

CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Tuesday, March 5, 2019

7:00 PM

Council Chambers

City Council

CITY COUNCIL MEETING**CALL TO ORDER Pledge of Allegiance: Council Member Lamnin****ROLL CALL****CLOSED SESSION ANNOUNCEMENT****PUBLIC COMMENTS**

The Public Comment section provides an opportunity to address the City Council on items not listed on the agenda or Information Items. The Council welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Council is prohibited by State law from discussing items not listed on the agenda, your item will be taken under consideration and may be referred to staff.

ACTION ITEMS

The Council will permit comment as each item is called for the Consent Calendar, Public Hearings, and Legislative Business. In the case of the Consent Calendar, a specific item will need to be pulled by a Council Member in order for the Council to discuss the item or to permit public comment on the item. Please notify the City Clerk any time before the Consent Calendar is voted on by Council if you wish to speak on a Consent Item.

CONSENT

1. [MIN 19-027](#) Minutes of the City Council Meeting on February 19, 2019
Attachments: [Attachment I Draft Minutes of 2/19/2019](#)

2. [CONS 19-117](#) Fire Station 6 and Fire Training Center Project: Abatement and Deconstruction of Existing Buildings - Approval of Plans and Specifications and Call for Bids
Attachments: [Attachment I Staff Report](#)
[Attachment II Resolution](#)

LEGISLATIVE BUSINESS

3. [LB 19-016](#) Adoption of Emergency Ordinance Requiring Just Cause for Tenant Evictions for All Rental Units within the City (Report from City Manager McAdoo)

Attachments: [Attachment I Staff Report](#)
[Attachment II Just Cause Ordinance](#)
[Attachment III Amendment to the RRSO](#)

4. [LB 19-011](#) Introduction of the Hayward Community Foundation Concept, Formation Process, and Authorization for the City Manager to Establish an Affiliate Fund with the East Bay Community Foundation to Create the Hayward Community Foundation (Report from City Manager McAdoo)

Attachments: [Attachment I Staff Report](#)
[Attachment II Resolution](#)

CITY MANAGER'S COMMENTS

An oral report from the City Manager on upcoming activities, events, or other items of general interest to Council and the Public.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Oral reports from Council Members on their activities, referrals to staff, and suggestions for future agenda items.

ADJOURNMENT**NEXT MEETING, March 19, 2019, 7:00 PM****PUBLIC COMMENT RULES**

Any member of the public desiring to address the Council shall limit her/his address to three (3) minutes unless less or further time has been granted by the Presiding Officer or in accordance with the section under Public Hearings. The Presiding Officer has the discretion to shorten or lengthen the maximum time members may speak. Speakers will be asked for their name before speaking and are expected to honor the allotted time. Speaker Cards are available from the City Clerk at the meeting.

PLEASE TAKE NOTICE

That if you file a lawsuit challenging any final decision on any public hearing or legislative business item listed in this agenda, the issues in the lawsuit may be limited to the issues that were raised at the City's public hearing or presented in writing to the City Clerk at or before the public hearing.

PLEASE TAKE FURTHER NOTICE

That the City Council adopted Resolution No. 87-181 C.S., which imposes the 90-day deadline set forth in Code of Civil Procedure section 1094.6 for filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure section 1094.5.

****Materials related to an item on the agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, City Hall, 777 B Street, 4th Floor, Hayward, during normal business hours. An online version of this agenda and staff reports are available on the City's website. Written comments submitted to the Council in connection with agenda items will be posted on the City's website. All Council Meetings are broadcast simultaneously on the website and on Cable Channel 15, KHRT. ****

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400 or TDD (510) 247-3340.

Assistance will be provided to those requiring language assistance. To ensure that interpreters are available at the meeting, interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400.



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File #: MIN 19-027

DATE: March 5, 2019

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Minutes of the City Council Meeting on February 19, 2019

RECOMMENDATION

That the City Council approves the minutes of the City Council meeting on February 19, 2019.

SUMMARY

The City Council held a meeting on February 19, 2019.

ATTACHMENTS

Attachment I Draft Minutes of 2/19/2019



MINUTES OF THE CITY COUNCIL MEETING
Council Chambers
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Tuesday, February 19, 2019, 7:00 p.m.

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

ROLL CALL

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

Mayor Halliday announced that Public Hearing Items 15 and 16 were continued to February 26, 2019.

CLOSED SESSION ANNOUNCEMENT

City Attorney Lawson reported the City Council reconvened in closed session after the regular meeting on February 5, 2019 to continue discussion of conference with property negotiators pursuant to Government Code 54956.8, regarding 175 Fairway Street, APN 78G-2704-2-1, and noted there was no reportable action.

City Attorney Lawson reported 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 Clerk's annual performance evaluation; 2) conference with property negotiators pursuant to Government Code 54956.8 regarding former California Air National Guard site; and 3) public employment pursuant to Government Code 54957 regarding the City Manager's performance evaluation; and noted there was no reportable action related to Item 2. Mayor Halliday noted there was no reportable action related to items 1 and 3.

PUBLIC COMMENTS

Mr. Jim Drake, Hayward resident, asked for the intent behind removing the Eucalyptus trees at Harder Road.

Mr. William Roderick, Hayward resident, shared there was an opportunity at a school to house homeless individuals, and reported there was mold at the Terrace Tower Apartments.

Ms. Elena LePe, via an English/Spanish interpreter, spoke about the energy switch to East Bay Community Energy and lack of communication.

Ms. Gabriela del Hoyo, Hayward tenant, via English/Spanish interpreter, shared there were issues at the Gading Apartments related to asbestos and the visitor parking.

The following individuals spoke about the tragic shooting of Agustin “Augie” Gonzalez and asked for an independent, unbiased third-party investigation; suspension of the Hayward police officers involved in the shooting pending investigation, accountability for all parties involved; increased/improved mental health and de-escalation training for police officers; removal of police officers from serving pending an independent investigation into the incident; legislation for an independent investigation similar to the City of Richmond; justice for Agustin Gonzalez and the lives taken by law enforcement; report on mental health and de-escalation training completed by Hayward police officers during past years; connection with the grieving community; and stop blaming the victim.

Ms. Alicia Lawrence, Hayward Collective member

Ms. Lindsay Williams, Agustin Gonzalez

Mr. Frank Running Horse with the Oscar Grant Committee Against Police Brutality and State Repression

Ms. Beatrice Johnson, aunt of Oscar Grant

Ms. Megan Canto, cousin of Agustin Gonzalez

Ms. Jessica Aguallo-Hurtado, Brown National Organization Officer for Communications representative

Ms. Maria Nunes, aunt of Agustin Gonzalez

Mr. Frank Canto, uncle of Agustin Gonzalez

Ms. Cynthia Nunes, cousin of Agustin Gonzalez

Ms. Cynthia Canto Moreno, aunt of Agustin Gonzalez

Ms. Lourdes Garcia, aunt of Agustin Gonzalez

Mr. Luis Baquero, cousin of Agustin Gonzalez

Mr. Cephus Johnson, uncle of Oscar Grant

Ms. Rebecca Ruiz

Ms. Tami Rossell, stand with the Gonzalez family

Ms. Karla Gonzalez, mother of Agustin Gonzalez

Ms. Denise Friday

Mr. Jason Moreno, Hayward resident and founder of cop watch Hayward

Ms. Alicia Orozco, Hayward resident

Ms. Amanda Groziak

Ms. Sharon Raffetty

Ms. Annie Koruga

Mr. Steven Jacobson, Oscar Grant Committee representative

Ms. Sheila Burks, Hayward resident

Ms. Araceli Orozco, Hayward resident

Mr. Victor Picazo, Black and Brown United SF for Justice Peace and Equality representative

Ms. Jessica Hernandez, family member of Agustin Gonzalez

Ms. Lacei Amodei, the Hayward Collective member and Hayward tenant.

Mr. Mark Oakman, Director of Public Affairs for the Church of Jesus Christ of Latter-Day Saints, invited the City to an open house of the temple in Oakland the first week in May.

Mr. Nick Harvey, Hayward resident, urged the City to have in mind soft story buildings when considering earthquake preparedness.



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Mr. Myles Watkins, California State University East Bay Student Body President, spoke about the challenges faced by students such as lack of affordable housing and urged the City to become a partner.

Ms. Tami Rossell, expressed Hayward does not have citywide celebrations for African American holidays such as Black History Month.

Ms. Amanda Groziak, Hayward resident, spoke about Hayward's housing cost being higher than the national average and the need for increased affordable housing.

Ms. Peggy Guernsey, Hayward resident, spoke about the high cost of housing in Hayward and the desire to celebrate Black History Month in Hayward.

Ms. Amanda Guernsey, Hayward resident, expressed the housing being built is not affordable for low income earners.

Mayor Halliday offered the City's deepest sympathy to Mr. Gonzalez' family, noted there was an ongoing investigation and the City will follow the legal process and will make information public as appropriate.

Mayor Halliday called for a recess and reconvened the meeting at 9:01 p.m.

CONSENT

1. Minutes of the City Council Meeting on January 22, 2019 **MIN 19-018**
It was moved by Council Member Lamnin, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the City Council meeting on January 22, 2019 with a minor change.
2. Minutes of the Special City Council Meeting on January 29, 2019 **MIN 19-019**
It was moved by Council Member Lamnin, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the Special City Council meeting on January 29, 2019.
3. Minutes of the Special City Council Meeting (City Council Retreat) on February 3, 2019 **MIN 19-020**
It was moved by Council Member Lamnin, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the Special City Council Meeting (City Council Retreat) on February 3, 2019.

4. Minutes of the City Council Meeting on February 5, 2019 **MIN 19-021**
It was moved by Council Member Lamnin, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the City Council meeting on February 5, 2019.
5. Transmittal of the Comprehensive Annual Financial Report for the Year Ended June 30, 2018; and of the Memorandum on Internal Control and Required Communications **CONS 19-052**

Staff report submitted by Finance Director Claussen, dated February 19, 2019, was filed.

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

Resolution 19-028, "Resolution Accepting the Comprehensive Annual Financial Report for the Year Ended June 30, 2018; and the Memorandum on Internal Control and Required Communications"

6. Adoption of a Resolution to File a Chapter 8 Request for the Purchase of the Property Located at 1032 Central Boulevard (APN 445-270-7-1) for a Total Cost of \$37,027 Plus Closing and Recording Costs **CONS 19-076**

Staff report submitted by Deputy City Manager Ott, dated February 19, 2019, was filed.

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

Resolution 19-029, "Resolution of the City Council of the City of Hayward Authorizing the City Manager to Object to Public Sale and Enter into an Agreement to Purchase Fee Interest in Tax-Delinquent Real Property Located at 1032 Central Boulevard (APN 445-270-7-1) from the Alameda County Tax Collector's Office"

7. Adoption of a Resolution Authorizing the City Manager to Execute a Master Professional Service Agreement with Moves the Needle for Various Lean Innovation Trainings **CONS 19-086**

Staff report submitted by Management Analyst II Stefanski and Management Analyst II James, dated February 19, 2019, was filed.



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

Resolution 19-030, "Resolution Authorizing the City Manager to Negotiate and Execute a Master Professional Services Agreement with Moves the Needle for Lean Innovation Training for City Executives and Staff"

8. First Amendment to Lease and Assignment/Assumption of Lease with Briggs Resources, Inc. for Property at 21015 Skywest Drive **CONS 19-079**

Staff report submitted by Interim Public Works Director Ameri, dated February 19, 2019, was filed.

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

Resolution 19-031, "Resolution Authorizing the City Manager to Negotiate and Execute an Assignment/Assumption of Lease and a First Amendment to the Ground Lease with Briggs Resources, Inc."

9. Approval of Final Map Tract 8319 (Gading I), Associated with the Previously Approved Vesting Tentative Tract Map and Development of 20 Single Family Homes on a 1.75-Acre Site Located at 25906 Gading Road; Blue Mountain Communities (Applicant/Owner) **CONS 19-064**

Staff report submitted by Development Services Director Simpson, dated February 19, 2019, was filed.

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

Resolution 19-032, "Resolution Approving Final Map for Tract 8319 and Authorizing the City Manager to Execute a Subdivision Agreement"

10. New Sidewalks FY19 Project - Approval of Plans and Specifications and Call for Bids **CONS 19-080**

Staff report submitted by Interim Public Works Director Ameri, dated February 19, 2019, was filed.

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

Resolution 19-033, “Resolution Approving Plans and Specifications for the New Sidewalks FY19 Project, Project Nos. 05258, 05259, 05272, 05246, 05284, 05247 and Call for Bids”

11. New Garin Reservoir and Pump Station Improvements: Authorization for the City Manager to Amend Professional Services Agreement for Additional Engineering Services During Construction **CONS 19-081**

Staff report submitted by Utilities and Environmental Services Director Ameri, dated February 19, 2019, was filed.

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

Resolution 19-034, “Resolution Authorizing the City Manager to Execute an Amendment to an Agreement to Increase Funds by \$56,294 to Not to Exceed amount of \$356,294, for Additional Engineering Services with Kleinfelder, Inc., for the New Garin Reservoir and Pump Station Improvements, Project No. 07183”

WORK SESSION

12. Update on Efforts Related to the City’s Residential Rent Stabilization Ordinance and Provide Direction on Potential Amendments to the Residential Rent Stabilization Ordinance (Report from City Manager McAdoo) **WS 19-012**

Staff report submitted by Deputy City Manager Ott, dated February 19, 2019, was filed.

City Manager McAdoo announced the report and introduced Deputy City Manager Ott who provided a synopsis of the staff report.

Mayor Halliday opened the public comments section at 9:47 p.m.

Mr. Brian Arrasmith, Hayward landlord, urged the Council to consider exemptions for properties whose rents are capped and substantially below market, noted that older buildings require significant ongoing investment/expenses, and overregulating landlords will reduce the quality of most affordable housing units.

Mr. Jerry Reynolds, Hayward landlord, noted that removing rental homes from the market will impact renters.



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Ms. Patricia Tecua, Hayward renter, via an English/Spanish interpreter, asked the City to investigate a property owner about discrepancies with a rental agreement and asked for rent control.

Ms. Elisha Crader, Hayward resident and Centro Legal de la Raza housing advocate, spoke in support of extending rent control protection to as many units as legally possible and a rent threshold tied to the Consumer Price Index.

Ms. Paola Hernandez, Centro Legal de la Raza housing advocate, spoke in support of rent control.

Mr. Xavier Johnson asked the Council to use the power to regulate and mitigate impacts to communities of color.

Ms. Sarah McCracken, Centro Legal de la Raza staff attorney, favored expanding the existing rent control protection to as many units as legally possible, expanding just cause for eviction to all rental units in Hayward, and removing vacancy decontrol process.

Ms. Veronica Solorio, Hayward Collective member, favored expanding rent control and just cause for all rental units, removing the decontrol process, and recontrolling all units that are legally possible under the Costa-Hawkins Act including no exemption for owner occupied units (duplex, triplex, quadraplex).

Mr. Doug Smith, rental property owner, spoke against binding arbitration and rent control, and had concerns with staff's report.

Ms. Roberta Thomas, Hayward real estate broker, noted the rent increases are reasonable and proposed regulations might force rental property owners to explore selling or going with a 1031 exchange (tax deferred exchange).

Mr. Bill Mulgrew, Rental Housing Association of Southern Alameda County, Vice President, favored mandatory, non-binding mediation for increases over a threshold of 5% plus CPI, and noted the rent review data used in the staff report for the City of Fremont is six months old and does not reflect current statistics.

Ms. Caryl Mahar, Rental Housing Association of Southern Alameda County representative and Hayward renter, noted the proposal will force "Mom and Pop" property owners out of the industry, asked to look closely at Section 19 Eviction for Cause (a) Cause for Eviction subsections 11, 13, and 15; and the cost of soft story retrofits will be passed on to "Mom and Pop" property owners.

Mr. Ed Kellar, rental properties owner, urged the City to consider communities that are landlord/tenant friendly and increase housing inventory, and added that rentals that get 5% rent increases are \$500/\$600 below market rent.

Mr. Mike Chaney, Hayward landlord, did not support non-binding arbitration.

Mr. Mark Oakman, property manager, cautioned the City about following staff's recommendation and noted that the growth in the cost of rentals was not keeping proportional pace with the cost of services, utilities and taxes.

Mr. Jason Moreno, Hayward resident, submitted a document for the record with eleven (11) issues that he wanted considered when modifying the Ordinance, and noted that in the Ordinance there is no enforcement mechanism of the requirement that landlords be cognizant of the ordinance or their responsibilities.

Mr. Zachariah Oquenda, Hayward resident, supported the Hayward Collective's letter and provided a record with two additional policies: the online rental registry database and a tenant protection ordinance.

Ms. Brenda Hernandez, rental property owner, noted the City needed to create more affordable housing.

Mr. Les Fohl, real estate broker, noted there was a necessary correlation between the value of rental property and the rent that needs to be charged, and added that rental properties were getting sold and become owner occupied.

Ms. Paola La Verde, Hayward renter, urged the Council to provide rental protection with cause eviction and rent control to all Hayward renters.

Ms. Lacei Amodei, Hayward Collective member and Hayward tenant, urged the Council to consider models that have already been vetted, asked for a moratorium on further rent increases, and requested to stop asking average people to resolve the housing crisis.

Ms. Araceli Orozco, Hayward resident, spoke in support of rent control.

Mr. Eduardo Orozco, Hayward resident, spoke in support of rent control.

Ms. Pamela Glassoff, Eden I&R, 2-1-1 Program housing coordinator, shared that the health of service callers has been affected by the inability to afford housing, and urged the Council to protect tenants as much as possible.

Ms. Tina Acree, Hayward tenant, spoke in favor of rent control and a rent threshold equal to CPI, and expressed the need for more affordable housing.

Ms. Roehelle Brown, property manager and renter, noted that rent increases were necessary to keep up with building maintenance and permit cost.



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Mr. James Chang, Berkeley Rent Stabilization Board member, spoke in favor of rent control noting that Section 8 housing is not affected by local regulations, new development is not affected under the Costa-Hawkins Act, and rising rents are pushing people into homelessness.

Ms. Martha Kreeger, spoke in support of rent control and just cause eviction noting that tenants must miss work in order to go through mediation.

Mr. Christopher Oventon, property owner, spoke against rent control.

Ms. Tina Hand, realtor, asked the Council to consider every situation when creating policy and reach out to small landlords.

Mr. Bill Espinola, Hayward landlord, noted that “Mom and Pop” property owners provide affordable housing, and asked the Council to keep in mind that small property owners are not large corporations.

Ms. Barbara Clemons, realtor, noted that small property owners use the investment of a rental property to supplement income.

Mr. Mike Godfrey, property owners’ representative, asked the Council to protect the interest of small property owners, and eliminate unruly landlords and tenants.

Ms. Alicia Lawrence, Hayward Collective member, spoke in support of rent control, and asked the Council to consider a tenant’s first right of refusal so tenants can buy the home or building they occupy should the landlord decide to divest.

The following individuals submitted speaker cards but, due to the lateness of the meeting, left the Council Chambers before they could express their views.

Ms. Rahima Aziz
Ms. Etienne Bowie
Mr. Monzella Curtis
Mr. Nick Harvey
Ms. Corina Vasaure
Ms. Elena Lepe
Mr. Geraldo Gonzales
Ms. Maria Osegura
Ms. Catalina Garcia
Ms. Amanda Groziak
Ms. Matilde Lara
Ms. Angie Watson-Hajjem

Mr. Will Shattuc
Ms. Jeannette Johnigan
Mr. Kim Huggett
Mr. Otto Catrina

Mayor Halliday closed the public comments section at 11:26 p.m.

Members of the City Council were asked to respond to questions posed by staff related to potential amendments to the Residential Rent Stabilization Ordinance (RRSO).

In response to the approach to amend the RRSO, Council Member Márquez expressed support for a rent control program with a rent threshold tied to the Consumer Price Index and make a process applicable to all rental units except all complexes of four units or less, including single-family homes. In terms of a vacancy decontrol process, she preferred to eliminate the process for decontrolling units maintaining the 1,000-1,600 units, currently covered by rent increase limitations. Regarding the eviction for cause process, she preferred to expand eviction for cause to all units, including single-family homes. Regarding other tenant protections, she mentioned that the options could be explored through the Homelessness-Housing Task Force and for the Task Force to have a firm timeline of three to six months with action items coming back to the City Council.

In response to the approach to amend the RRSO, Council Member Zermeño expressed support for a mediation process with binding arbitration and cover as many units as legally possible. In terms of a vacancy decontrol process, he favored eliminating the process of decontrolling units. He favored expanding eviction for cause to all units. He favored the four tenant protection options and suggested adding a tenant code of conduct. He also favored requiring that rent increase and eviction notices be filed with the City. Additionally, he urged action to stop displacing any more renters, address unclear provisions, and reward landlords in compliance.

In response to the approach to amend the RRSO, Council Member Wahab expressed support for rent control and a rent increase threshold that is fair to all rental units (single-family, duplex, triplex, quadraplex, multi-home, including mobile home units); suggested that tenants be informed in writing understanding Hayward is a community of immigrants; wanted stronger infrastructure improvements and support for the landlords in financing that; craft a Tenant Protection Ordinance; mimic the City of Berkeley's database and consider a control mechanism once bad actors have been identified; review allowing to decontrol all previously decontrolled units; and added that tenant protection and just cause eviction constituted the code of conduct for landlords.

In response to the approach to amend the RRSO, Council Member Lamnin expressed support for a mediation process with binding arbitration for all units with a rent increase threshold in the 5 or 6% range that includes rent and other charges; recommended to be sensitive to residents' working arrangement when scheduling meetings; consider the fees that would cover the cost of administering and enforcing the amended ordinance; consider incentives or unit improvements for good landlords. In terms of the vacancy decontrol process, she



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preferred to suspend the vacancy decontrol process for a period. Regarding the eviction for cause process, she preferred expanding the eviction for cause to all units. In terms of other tenant protections, she supported all options except the promotion of a landlord code of conduct. Additionally, she recommended a database that advocacy groups, tenants and landlords can contribute to and streamline the process for getting a business license.

In response to the approach to amend the RRSO, Council Member Mendall expressed support for mandatory mediation with a rent threshold in the 5-8% range and a process applicable to all market rate rental units built prior to July 1, 1979, except: single-family homes and owner-occupied units (single-family homes, duplex, triplex, quadruplex). He added that a rent increase associated with the sale of a property needed to be corrected. In terms of a vacancy decontrol process, he preferred to suspend the vacancy decontrol process for a period to gather data before making a recommendation. Regarding eviction for cause, he preferred expanding eviction for cause to all units. In terms of other tenant protections, he concurred with the four options but preferred to do the promotion of a landlord code of conduct last. Lastly, he preferred requiring filing of eviction notices with the City.

In response to the approach to amend the RRSO, Council Member Salinas expressed support for a mediation process with binding arbitration using the Consumer Price Index across the board and making the process applicable to all market rate rental units except for single-family homes. In terms of the vacancy decontrol process, he preferred removing the process for decontrolling units. Regarding the eviction for cause, he supported expanding eviction for cause to all units. In terms of tenant protection options, he preferred that the prohibition against discrimination of Section 8 voucher holders come back to Council faster, and that there be a code of conduct for both landlords and tenants and collect qualitative and quantitative data on both tenant and landlord experiences. Lastly, he supported requiring that rent increase and eviction notices be filed with the City.

In response to the approach to amend the RRSO, Mayor Halliday expressed support for a mediation process with binding arbitration that ensures fairness for both sides using a 5% rent threshold or CPI inclusive of rent and other extra charges such as parking, and making the process applicable to all market rate rental units except single-family units, and considering legal assistance for everyone, and instituting flexible hours. Regarding the vacancy decontrol process, she preferred suspending the vacancy decontrol process for a period. In terms of the eviction for cause, she preferred expanding eviction for cause to more rental units except for owner-occupied single-family units. Regarding other tenant protections, she supported the four options. Lastly, she favored a database and a requirement that rent increase and eviction notices be filed with the City.

PUBLIC HEARING

13. Public TEFRA Hearing as Required by the Internal Revenue Code of 1986, and Adoption of a Resolution Approving the Issuance by California Public Finance Authority of Multifamily Housing Revenue Bonds to Finance the Acquisition, Rehabilitation of Leisure Terrace Apartments (Report from Deputy City Manager Ott) **PH 19-010**

Staff report submitted by Deputy City Manager Ott, dated February 19, 2019, was filed.

City Manager McAdoo announced the report and introduced Housing Manager Morales who provided a synopsis of the staff report.

Mayor Halliday opened the public hearing at 12:47 a.m.

Mr. Zacharia Oquenda, Hayward resident, asked the City to consider relocation assistance for the families that were going to be displaced because they did not meet the income eligibility requirement.

Mayor Halliday closed the public hearing at 12:49 a.m.

City staff noted that consideration of relocation assistance could be suggested to the developer.

Council Member Mendall offered a motion per staff's recommendation.

Council Member Zermeño seconded the motion.

Council Member Lamnin suggested to consider the first right of refusal and the role of the Housing Authority in finding a mechanism for tenants or agencies to have an opportunity to retain the units. Ms. Lamnin recommended, to the extent possible, to have longer noticing for people in need of relocation assistance and to retain renters at the current rental price for some period to help offset other costs.

Council Member Márquez noted the Council wants to see more improvements.

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

Resolution 19-035, "Resolution of the City Council of the City of Hayward Approving the Issuance by the California Public Finance Authority of Multifamily Housing Revenue Bonds in an Aggregate Principal amount Not to Exceed \$23,000,000 for the Purpose of Financing or Refinancing the Acquisition and Rehabilitation of Leisure Terrace Apartments and Certain Other Matters Relating Thereto"



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14. Adoption of an Ordinance to Approve an Amendment to the City of Hayward Contract with the California Public Employees Retirement System (CalPERS) for Miscellaneous Members in SEIU Local 1021 (Report from Human Resources Director Collins) **PH 19-009**

Staff report submitted by Human Resources Director Collins, dated February 19, 2019, was filed.

Human Resources Analyst II Adams provided a synopsis of the staff report.

There being no public comments, Mayor Halliday opened and closed the public hearing at 12:54 a.m.

Council Member Mendall offered a motion per staff's recommendation.

Council Member Zermeño seconded the motion.

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

Ordinance 19-03, "An Ordinance Authorizing the Amendment of the Contract Between the City of Hayward and the Board of Administration of the California Public Employees' Retirement System"

15. Vacation of 3138 Baumberg Avenue: Public Hearing and Resolution Approving Excess Right-of-Way Vacation and Authorizing Quit Claim Deed (Report from Interim Public Works Director Ameri) **PH 19-011**

The item was continued to February 26, 2019.

16. Vacation of 26010 Production Avenue: Public Hearing and Resolution Approving Excess Right-of-way Vacation and Authorizing Quit Claim Deed (Report from Interim Public Works Director Ameri) **PH 19-012**

The item was continued to February 26, 2019.

CITY MANAGER'S COMMENTS

There were no comments.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Márquez noted that cultural events were sponsored by different groups and urged community members to become partners with the City to celebrate diversity.

In response to Council Member Wahab's request regarding mental health and de-escalation training for safety personnel, City Manager McAdoo noted the item could be referred to the Hayward Police Chief's Community Advisory Panel.

ADJOURNMENT

Mayor Halliday adjourned the regular meeting at 1:02 a.m.

APPROVED

Barbara Halliday
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: CONS 19-117

DATE: March 5, 2019

TO: Mayor and City Council

FROM: Interim Director of Public Works

SUBJECT

Fire Station 6 and Fire Training Center Project: Abatement and Deconstruction of Existing Buildings - Approval of Plans and Specifications and Call for Bids

RECOMMENDATION

That the Council adopts the attached resolution (Attachment II) approving the plans and specifications for the abatement and deconstruction of the existing Fire Station 6 and Fire Training Center structures.

SUMMARY

To build the new Fire Station 6 and Fire Training Center, the existing fire station and several fire training center structures will need to be deconstructed. Based on the materials sampling and testing, hazardous materials abatement will be required of these buildings prior to deconstruction. Staff has prepared construction documents based on the hazardous abatement reports and deconstruction plans prepared by consultants and seeks Council approval of the plans and specifications and call for bids.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution



DATE: March 5, 2019

TO: Mayor and City Council

FROM: Interim Director of Public Works

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BACKGROUND

On June 3, 2014, voters approved Measure C, which authorized the City to increase the sales tax rate by one-half cent for twenty years for, among other things, the restoration and maintenance of City services and facilities, including firefighting/emergency medical services. Based on the facility needs assessment report completed on October 10, 2014 by Ross Drulis Cusenbery (RDC) for Fire Stations 1-6 and the Fire Training Center, substantial upgrades were needed in these aging facilities. Fire Stations 1-5 required renovation and were separated from Fire Station 6 and the Fire Training Center since the latter facilities will be reconstructed and expanded. The Fire Stations 1-5 project is completed. The Fire Station 6 and the Fire Training Center Project is currently in the construction document phase.

Fire Station 6 and the Fire Training Center are located on West Winton Avenue and serve the industrial area. The Aircraft Rescue and Fire Fighting (ARFF) unit is also housed at Fire Station 6, which is adjacent to the Hayward Executive Airport. The Fire Training Center consists of a collection of structures and training facilities assembled over the past forty years. The antiquated and generally dilapidated facilities consist of five main buildings: Fire Station 6; the four-story training tower; the classroom building; the burn building; and the storage building.

DISCUSSION

Deconstruction of the existing Fire Station 6, the training tower, the classroom building, the burn building and storage building will be necessary to make room for the new Fire Station 6 and Fire Training Center. Due to the age of the buildings, environmental consultant Monte Deignan & Associates was contracted to perform inspection, sampling, and testing of building materials of each building. The report concluded that these five buildings contain asbestos. Abatement of asbestos containing materials is performed by asbestos abatement contractors in accordance with regulations and requirements of the Division of Occupational Safety and Health of the Department of Industrial Relations. This project will remove asbestos containing materials, recycle materials, and then deconstruct the existing buildings in preparation for the construction of the new Fire Station 6 and Fire Training Center.

Deconstruction was originally included in the main project to construct the new buildings. Since these buildings require a specialized contractor for deconstruction, it would likely be more cost effective to separate this work from the main project to construct the new buildings. Furthermore, if unknown issues arise during abatement or deconstruction, the delay would be isolated to the abatement and deconstruction phase and not impact the main construction project.

FISCAL IMPACT

The estimated costs for abatement and deconstruction are as follows:

Construction Contract	\$ 325,000
Construction Contingency (ACO)	\$ 32,500
Construction Administration	\$ 50,000
Permit Fees, Inspection & Testing	<u>\$ 50,000</u>
Total	\$457,500

The Adopted FY 2019 CIP includes a total of \$3,500,000 for Project 07481 – New Fire Station No. 6 and \$25,187,000 for Project 07482 – New Fire Training Center in Fund 406 – Measure C. The cost for the abatement and deconstruction of the existing buildings will be covered by these funds.

The total updated project cost is scheduled for discussion with the Council Infrastructure Committee (CIC) during the Special CIC meeting on March 6, 2019. ¹

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work, and play for all. This agenda item supports the following goals and objectives:

Goal 1: Improve quality of life for residents, business owners, and community members

¹ [Council Infrastructure Committee Meeting Staff Report](#) – Report will be posted no later than March 1, 2019.

in all Hayward neighborhoods.

Objective 1: Increase neighborhood safety and cohesion.

Objective 2: Foster a sense of place and support neighborhood pride.

SUSTAINABILITY FEATURES

The action taken for this agenda report will result in the development of the new Fire Station 6 and Fire Training Center Improvement Project, which will include sustainability features to make the facility eligible for LEED Silver Certification or better and to achieve zero net energy.

PUBLIC CONTACT

As part of the CEQA requirements, the Initial Study and Mitigated Negative Declaration were posted for public review and a public hearing was brought before the Planning Commission on October 25, 2018.

NEXT STEPS

Open Bids	April 2, 2019
Award Contract	April 30, 2019
Begin Work	May 20, 2019
Complete Work	July 19, 2019

Prepared by: Kathy Garcia, Deputy Director of Public Works

Recommended by: Alex Ameri, Interim Director of Public Works

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 19-____

Introduced by Council Member _____

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE FIRE STATION 6 AND FIRE TRAINING CENTER: ABATEMENT AND DECONSTRUCTION OF EXISTING BUILDINGS PROJECT, PROJECT NOS. 07481 AND 07482 AND CALL FOR BIDS

BE IT RESOLVED by the City Council of the City of Hayward as follows:

WHEREAS, those certain plans and specifications for the Fire Station 6 and Fire Training Center: Abatement and Deconstruction of Existing Buildings Project, Project Nos. 07481 and 07482 on file in the office of the City Clerk, are hereby adopted as the plans and specifications for the project; and

WHEREAS, the City Clerk is hereby directed to cause a notice calling for bids for the required work and material to be made in the form and manner provided by law; and

WHEREAS, sealed bids therefore will be received by the City Clerk's office at City Hall, 777 B Street, 4th Floor, Hayward, California 94541, up to the hour of 2:00 p.m. on Tuesday, April 2, 2019, and immediately thereafter publicly opened and declared by the City Clerk in the Conference Room, 4D, located on the 4th Floor of City Hall, Hayward, California.

NOW THEREFORE BE IT RESOLVED, that the City Council will consider a report on the bids at a regular meeting following the aforesaid opening and declaration of same.

BE IT FURTHER RESOLVED, that pursuant to CEQA Guidelines Section 15220, an Initial Study was prepared for the Fire Station 6 and Fire Training Center project with the finding that a Mitigated Negative Declaration was appropriate because all potential impacts could be mitigated to a level of less than significant with the implementation of mitigation measures. The Initial Study found that the project would result in potential impacts to Biological Resources, Geology and Soils, Hazards and Hazardous Materials, and Mandatory Findings of Significance. With mitigation, any potential impacts would be reduced to a level of less than significant.

BE IT FURTHER RESOLVED, that a Notice of Intent to Adopt the MND was filed and posted with the Alameda County Clerk on October 1, 2018 for a twenty (20) day public comment period, which expired on October 22, 2018. No comments and/or correspondence have been received as of the writing of this report. The proposed IS/MND were posted and available for public review at City Hall, the City's website, and delivered to Hayward Weekes Library.

BE IT FURTHER RESOLVED that the Mitigated Negative Declaration and Mitigation Monitoring Program were adopted by the Hayward Planning Commission at a duly noticed meeting on October 25, 2018.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2019

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: LB 19-016

DATE: February 5, 2019

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Adoption of Emergency Ordinance Requiring Just Cause for Tenant Evictions for All Rental Units within the City

RECOMMENDATION

That the City Council:

1. Adopts an emergency Ordinance of the City Council of the City of Hayward requiring just cause for tenant evictions for all rental units within the City (Attachment II); and
2. Adopts an emergency Ordinance repealing Section 19 of the City of Hayward Residential Rent Stabilization Ordinance (RRSO) (Attachment III).

SUMMARY

On February 26, 2019, the City Council directed staff to return with an emergency ordinance to prevent no cause evictions that are likely a result of the proposed modifications to the RRSO discussed at the February 19, 2019 City Council meeting. A Just Cause for Eviction Ordinance provides tenants a defense against no cause evictions and establishes what constitutes justified evictions. The just causes required for eviction identified under the proposed ordinance are the same as the justifications for eviction under the RRSO. However, the proposed emergency ordinance would extend eviction for cause protections to units that are currently exempt under the RRSO.

Additionally, if the proposed Just Cause for Eviction Ordinance is adopted, Section 19 of the RRSO (Eviction for Cause) would need to be deleted to avoid conflicts.

Enactment of an emergency ordinance would require at least five affirmative votes from the City Council. If only four Council members vote for the proposed ordinance, then adoption would occur at the next City Council meeting and the ordinance would go into effect 30 days after adoption.

ATTACHMENTS

File #: LB 19-016

Attachment I	Staff Report
Attachment II	Eviction for Cause Ordinance
Attachment III	Amendment to the Residential Rent Stabilization Ordinance



DATE: March 5, 2019

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Adoption of Emergency Ordinance Requiring Just Cause for Tenant Evictions for All Rental Units within the City

RECOMMENDATION

That the City Council:

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SUMMARY

On February 26, 2019¹, the City Council directed staff to return with an emergency ordinance to prevent no cause evictions that are likely a result of the proposed modifications to the RRSO discussed at the February 19, 2019 City Council meeting. A Just Cause for Eviction Ordinance provides tenants a defense against no cause evictions and establishes what constitutes justified evictions. The just causes required for eviction identified under the proposed ordinance are the same as the justifications for eviction under the RRSO. However, the proposed emergency ordinance would extend eviction for cause protections to units that are currently exempt under the RRSO.

Additionally, if the proposed Just Cause for Eviction Ordinance is adopted, Section 19 of the RRSO (Eviction for Cause) would need to be deleted to avoid conflicts.

Enactment of an emergency ordinance would require at least five affirmative votes from the City Council. If only four Council members vote for the proposed ordinance, then adoption would occur at the next City Council meeting and the ordinance would go into effect 30 days after adoption.

¹ February 19, 2019 Staff Report and Attachments:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=3863371&GUID=E3FF2A1F-D770-463F-ACC2-8EBEFC711CF3&Options=&Search=>

BACKGROUND

Hayward, like other cities in the Bay Area, is experiencing rising housing prices, severe housing instability for its most vulnerable populations, displacement of existing residents of all incomes, and increasing homelessness. The increase in Hayward's and the Bay Area's population, absent a corresponding increase in housing units, has caused rents and prices to rise as supply has failed to meet demand. As a result, approximately 55% of Hayward renters experience a cost burden as they spend over 30% of their household income on rent. Between 2013 and 2017, rents increased in the City by 46% while the median income of renters only increased 25%. While low income renters are the most impacted by rising rents and lack of available rental housing, all Hayward renters are experiencing the impacts of a tight rental market. Additionally, renter-occupied units are disproportionately comprised of African-American and Hispanic households compared to all occupied units, which raises concerns that the risk of potential displacement is greater for certain racial and ethnic populations.

On February 19, 2019, the City Council convened a work session that defined the parameters for an approach to amend the RRSO. Based on preliminary Council direction during the work session, staff will be returning to Council for consideration of the following key actions:

- Development of a mandatory mediation program with binding arbitration that would be available to tenants upon rent increases greater than five percent and applicable to all pre-1979 units except single family homes and condominiums consistent with State law;
- Extension of eviction for cause protections to all residential rental properties, including single family homes and condominiums (subject of this staff report);
- Requirement that landlords file rent increase notices and eviction notices with the City to obtain accurate data about rental housing activity;
- Creation of provisions to protect Section 8 voucher holders from discrimination;
- Exploration with the Housing and Homelessness task force various retaliation provisions and relocation assistance options; and
- Consideration of elimination of the vacancy decontrol provisions (Section 8) of the RRSO, based on a pending report from Management Partners.

Subsequently, on February 26, 2019, Council directed staff to return with an emergency ordinance to the full Council to prevent no cause evictions out of concern that the proposed modifications to the RRSO will cause reactionary evictions that will destabilize the community. Additionally, Councilmember Wahab requested Council support for a moratorium on any rent increases for a period of 13 months. The majority of Council recommended that this potential moratorium be reviewed by the Housing and Homelessness task force during a future task force meeting.

DISCUSSION

Adoption of the Just Cause for Eviction Ordinance would increase the number of units covered by eviction for cause protections to all rental units in the City of Hayward. Additionally, as an

emergency ordinance, it will prevent no cause evictions initiated as a result of Council direction to modify the RRSO. Expanding eviction for cause protections based on Council direction would add protection to units built after July 1, 1979, all single family homes and condominiums, and units where the property owner owns four units or less. Just cause provisions currently protect approximately 14,900 units and the proposed changes would protect all 22,237 rental units in the City with the exception of hotels and motels, hospitals, transitional housing, skilled nursing facilities, and shared housing.

The Just Cause for Eviction Ordinance provides tenants a defense against no cause evictions and establishes what constitutes justified evictions. The just causes required for eviction identified under the proposed ordinance are the same as the justifications for eviction under the RRSO. There are fifteen justifications for eviction including:

1. The tenant has not paid their rent.
2. The tenant has continued to ignore terms of the lease.
3. The tenant has substantially damaged the property and will not agree to repair or pay for repairs.
4. The tenant refused to sign a new lease that is identical to the old one (when the old one expires).
5. The tenant has continued to bother other tenants and neighbors after being told to stop.
6. The tenant will not let the landlord into the building, even with written notice.
7. The landlord wants to perform repairs to the unit to meet the City's building standards that cannot be completed with the tenant living there. The owner must obtain permits from the City. Once work is complete, the tenant must be offered the unit first.
8. The landlord wants to demolish the unit.
9. The landlord wants to move into the unit or wants to allow certain family members to move in. These family members include the landlord's spouse, domestic partner, child, spouse's child, parent, sibling, grandparent, or grandchild. This is not allowed if there is a similar unit on the property that is vacant and available.
10. The landlord wants to move into the unit and the lease allows this.
11. The tenant is convicted of using the rental unit for any illegal purpose.
12. The tenant has used or allowed the use of the unit for the manufacture, sale, distribution, possession, or use of illegal drugs.
13. The tenant has continued to break the rules of the property.
14. The landlord fires the tenant, and housing was part of the employee's pay.
15. The tenant has threatened to kill or hurt any person on the premises. A report must be filed with the Hayward Police Department.

Under the new ordinance, landlords would be required to notify tenants of the existence of the Just Cause for Eviction Ordinance upon leasing a unit, rent increase, or serving and a notice to terminate tenancy.

Additionally, if the proposed Just Cause for Tenant Eviction Ordinance is adopted, Section 19 of the RRSO (Eviction for Cause) would need to be deleted to avoid conflicts.

Enactment of an emergency ordinance would require at least five affirmative votes from Council. If only four Council members vote for the proposed ordinance, then adoption would occur at the next City Council meeting and the ordinance would go into effect 30 days after adoption.

FISCAL IMPACT

City staff is conducting a fiscal impact analysis on the budget impacts of administering and enforcing all the proposed amendments to the RRSO that resulted from the February 19, 2019 work session, including the expansion of the just cause provisions to all rental units in the City. The enactment of this emergency ordinance expanding just cause provisions to all rental units will likely increase costs associated with administering the RRSO due to educational efforts and an increase in call volumes from affected landlords and tenants. Given the emergency nature of the proposed Just Case for Eviction Ordinance, this fiscal analysis is not yet complete. However, costs associated with the RRSO are recovered through the Rent Review Administration Fee. Consequently, the amount of the fee will also be updated to cover these expenses. The fee is paid by the landlord and half of the fee can be passed through to the tenant. As outlined in the Next Steps section below, the staff report scheduled for April regarding the mediation program with binding arbitration will provide an estimated budget for the program.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities Initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work, and play for all. This item supports the following goal and objectives:

Goal 2: Provide a mix of housing stock for all Hayward residents and community members, including the expansion of affordable housing opportunities and resources.

Objective 1: Centralize and expand housing services.

Objective 3: Conserve and improve the existing housing stock.

PUBLIC CONTACT

In January 2018, staff hosted meetings with tenants, landlords, representatives of community-based organizations, and advocates to listen to these stakeholders' perspectives on housing issues. Additionally, staff conducted an online survey to provide an alternate mechanism for participation in the housing discussion. Analysis of the results of the survey were included in the February 6, 2018² staff report. On February 26, 2018, staff hosted a subsequent listening

² February 6, 2018 Staff Report and Attachments:
<https://hayward.legistar.com/LegislationDetail.aspx?ID=3335549&GUID=DDD8866E-BAEB-44BF-8EBB-2F716A750170&Options=&Search=>

session to hear the stakeholders' feedback on Council supported affordable rental housing strategies. In October 2018, staff conducted four tenant focus groups. From December 2018 through February 2019, staff met with community stakeholders affiliated with landlords, realtors, and tenants to develop potential amendments to the RRSO to address issues of rent stabilization more comprehensively in the City.

NEXT STEPS

Staff continues to work on proposed amendments to the RRSO and anticipates on returning to Council with draft legislation based on the following timeline:

Topic	Timeline
Housing and Homelessness Task Force Meeting	March 21, 2019
Mediation with Binding Arbitration Program	April 2019
Evaluation of Vacancy Decontrol Process	May 2019
Additional Proposed Tenant Protections	June 2019

Prepared by: Christina Morales, Housing Division Manager

Recommended by: Jennifer Ott, Deputy City Manager

Approved by:



Kelly McAdoo, City Manager

ORDINANCE NO. 19 -

AN EMERGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HAYWARD REQUIRING JUST CAUSE FOR TENANT EVICTIONS WITHIN THE CITY

WHEREAS, the laws of the State of California and the Housing Element of the General Plan of the City of Hayward prohibit arbitrary discrimination by landlords;

WHEREAS, the right to occupancy of safe, decent, and sanitary housing is a human right;

WHEREAS, the City of Hayward's prolonged affordable housing crisis disproportionately impacts low income and working-class households, senior citizens, and residents whose first language is not English, and thereby increases homelessness and crime, harms neighborhood stability and cohesion, and damages business prospects for small businesses;

WHEREAS, recent state laws that eliminate limits on rent increases upon the vacation of rental units provide added economic incentive to evict tenants, such that the number of evictions without just cause has increased markedly in recent years;

WHEREAS, residential tenants, who constitute approximately 49 percent of the residents of Hayward, suffer great and serious hardship when forced to move from their homes;

WHEREAS, basic fairness requires that a landlord must not terminate the tenancy of a residential tenant without good, just, non-arbitrary, non-discriminatory reasons;

WHEREAS, the good cause eviction protections enacted in San Francisco, Berkeley, Oakland, and other California cities, have aided community stability and reduced urban problems associated with arbitrary disruption of stable households;

WHEREAS, the general welfare of all citizens of Hayward would be enhanced if evictions without just cause were prohibited;

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and made a part of this ordinance.

Section 2. Title. This ordinance shall be known as the Just Cause for Eviction Ordinance ("Ordinance").

Section 3. Findings.

- A. Pursuant to Article XI, Section 7 of the California Constitution, the City of Hayward ("City") may make and enforce all regulations and ordinances using its police powers.
- B. A public emergency exists in the City due to the lack of adequate, safe, sanitary, and affordable housing. This emergency disproportionately impacts tenants of residential rental units, a majority of whom are people of color, working class families, the homeless, those of low income, and the elderly, and disabled.
- C. Renters occupy approximately 49 percent of the City's housing stock, and 57 percent of renters are cost burdened under the federal definition, meaning they spend more than 30 percent of their income on housing.
- D. City staff received input from a variety of stakeholders, including tenants, landlords, and community organizations, relating to exorbitant costs and scarcity of rental units.
- E. Hayward's Residential Rent Stabilization Ordinance provides just cause protections only for units that are currently rent controlled and were previously decontrolled.
- F. Hayward presently has no just cause protections for tenants whose units are not covered by the Residential Rent Stabilization Ordinance. These tenants may be subject to eviction at any time and without reason.
- G. Without just cause protections, many tenants are afraid to demand their right to a safe, inhabitable home.
- H. Furthermore, Hayward is experiencing extreme housing market pressures from neighboring Santa Clara and San Francisco counties, resulting in a decrease in the vacancy rate and an increase in residential rental prices.
- I. Without the institution of just cause protections, Hayward's housing emergency will continue, and will contribute to increases in homelessness, crime, and neighborhood instability.
- J. Many municipal jurisdictions in the San Francisco Bay Area, including Berkeley, Oakland, and San Francisco, have effectively utilized just cause protections to preserve affordable housing. Such protections have helped abate the urban problems associated with neighborhood instability, homelessness, and illegal activity in vacant units, providing concrete benefits for both landowners and tenants.
- K. Just cause eviction protections are consistent with the Housing Element of the Master Plan of the City of Hayward, which states that residents have the right to safe and decent housing.

Section 4. Definitions.

- A. "Landlord" means an owner of record, or lessor or sublessor of an owner of record, or any other person or entity entitled either to receive rent for the use or occupancy of any rental unit or to maintain an action for possession of a rental unit, or an agent, representative, or successor of any of the foregoing.
- B. "Owner of Record" means a natural person, who is an owner of record holding an interest equal to or greater than 33 percent in the property at the time of giving a notice terminating tenancy and at all times thereafter, until and including the earlier of the tenant's surrender of possession of the premises or the execution of a writ of possession pursuant to the judgment of a court of competent jurisdiction; but not including any lessor, sublessor, or agent of the owner of record.
- C. "Rent" means the consideration, including any deposit, bonus, benefit, or gratuity demanded or received for, or in connection with, the use or occupancy of rental units and housing services. Such consideration shall include, but not be limited to, moneys and fair value of goods or services rendered to or for the benefit of the landlord under the rental agreement, or in exchange for a rental unit or housing services of any kind.
- D. "Rental Agreement" means an agreement, oral, written, or implied, between a landlord and a tenant for the use and/or occupancy of a rental unit.
- E. "Rental Unit" (aka Unit, aka Premises) means any unit in any real property, regardless of zoning status, including the land appurtenant thereto, that is rented or available for rent for residential use or occupancy (regardless of whether the unit is also used for other purposes), together with all housing services connected with use or occupancy of such property, such as common areas and recreational facilities held out for use by the tenant.
- F. "Property" means a parcel of real property, located in the City of Hayward, that is assessed and taxed as an undivided whole.
- G. "Tenant" means any renter, tenant, subtenant, lessee, or sublessee of a rental unit, or any group of renters, tenants, subtenants, lessees, sublessees of a rental unit, or any other person entitled to the use or occupancy of such rental unit, or any successor of any of the foregoing.
- H. "Skilled Nursing Facility" means a health facility or a distinct part of a hospital that provides, at a minimum, skilled nursing care and supportive care to patients whose primary medical need is the availability of skilled nursing care on an extended basis. Such facility must provide 24 hour inpatient care, an activity program, and medical, nursing, dietary, pharmaceutical services. Additionally, the facility must provide effective arrangements, confirmed in writing, through which services required by the patients but not regularly provided within the facility can be obtained promptly when needed.

- I. "Health Facility" means any facility, place or building that is organized, maintained, and operated for the diagnosis, care, and treatment of human illness, physical or mental, including convalescence and rehabilitation, and including care during and after pregnancy, or for any one or more of these purposes.
- J. "Business Tax Declaration" means the annual declaration required to be filed in connection with a landlord's obtaining or renewing a city business license for rental units. Any failure by a landlord to file such a declaration, whether pursuant to an exemption or otherwise, shall not relieve a rental unit from being subject to the provisions of this Ordinance.
- K. "Child/Parent" means a child/parent relationship is one in which a child is either a parent's biological child or adopted child, provided that such relationship was established prior to the child's eighteenth birthday and at least one year prior to the attempted eviction. At the time of attempted eviction, a child of an owner of record must be over the age of eighteen (18) or be emancipated.

Section 5. Applicability

The provisions of this Ordinance shall apply to all rental units in whole or in part, including where a notice to vacate/quit any such rental unit has been served as of the effective date of this Ordinance but where any such rental unit has not yet been vacated or an unlawful detainer judgment has not been issued as of the effective date of this Ordinance. However, this Ordinance shall not apply to the following types of rental units:

- A. Rental units exempted from Part 4, Title 4, Chapter 2 of the California Civil Code (CCC) by CCC § 1940(b), commonly known as, hotel, motel, residence club, or other facility when the transient occupancy is or would be subject to tax under Section 7280 of the Revenue and Taxation Code.
- B. Rental units in any hospital, skilled nursing facility, or health facility.
- C. Rental units in a nonprofit facility that has the primary purpose of providing short term treatment, assistance, or therapy for alcohol, drug, or other substance abuse and the housing is provided incident to the recovery program, and where the client has been informed in writing of the temporary or transitional nature of the housing at its inception.
- D. Rental units in a nonprofit facility which provides a structured living environment that has the primary purpose of helping homeless persons obtain the skills necessary for independent living in permanent housing and where occupancy is restricted to a limited and specific period of time of not more than 24 months and where the client has been informed in writing of the temporary or transitional nature of the housing at its inception.

E. Rental units in a residential property where the owner of record occupies a unit in the same property as his or her principal residence and regularly shares in the use of kitchen or bath facilities with the tenants of such rental units. For purposes of this section, the term owner of record shall not include any person who claims a homeowner's property tax exemption on any other real property in the State of California.

F. A unit that is held in trust on behalf of a developmentally disabled individual who permanently occupies the unit, or a unit that is permanently occupied by a developmentally disabled parent, sibling, child, or grandparent of the owner of that unit.

Section 6. Just Cause Required for Eviction.

A. No landlord shall endeavor to recover possession, issue a notice terminating tenancy, or recover possession of a rental unit in the City of Hayward unless the landlord is able to prove the existence of one of the following grounds:

- (1) The tenant has failed to pay rent to which the landlord is legally entitled pursuant to the lease or rental agreement and under the provisions of state or local law, unless the tenant has withheld rent pursuant to applicable law.
- (2) The tenant has continued, after written notice to cease, to substantially violate any of the material terms of the rental agreement, except the obligation to surrender possession on proper notice as required by law, and provided that such terms are reasonable and legal and have been accepted in writing by the tenant or made part of the rental agreement.
- (3) The tenant has willfully caused or allowed substantial damage to the premises beyond normal wear and tear and has refused, after written notice, to pay the reasonable costs of repairing such damage and cease damaging said premises.
- (4) The tenant has refused to agree to a new rental agreement upon expiration of a prior rental agreement, but only where the new rental agreement contains provisions that are substantially identical to the prior rental agreement, and is not inconsistent with local, state, and federal laws.

- (5) The tenant has continued, following written notice to cease, to be so disorderly as to destroy the peace and quiet of other tenants or occupants of the premises.
- (6) The tenant has, after written notice to cease, refused the landlord access to the unit as required by state or local law.
- (7) The landlord, after having obtained all necessary permits from the City of Hayward, seeks in good faith to undertake substantial repairs which are necessary to bring the property into compliance with applicable codes and laws affecting the health and safety of tenants of the building or where necessary under an outstanding notice of code violations affecting the health and safety of tenants of the building, and where such repairs cannot be completed while the tenant resides on the premises. Where the landlord recovers possession under this subsection, the tenant must be given the right of first refusal to re-occupy the unit upon completion of the required work.
- (8) The landlord, after having obtained all necessary permits from the City of Hayward, seeks in good faith to recover possession of the rental units, in order to remove the rental unit from the market by demolition.
- (9) The landlord seeks in good faith to recover possession for his or her own use or occupancy as his or her principal residence, or for the use and occupancy as a principal residential by the landlord's spouse or domestic partner or by the landlord's or the landlord's spouse's child, parents, brother, sister, grandparents, or grandchildren. For the purposes of this subsection, the term landlord shall be defined as the owner of record holding at least a fifty-one percent (51%) interest in the property and shall not include a lessor, sublessor, or agent of the owner of record. The landlord may not recover possession under this subsection if a comparable unit is already vacant and available in the property.
- (10) A landlord or lessor seeks in good faith to recover possession of the rental unit for his or her occupancy as a principal residence and has the right to recover possession of the unit for his or her occupancy as a principal residence under an existing rental agreement with the current tenants.
- (11) The tenant is convicted of using the rental unit for any illegal purpose.
- (12) The tenant has used or allowed the use of the rental unit, or any other area owned or controlled by the landlord, for the manufacture, sale, distribution, possession, or use of a controlled substance as defined in state law.

(13) The tenant has continued, after written notice to cease, to violate legal and reasonable written rules and regulations generally applicable to all tenancies within the premises provided that such terms have been accepted in writing by the tenant.

(14) The lawful termination of the tenant's employment by the landlord, where such employment was an express condition of, or consideration for, the tenancy under a written rental agreement, the notice of termination is given as provided in Section 1946 of the California Civil Code.

(15) The tenant has threatened, either verbally or in writing, to commit a crime which would result in death or great bodily harm to a tenant, guest, manager, owner, or other person on the premises, for which a report has been filed with the Hayward Police Department.

B. Notice of Termination.

The landlord shall serve on the tenant a written notice setting forth the reasons for the termination with specific facts to permit a determination of the date, place and circumstances concerning the reason. This notice shall be given in the manner prescribed by California Code of Civil Procedure Section 1162 and may be combined with a written notice of termination of tenancy or as a separate written notice.

A landlord's failure to specify in the notice either one or more grounds for eviction authorized by state or federal law or good cause as listed above in subsections 1 through 15 in the written notice, notice of termination or the notice to quit, and in the complaint for possession shall be a defense of any action for possession of a rental unit covered by the terms of this Ordinance.

C. Notice of Ordinance.

In addition to Section (4)(a) of the Residential Rent Stabilization Ordinance, within 30 days after the effective date of this Ordinance and upon rerenting of each rental unit thereafter, the landlord shall supply the tenant either a copy of this Ordinance or a City prepared summary thereof. This notice shall be given in the manner prescribed by California Code of Civil Procedure Section 1162.

Section 7. Severability.

Should any part of this Ordinance be declared by a final decision of a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of the City, such decision shall not affect the validity of the remainder of this Ordinance, which shall continue in full force and effect, provided that the remainder of the Ordinance, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the City Council.

Section 8. Non-Waiverability.

The provisions of this Ordinance may not be waived, and any term of any lease, contract, or other agreement which purports to waive or limit a tenant's substantive or procedural rights under this Ordinance are contrary to public policy, unenforceable, and void.

Section 9. CEQA.

Approval of the amendments is exempt from further environmental review under the general rule in California Environmental Quality Act (CEQA) Guidelines Section 15061 (b) (3) that CEQA only applies to projects that have the potential for causing a significant effect on the environment. As a series of text amendments and additions, it can be seen with certainty that there is no possibility that the Ordinance will have a significant effect on the environment.

Section 10. Effective Date.

In accordance with the provisions of Section 617 of the City Charter, this Ordinance shall become effective immediately upon adoption of five (5) or more votes.

Section 11. Publication.

In accordance with the provisions of Section 617 of the City Charter, a notice indicating its title; a subject matter index; the date of its introduction; and the date, time, and place it will be considered for final adoption; and that copies of the full text thereof are available for examination by the public in the office of the City Clerk, shall be published once in a newspaper of general circulation within the City at least three days before the final adoption meeting date.

Furthermore, a similar notice indicating the adoption of an emergency ordinance and the vote thereon shall be published once within one week after its adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the ____ day of ____, 2019, by Council Member _____.

ADOPTED at a regular meeting of the City Council of the City of Hayward, held the ____ day of ____, 2019, by the following votes of members of said City Council.

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED: _____
Mayor of the City of Hayward

DATE: _____

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

ORDINANCE NO. 19 -

AN EMERGENCY ORDINANCE REPEALING SECTION 19 OF THE CITY OF HAYWARD RESIDENTIAL RENT STABILIZATION ORDINANCE

WHEREAS, the laws of the State of California and the Housing Element of the General Plan of the City of Hayward prohibit arbitrary discrimination by landlords;

WHEREAS, the right to occupancy of safe, decent, and sanitary housing is a human right;

WHEREAS, the City of Hayward's prolonged affordable housing crisis disproportionately impacts low income and working-class households, senior citizens, and residents whose first language is not English, and thereby increases homelessness and crime, harms neighborhood stability and cohesion, and damages business prospects for small businesses;

WHEREAS, recent state laws that eliminate limits on rent increases upon the vacation of rental units provide added economic incentive to evict tenants, such that the number of evictions without just cause has increased markedly in recent years;

WHEREAS, residential tenants, who constitute approximately 49 percent of the residents of Hayward, suffer great and serious hardship when forced to move from their homes;

WHEREAS, basic fairness requires that a landlord must not terminate the tenancy of a residential tenant without good, just, non-arbitrary, non-discriminatory reasons;

WHEREAS, the good cause eviction protections enacted in San Francisco, Berkeley, Oakland, and other California cities, have aided community stability and reduced urban problems associated with arbitrary disruption of stable households;

WHEREAS, the general welfare of all citizens of Hayward would be enhanced if evictions without just cause were prohibited;

WHEREAS, the City Council of the City of Hayward intends to enact an emergency Just Cause Eviction Ordinance that would apply just cause protections to rental units that are covered by the Residential Rent Stabilization Ordinance, and to those that are not covered by the Residential Rent Stabilization Ordinance;

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and made a part of this ordinance.

Section 2. Provisions. Upon the effective date of this Ordinance, Section 19 of the City of Hayward Residential Rent Stabilization Ordinance is hereby repealed.

Section 7. Severability.

Should any part of this ordinance be declared by a final decision of a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of the City, such decision shall not affect the validity of the remainder of this ordinance, which shall continue in full force and effect, provided that the remainder of the ordinance, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the City Council.

Section 8. Non-Waiverability.

The provisions of this Ordinance may not be waived, and any term of any lease, contract, or other agreement which purports to waive or limit a tenant's substantive or procedural rights under this Ordinance are contrary to public policy, unenforceable, and void.

Section 9. CEQA.

Approval of the amendments is exempt from further environmental review under the general rule in California Environmental Quality Act (CEQA) Guidelines Section 15061 (b) (3) that CEQA only applies to projects that have the potential for causing a significant effect on the environment. As a series of text amendments and additions, it can be seen with certainty that there is no possibility that the ordinance will have a significant effect on the environment.

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Furthermore, a similar notice indicating the adoption of an emergency ordinance and the vote thereon shall be published once within one week after its adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the ____ day of ____, 2019, by Council Member _____.

ADOPTED at a regular meeting of the City Council of the City of Hayward, held the ____ day of ____, 2019, by the following votes of members of said City Council.

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED: _____
Mayor of the City of Hayward

DATE: _____

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: LB 19-011

DATE: March 5, 2019

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Introduction of the Hayward Community Foundation Concept, Formation Process, and Authorization for the City Manager to Establish an Affiliate Fund with the East Bay Community Foundation to Create the Hayward Community Foundation

RECOMMENDATION

That the City Council reviews, comments on, and adopts the attached resolution (Attachment II) authorizing the City Manager to establish an Affiliate Fund with the East Bay Community Foundation to create the Hayward Community Foundation and to take all other administrative actions necessary.

SUMMARY

The concept of a Hayward Community Foundation (HCF) came as a result of the first round of the Commercial Cannabis Permit Program. Under this program, the City Council required each would-be commercial cannabis operator to describe the proposed community benefits. By creating a HCF, these entities can provide a community benefit through donations or support to the HCF. The HCF, in exchange, will handle the distribution of the community benefit contributions.

Staff recommends the creation of an Affiliate Fund with the East Bay Community Foundation to begin the process of establishing the HCF. The Council Budget and Finance Committee received a report on this item at their December 5, 2018 meeting and supported bringing this recommendation forward to the entire Council.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution



DATE: March 5, 2019

TO: Mayor and City Council

FROM: City Manager

SUBJECT Introduction of the Hayward Community Foundation Concept, Formation Process, and Authorization for the City Manager to Establish an Affiliate Fund with the East Bay Community Foundation to Create the Hayward Community Foundation

RECOMMENDATION

That the City Council reviews, comments on, and adopts the attached resolution (Attachment II) authorizing the City Manager to establish an Affiliate Fund with the East Bay Community Foundation to create the Hayward Community Foundation and to take all other administrative actions necessary.

SUMMARY

The concept of a Hayward Community Foundation (HCF) came as a result of the first round of the Commercial Cannabis Permit Program. Under this program, the City Council required each would-be commercial cannabis operator to describe the proposed community benefits. By creating a HCF, these entities can provide a community benefit through donations or support to the HCF. The HCF, in exchange, will handle the distribution of the community benefit contributions.

Staff recommends the creation of an Affiliate Fund with the East Bay Community Foundation to begin the process of establishing the HCF. The Council Budget and Finance Committee received a report on this item at their December 5, 2018 meeting and supported bringing this recommendation forward to the entire Council.

BACKGROUND

Community Foundations are non-profit organizations that utilize philanthropic contributions and grants to fund or provide support to local communities and their local non-profit organizations. Funding for these foundations can come in many forms, whether through individual contributions, bequests, or through corporate or foundation-based grants. Community Foundations provide value to local communities through grant making or by facilitating the collective pooling of resources to reduce the overhead costs of running a non-profit organization.

The concept of a HCF came as a result of the first round of the Commercial Cannabis Permit Program. Under this program, the City Council required each would-be commercial cannabis operators to describe their proposed community benefits. Cash payments to local area non-profits was one of the most commonly articulated community benefits. However, leaving this distribution of donations up to the discretion of cannabis operators may not be in the best interest of the community, as they may direct funds to non-profit organizations that do not address the most pressing needs of the community. By creating a HCF, these entities can provide a community benefit through donations or support to the HCF. The HCF, in exchange, will handle the distribution of the community benefit contributions.

Additionally, a future HCF could assist local area non-profits by reducing their operating and administrative overhead costs through the creation of individual funds to support each specific non-profit.

The Council Budget and Finance Committee received a report on this item at their December 5, 2018 meeting and supported bringing this recommendation forward to the entire Council.

DISCUSSION

Establishing a community foundation is a labor-intensive endeavor, one that requires specialized knowledge in fundraising, grant making, and non-profit (501c3) financial regulations and reporting requirements. These activities will require dedicated community members to help develop and scale a sustainable community foundation.

To assist in the formation of the Hayward Community Foundation, staff recommends pursuing a conservative approach to ensure that the Foundation will successfully launch. This approach consists of developing a community affiliate fund with an existing local community foundation. An affiliate fund provides access to staff, knowledge, and expertise along with the organizational structure to manage assets and meet regulatory requirements. Furthermore, this approach can be done at a cost less than hiring full-time staff, resulting in more assets being leveraged to further growth in the fund and local grant making.

Staff researched several community foundations, including the Silicon Valley Community Foundation, Greater Horizons—Greater Kansas City Community Foundation, and the East Bay Community Foundation, to identify a place to incubate the HCF. Staff recommends pursuing an Affiliate Fund with the East Bay Community Foundation (EBCF), as they have local knowledge of the area and have provided similar, “incubation” services for newer community foundations like the Richmond Community Foundation, the Berkeley Community Fund, and the Rodeo-Crockett Community Foundation.

Proposed Community Affiliate Agreement

The proposed Community Affiliate Agreement (Agreement) provides the HCF with the ability to create one or more funds to finance charitable activities within the City with the purpose of pursuing the broader East Bay Community Foundation mission of leveraging

community assets to advance a “Just East Bay – where all communities have supports in place not only to survive, but to thrive.”

Under the agreement, all fund assets would be property of the EBCF in its corporate capacity. The HCF would appoint a “distribution committee” to consult, advise, and make recommendations for distributions from the Foundation’s various funds. The composition of the distribution committee can be determined by the Council at a future date. Ultimately, when the distribution committee is confident the HCF can sustain itself on its own, they may elect to transfer their assets out of the EBCF and into an independently established HCF.

The EBCF will assist the new foundation with a variety of program services that provide a framework to evaluate community needs, grant making policies and procedures, process payments, and track or assist in the tracking of grants made by the Hayward Community Foundation. The EBCF will also hold, manage, invest, and reinvest the assets in the fund for a designated fee.

The agreement provides for additional services such as assistance with the review and evaluation of grant proposals, participation in development meetings with prospective donors, and assistance with marketing activities.

Local non-profits would be able to open an Agency fund under the Hayward Community Foundation. In this arrangement, the East Bay Community Foundation would handle the investing of the assets and would provide quarterly statements and financial results to the non-profits.

Jeri Boomgaarden, Managing Director of Donor Services & Senior Development Officer from the EBCF, will be present at this meeting to answer any questions.

ECONOMIC IMPACT

Community Foundations provide an avenue to capture and direct charitable giving activities to a given City. By directing these streams of funding toward non-profit organizations or other social programs, the foundation can help catalyze community prosperity through grants to various individuals, community groups, and organizations. Furthermore, non-profit Community Foundations provide corporations and individuals access to tax advantages like the federal charitable giving tax deductions.

FISCAL IMPACT

Under the proposed agreement, the EBCF would charge the initial funds for investment expenses, administrative fees, and any custom service fees. The EBCF estimates the following ranges for investment expenses on an investment pool basis:

Table 1: EBCF Investment Pool Annual Expense Rates

Cash Pool	0.15% to 0.25%
Short-Term Pool	0.40% to 0.60%
Intermediate-Term Pool	0.60% to 0.90%
Environmental, Social Governance Pool	0.60%
Long-Term Pool	0.70% to 1.10%

Administrative fees for a fund under \$5 million will be 1% or \$500, whichever is greater.

There is no fiscal impact for the City currently. The initial HCF assets shall come from those approved commercial cannabis operators who indicated they would donate portions of their proceeds for community benefit purposes. However, the Council at its discretion, may wish to provide additional General Fund funding to assist in the initial activities of the HCF.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities strategic initiative. The purpose of the Complete Communities initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. Specifically, this item supports the following goal:

Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods.

NEXT STEPS

Following this item, staff will take the next steps to finalize the affiliate agreement with EBCF and work to establish the Hayward Community Foundation. Staff will return for future Council approval of the appropriation of cannabis community benefit dollars.

Prepared & Recommended by: John Stefanski, Management Analyst II

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 19-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO ESTABLISH AN AFFILIATE FUND WITH THE EAST BAY COMMUNITY FOUNDATION TO CREATE THE HAYWARD COMMUNITY FOUNDATION

WHEREAS, Community Foundations are non-profit organizations that utilize philanthropic contributions and grants to fund or provide support to local communities and their local non-profit organizations; and,

WHEREAS, Community Foundations provide value to local communities by through grant making or facilitating the collective pooling of resources to reduce the overhead costs of running a non-profit organization; and,

WHEREAS, the concept of a Hayward Community Foundation came as a result of the first round of the Commercial Cannabis Permit Program and its Community Benefit component; and,

WHEREAS, establishing a community foundation is a labor-intensive endeavor, one that requires specialized knowledge in fundraising, grant making, and non-profit (501c3) financial regulations and reporting requirements; and,

WHEREAS, the City wishes to successfully launch a Hayward Community Foundation through the creation of an Affiliate Fund with the East Bay Community Foundation; and,

WHEREAS, an affiliate fund provides access to staff, knowledge, and expertise along with the organizational structure to manage assets and meet regulatory requirements in a financially feasible way; and,

WHEREAS, the East Bay Community Foundation has local knowledge of the area and has provided similar, services for newer community foundations like the Richmond Community Foundation, the Berkeley Community Fund, and the Rodeo-Crockett Community Foundation.

NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes the City Manager to establish an affiliate fund with the East Bay Community Foundation, creating the Hayward Community Foundation, to take all other necessary administrative actions and to execute the documents and instruments as are appropriate, in consultation with the City Attorney to effectuate and implement the creation of the Hayward Community Foundation.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2019

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward