salinas questioned whether there is a need to reconsider street-level retail zoning.

City Council Member Andrews advocated for strengthening the business concierge program to foster closer collaboration with the Fire Department and Planning Division. She also supported establishing standardized operating hours for businesses as part approval processes.

City Council Member Andrews emphasized the importance of examining industry trends in unconventional building materials. She expressed that given the current state of public transportation; Hayward is not yet able to require retail spaces at the ground level of residential buildings. She noted that residents may not be able to sustain all these businesses and suggested that ground-floor spaces could instead be used for community and living amenities.

City Council Member Andrews proposed simplifying the process for integrating public art into commercial spaces. She also raised the issue of curb appeal, acknowledging uncertainty about regulatory authority but stressing the need to enhance aesthetics.

City Council Member Andrews inquired about the feasibility of using vacant properties for pop-up businesses. She emphasized the need to educate businesses on parking capacity, noting that the City does not own all parking lots.

Finally, Council Member Andrews asked for strategies to maximize the use of outdoor spaces to support local businesses.

4. Future Meeting Topics

City Council Member Andrews requested a presentation from the Downtown Hayward Improvement Association (DHIA) to explore how the City can support its success.

City Council Member Andrews requested a presentation from Library staff discussing strategies to better utilize Heritage Plaza and other spaces for economic development and increased community activation.

COMMITTEE MEMBER/ STAFF ANNOUNCEMENTS AND REFERRALS

Economic Development Specialist Daniel Mao announced the upcoming Tuition Assistance Job Fair at Chabot College on February 27, 2025. The event will be held in partnership with Chabot College and Cal State East Bay.

Chief Economic Development Officer Paul Nguyen shared that two Hayward companies were finalists for the 2025 East Bay Innovation Awards, which recognize cutting-edge technology and innovation in the region. He added the first finalist, Veev, who specializes in modular home construction, is a finalist in the manufacturing category. The second finalist, Endiatx, the inventor of "Pillbot," a miniature remote-controlled camera designed to replace routine endoscopies by navigating through a patient's digestive tract, is a finalist in the products and technology category. Chief Economic Development Officer Nguyen noted that the awards event will be on Thursday, March 27th, at 5:00 PM. The City of Hayward is a sponsor, additional details will be shared with the City Council as they become available.

Chief Economic Development Officer Nguyen also announced that the Economic Development team recently held a ribbon-cutting ceremony for Arlo Rx, an online pharmaceutical company.

Economic Development Specialist Daniel Mao shared that Sourdough & Co. started a soft opening at Lincoln Landing. He highlighted that the business was supported through the City's business concierge program with assistance provided for site selection and navigating the permitting process.

ADJOURNMENT: The meeting was adjourned at 6:50 p.m.