



MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, May 16, 2017, 7:00 p.m.

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

ROLL CALL

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

CLOSES SESSION

City Attorney Lawson announced the City Council convened in closed session regarding two items: 1) conference with labor negotiators pursuant to Government Code 54957.6 regarding all groups; and 2) conference with property negotiators pursuant to Government Code 54956.8 regarding the City Center property at 22300 City Center Drive, owned by 37 Hayward LLC. City Attorney Lawson noted there was no reportable action.

PRESENTATIONS

Mayor Halliday read a proclamation recognizing the week of May 14 through May 20, 2017, as National Police Week, and May 15, 2017, as Peace Officers' Memorial Day in Hayward. Mayor Halliday presented the proclamation to Acting Police Chief Koller and his team.

Mayor Halliday announced the City of Hayward 2017 Environmental Awards presentation acknowledging schools, single-family residents, multi-family housing managers, and businesses for their environmental initiatives. Council Member Mendall, also the Chair of the Council Sustainability Committee, recognized award winners: Fairview Elementary School; All Saints Catholic School; Anthony Ochoa Middle School; single-family residents; and multi-family housing managers. Mr. Kim Huggett, President of the Chamber of Commerce, announced business award winners: Downtown Streets Team; Microvi Biotechnologies; Pucci Foods; Hayward Shoreline Interpretive Center; and California State University, East Bay.

PUBLIC COMMENTS

Mr. Jim Drake, Hayward resident, spoke about the Pine trees that were removed along Jackson Street and recommended that all be replaced.

Ms. Wynn Grcich, Hayward resident, spoke about an article regarding lead in water, the book Science for Sale by David Lewis, PhD., the correlation between chlorine in water and cancer, and a chemtrail YouTube video.

Mr. Kim Huggett, Hayward Chamber of Commerce president, announced the upcoming 18th annual Downtown Hayward Street Parties on June 15, July 20, and August 17, 2017.

Mr. Charlie Peters, Clean Air Performance Professionals representative, asked the Council to urge state legislators to consider ending the smog check program.

Mr. Justin Vidanes, Chabot College student, noted that Chabot College was attempting to declare itself as a sanctuary campus, and was interested in the City's position related to sanctuary cities.

Environmental Services Manager Pearson announced the last event in the Book-to-Action series would be the screening of the award-winning documentary *Tomorrow* on May 18, 2017, at Hayward City Hall.

CONSENT

1. Adoption of an Ordinance Amending Chapter 10, Article 25 of the Hayward Municipal Code by Rezoning Certain Property in Connection with Zone Change Application No. 2016-02751 Relating to the Construction of a 93-room, Four Story Hotel, 7,225 Square Feet of Community-Serving Retail Use, and 140 Townhome Condominium Units Homes at 25501 and 25551 Mission Boulevard **CONS 17-273**

Staff report submitted by City Clerk Lens, dated May 16, 2017, was filed.

Council Member Mendall sought clarification about the revisions to the conditions of approval relating to the construction of the proposed hotel and the residential units.

Discussion ensued among Council members, City staff, and the project proponent. There was consensus to modify Condition of Approval No. 166 by changing the number of residential units from 130 to 100 and to read as follows:

"166. The hotel/retail building pad shall be rough graded prior to the issuance of a certificate of occupancy for the first residential unit; the hotel/retail building shall be in vertical construction phase before a certificate of occupancy is issued for the 100th residential unit, and be completed prior to the issuance of a certificate of occupancy for the last residential unit."

Council Member Lamnin assured the business community in the proposed area that the project would not affect their businesses.

It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried with the following vote, to adopt the ordinance:



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AYES: Council Members Zermeño, Márquez, Mendall,
Lamnín, Salinas
MAYOR Halliday
NOES: Council Member Peixoto
ABSENT: None
ABSTAINED: None

Ordinance 17-04, "An Ordinance Amending Chapter 10, Article 25 of the Hayward Municipal Code by Rezoning Certain Property in Connection with Zone Change Application No. 2016-02751 Relating to the Construction of a 93-Room, Four Story Hotel, 7,225 Square Feet of Community-Serving Retail Use, and 140 Townhome Condominium Units Homes at 25501 and 25551 Mission Boulevard"

WORK SESSION

2. Recommended FY 2018 and FY 2019 Water and Sewer Service Rates and Connection Fees (Report from Director of Utilities and Environmental Services Ameri) **WS 17-017**

Staff report submitted by Utilities and Environmental Services Director Ameri, dated May 16, 2017, was filed.

Utilities and Environmental Services Director Ameri provided a synopsis of the staff report and noted minor typographical errors in the staff report related to the effective dates for rate adjustments. The reference to the effective dates should be 2018 and 2019 instead of 2017 & 2018; and FY2018 & FY2019 instead of FY2017 & FY2018.

There being no requests to speak, Mayor Halliday opened and closed the public comments section at 8:29 p.m.

Discussion ensued among Council Members and City staff regarding: sewer service fee and water usage comparisons among the City and other wastewater agencies; legal noticing requirement of Proposition 218; reduction of water usage for economy and lifeline rates; and tier rates.

The City Council was in general agreement with the proposed water rates and sewer service charges. There was a recommendation to distribute information about the recommended water and sewer service rates through social media channels.

PUBLIC HEARING

3. Approval of a Resolution Approving Government Code Section 52201 Summary Report and Authorizing the City Manager to Negotiate and Execute a Purchase and Sale Agreement with William Lyon Homes, Inc. (the "Developer") for Specified Properties Located in South Hayward near Dixon and Valle Vista Avenues and Making Specified Findings in association therewith (Report from City Manager McAdoo) **PH 17-049**

Staff report submitted by Management Analyst I Stefanski, dated May 16, 2017, was filed.

City Manager McAdoo provided a synopsis of the staff report.

Discussion ensued among Council Members, City staff, and William Lyon Homes representative about: the proposed concept plan; in lieu-fees; proposed density of development; the parcels owned by Bay Area Rapid Transit (BART), Alameda County Flood Control (ACFC), and Caltrans properties; the land swap between the Hayward Area Recreation and Park District (HARD) and the City for park land; consideration of conditions of approval for commercial space during the entitlement process; and economic development and maximizing return of the City's investment for the properties.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:59 p.m.

Council Member Zermeño moved the staff recommendation and Council Member Peixoto seconded the motion.

Council Member Márquez did not support staff's recommendation because the current housing issues were not addressed. Council Member Márquez noted that the proposed site was ideal for maximizing density, there was a need for affordable housing, and the proposed acreage for retail development was not significant.

Council Member Lamnin noted that the commitment to including affordable units was newer than the process created by the proposed project. Council Member Lamnin encouraged staff to continue to find opportunities for affordability, accessibility, commercial opportunities, and to work on the language around garage inspection and enforcement.

Council Member Mendall supported the motion and noted this was the last development project without affordable units that he would be supporting. Council Member Mendall added that the City's Inclusionary Housing Ordinance needed to be modified to eliminate the developer's option to choose in-lieu fees.

Mayor Halliday supported the motion and noted that she was interested in inclusionary housing being part of developments.



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Council Member Salinas noted the Council had been committed to supporting affordable housing and they were recently approving developments in catalyst sites.

It was moved by Council Member Zermeño, seconded by Council Member Peixoto, and carried with the following vote, to adopt the resolution:

AYES: Council Members Zermeño, Mendall, Peixoto,
Lammin, Salinas
MAYOR Halliday
NOES: Council Member Márquez
ABSENT: None
ABSTAINED: None

Resolution 17-058, "Resolution Approving Government Code Section 52201 Summary Report and Authorizing the City Manager to Negotiate and Execute a Purchase and Sale Agreement with William Lyon Homes, Inc for Specified Properties Located in South Hayward Near Dixon and Valle Vista Avenues and Making Specified Findings in Association Therewith"

CITY MANAGER'S COMMENTS

City Manager McAdoo reported on two items: 1) update on the City's participation in the California Earthquake Authority Brace and Bolt program to help residents toward the cost of earthquake retrofits; and 2) report on a successful 34th Annual Litter Pick-Up Event and Community Engagement Fair on May 13, 2017, at Weekes Park.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Salinas spoke about the "Let's Do Lunch Hayward... and Breakfast too" summer program for kids, and announced there were volunteer opportunities to become distribution sites and to also read books during lunch.

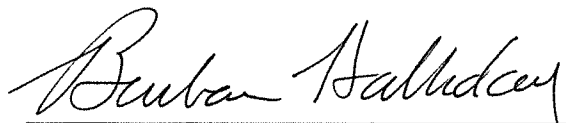
Council Member Márquez invited everyone to the "Rape on the Night Shift" film screening and panel discussion presented by Ruby's Place in collaboration with the HEAT Watch-Labor Outreach Committee on May 19, 2017, at Hayward City Hall.

Mayor Halliday announced the City Council will be holding an all-day special work session on the City's budget on Saturday, May 20, 2017, at Hayward City Hall.

ADJOURNMENT

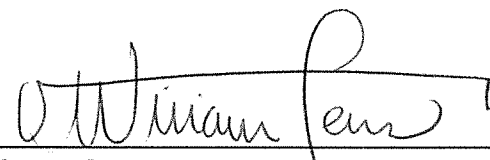
Mayor Halliday adjourned the meeting at 9:30 p.m.

APPROVED:



Barbara Halliday
Mayor, City of Hayward

ATTEST:



Miriam Lens
City Clerk, City of Hayward