

MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, July 19, 2016, 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 Peixoto.

ROLL CALL

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

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

There were no referrals or future agenda items.

BOARDS AND COMMISSIONS

The City Council confirmed the process for selecting applicants for the interviews on July 26, 2016, and also reviewed reappointment requests and reports created by staff liaisons of the Council's appointed bodies.

CLOSED SESSION ANNOUNCEMENT

City Attorney Lawson announced that the City Council convened in closed session at 5:00 p.m., and at the beginning of the session the Council, by unanimous vote, consented to add a litigation item pursuant to Government Code 54954 (b) (2) related to Consent Item No. 14, and the Council took no reportable action. Mr. Lawson noted that the Council did not discuss the two pending litigations listed on the agenda.

Mayor Halliday announced that the Council convened in closed session on Thursday, July 14, 2016 and also during tonight's closed session concerning public employment pursuant to Government Code 54957. Mayor Halliday announced that the Council had unanimously voted to appoint Assistant City Manager, Kelly McAdoo, as the new City Manager effective August 1, 2016, with a contract to be approved on September 13, 2016.

PUBLIC COMMENTS

Mr. Rich Essi requested additional funds to pay the Hayward Area Recreation and Park District (HARD) and to help subsidize the Zucchini Festival next year. It was noted that a meeting with the City and HARD would take place.

Ms. Asia Denman, District Attorney's Justice Academy intern, noted she had interned for Council Member Márquez and thanked the City for the opportunity.

Mr. Tom Silva, Rental Housing Association President, recommended that a task force be created to study a possible soft story building seismic retrofit ordinance.

Council Member Márquez, as one of the Trustees to the Alameda County Mosquito Abatement District Board, reported that there was a dead bird found in Fremont that was infected with the West Nile virus.

CONSENT

Consent Item Nos. 3 and 8 were removed for discussion.

1. Minutes of the Special Joint City Council/Hayward Redevelopment Successor Agency/Hayward Housing Authority Meeting on June 28, 2016 **MIN 16-063**
It was moved by Council/HRSA/HHA Member Mendall, seconded by Council/HRSA/HHA Member Márquez, and carried unanimously, to approve the minutes of the Special Joint City Council/Hayward Redevelopment Successor Agency/Hayward Housing Authority Meeting on June 28, 2016, with a minor correction.
2. Minutes of the City Council Meeting on July 5, 2016 **MIN 16-064**
It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the City Council Meeting on July 5, 2016.
3. Authorization to Renew a Rental Housing Subsidy Grant Agreement with Abode Services to Provide Rental Assistance to Emancipated Youth through "Project Independence" and to Utilize HOME Funds for that Purpose **CONS 16-254**

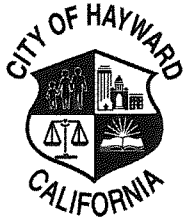
Staff report submitted by Housing Development Specialist Cortez, dated July 19, 2016, was filed.

Council Member Lamnin offered a motion with a modification to the Rental Housing Subsidy Grant Agreement from a two-year to a one-year contract; and to maintain the eight-unit level of apartments as opposed to the proposed six-unit level. The motion died for a lack of a second.

Council Member Zermeño offered a motion per staff recommendation and Council Member Peixoto seconded the motion.

It was moved by Council Member Zermeño, seconded by Council Member Peixoto, and carried with Council Member Lamnin voting no, to adopt the following:

Resolution 16-146, "Resolution Authorizing the Use of Home Funds for Rental Assistance to Emancipated Youth through Abode Services' Project Independence and Authorizing the City



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Manager to Negotiate and Execute a Rental Housing Subsidy Grant Agreement”

4. Report and Special Assessment for Residential Rental Inspection Program Fees Past Due **CONS 16-379**

Staff report submitted by Code Enforcement Supervisor Espitia, dated July 19, 2016, was filed.

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

Resolution 16-136, “Resolution Confirming the Report and Special Assessment List Associated with Overdue Residential Rental Inspection Charges and Program Fees for Calendar Year 2015 and Through May 6, 2016”

5. Report and Assessment for Community Preservation Fees Past Due **CONS 16-382**

Staff report submitted by Code Enforcement Supervisor Espitia, dated July 19, 2016, was filed.

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

Resolution 16-137, “Resolution Confirming the Report and Special Assessment List Associated with Overdue Community Preservation Charges for the Calendar Year 2015 through May 6, 2016”

6. Report and Assessment for Delinquent Garbage Bills Incurred by Property Owners of Single-Family Households **CONS 16-383**

Staff report submitted by Sustainability Technician Yee, dated July 19, 2016, was filed.

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

Resolution 16-138, “Resolution Confirming the Report and Special Assessment List Associated with Delinquent Garbage Bills Incurred by Residential Property Owners with Cart Service”

7. Report and Special Assessment for Delinquent Sewer Bills and Water Bills Incurred by Property Owners **CONS 16-384**

Staff report submitted by Sustainability Technician Yee, dated July 19, 2016, was filed.

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

Resolution 16-139, "Resolution Confirming the Report and Special Assessment List Associated with Delinquent Water and Sewer Bills and Authorizing the Delinquent Charges to Become a Special Assessment Against the Properties if Not Paid by August 1, 2016"

8. Mission Boulevard and Blanche Street & Gading Road and Huntwood Way Intersections Safety Improvements: Award of Contract **CONS 16-388**

Staff report submitted by Assistant City Engineer Owusu, dated July 19, 2016, was filed.

Staff requested to remove the item from the agenda and continued it to a date uncertain.

9. Resolution Authorizing the City Manager to Negotiate and Execute an Amendment to the Ground Lease with Meridian Aviation, Inc. **CONS 16-404**

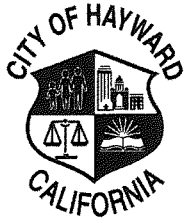
Staff report submitted by Airport Manager McNeeley, dated July 19, 2016, was filed.

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

Resolution 16-140, "Resolution Authorizing the City Manager to Negotiate and Execute the First Amendment to the Commercial Aviation Site Lease Between the City of Hayward and Meridian Aviation, Inc."

10. Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute an Agreement Between the City of Hayward and Tyler Technologies Inc. to Continue the Standard Software Maintenance Support Services Agreement **CONS 16-407**

Staff report submitted by IT Manager Public Safety Roush, dated July 19, 2016, was filed.



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

Resolution 16-141, "Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute an Agreement Between the City of Hayward and Tyler Technologies Inc. to Continue the Standard Software Maintenance Support Services Agreement"

11. Resolution of the City Council of the City Of Hayward Authorizing the City Manager to Negotiate and Execute a Change Order for the Network Infrastructure Replacement Project With LookingPoint, Inc. **CONS 16-410**

Staff report submitted by IT Manager-Infrastructure Saputo, dated July 19, 2016, was filed.

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

Resolution 16-142, "Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute a Change Order for the Network Infrastructure Replacement Project with LookingPoint, Inc."

12. Adoption of Ordinance Amending Chapter 10, Article 1 of the Hayward Municipal Code by Rezoning Certain Property in Connection with Zone Change Application No. 201600059 Relating to the Construction of Twenty Detached Single-Family Homes at 25906 Gading Road **CONS 16-413**

Staff report submitted by City Clerk Lens, dated July 19, 2016, was filed.

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

Ordinance 16-17, "An Ordinance Amending Chapter 10, Article 1 of the Hayward Municipal Code by Rezoning Certain Property in Connection with Zone Change Application No. 201600059 Relating to the Construction of Twenty Detached Single-Family Homes at 25906 Gading Road"

13. Adoption of Ordinance Amending Chapter 10, Article 1 of the Hayward Municipal Code by Rezoning Certain Property in Connection with Zone Change Application No. 201601906 Relating to a Parcel of Land Located at 619 Shepherd Avenue **CONS 16-414**

Staff report submitted by City Clerk Lens, dated July 19, 2016, was filed.

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

Ordinance 16-18, "An Ordinance Amending Chapter 10, Article 1 of the Hayward Municipal Code by Rezoning Certain Property in Connection with Zone Change Application No. 201601906 Relating to a Parcel of Land Located at 619 Shepherd Avenue"

14. Adoption of Ordinance Amending Section 2(l)(2) of the City of Hayward Residential Rent Stabilization Ordinance Clarifying the Exemption Applicable to Units Financed or Insured by a Federal, State or Local Agency **CONS 16-415**

Staff report submitted by City Clerk Lens, dated July 19, 2016, was filed.

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

Ordinance 16-19, "An Ordinance Amending Section 2(l) (2) of the City of Hayward Residential Rent Stabilization Ordinance Clarifying the Exemption Applicable to Units Financed or Insured by a Federal, State or Local Agency"

15. Approval of Final Map Tract 8226 - Brookwood Development -Associated with the Previously Approved Vesting Tentative Tract Map and Proposed Development of 18 Single Family Detached Homes on a 1.96 acre site at 24178 Saklan Avenue in the Mount Eden Area; Lenox Homes (Applicant), Ronald and Ray Depina (Owner) **CONS 16-416**

Staff report submitted by Contract Development Review Services Engineer Rei, dated July 19, 2016, was filed.

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

Resolution 16-143, "Resolution Approving Final Map for Tract 8226 and Authorizing the City Manager to Execute a Subdivision Agreement"



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16. Runway 10R-28L Rehabilitation Project at Hayward Executive Airport: Award of Contract **CONS 16-420**

Staff report submitted by Assistant City Engineer Owusu, dated July 19, 2016, was filed.

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

Resolution 16-144, "Resolution Awarding the Construction Contract to DeSilva Gates Construction LP"

17. Approval of a Second Amendment to the Exclusive Right to Negotiate Agreement with William Lyon Homes, Inc. for a Proposed Development Located in South Hayward near Dixon and Valle Vista Avenues **CONS 16-424**

Staff report submitted by Management Analyst I Stefanski, dated July 19, 2016, was filed.

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

Resolution 16-145, "Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute a Second Amendment to the Exclusive Right to Negotiate Agreement between the City of Hayward and William Lyon Homes, Inc. for a Proposed Development Located in South Hayward near Dixon and Valle Vista Avenues"

WORK SESSION

18. Overview of Seismic Retrofits for Soft Story Buildings (Report from Development Services Director Rizk) **WS 16-010**

Staff report submitted by Management Fellow James, dated July 19, 2016, was filed.

Development Services Director Rizk announced the report and introduced Management Fellow James who provided a synopsis of the report.

Discussion ensued among Council Members and City staff related to seismic retrofit for soft story buildings program, retrofit costs, implementation phases, performance objectives,

and outreach to the affected community. The Council supported the consideration of a task force/working group representing various stakeholders including affected rental tenants/owners who would vet the proposed soft story seismic retrofit program and address retrofit costs, retrofit performance objectives and other related items. The City Council was in general agreement with the staff's recommendations. Council Members offered suggestions for the program: a balanced approach where pass-through costs were capped and shared by rent-controlled and market rate housing; waive rental inspection fees for periods during and after construction; and consider streamlining the process to make compliance more effective.

PUBLIC HEARING

19. Adopt Resolutions to Approve the Engineer's Report, Reconfirm Base Maximum Assessment Amount, Confirm the Assessment Diagram and Fiscal Assessment, Order the Levy and Collection of Fiscal Assessments, and Approve Funding Recommendations and Appropriate Special Revenue Funds for Maintenance District No. 1 - Storm Drainage Pumping Station and Storm Drain Conduit - Pacheco Way, Stratford Road and Ruus Lane - for Fiscal Year 2017 (Report from Development Services Director Rizk) **PH 16-068**

Staff report submitted by Contract Development Review Engineer Rei, dated July 19, 2016, was filed.

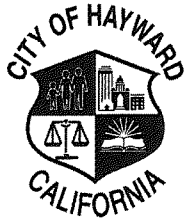
Development Services Director Rizk announced the report and introduced Contract Development Review Engineer Rei who provided a synopsis of the report.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:25 p.m.

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

Resolution 16-147, "Resolution Approving the Engineer's Report, Reconfirming Base Maximum Assessment Amount, Confirming the Assessment Diagram and Fiscal Assessment, and Ordering Levy and Collection of Fiscal Assessments for Fiscal Year 2017 for Maintenance District No. 1: Storm Drainage Pumping Station and Storm Drain - Pacheco Way, Stratford Road, and Ruus Lane"

Resolution 16-148, "Resolution Approving Funding Recommendations and Appropriating the Special Revenue Funds for Maintenance District No. 1 for Fiscal Year 2017"



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20. Adopt Resolutions to Approve the Engineer's Report, Confirm the Assessment Diagram and Assessment, Order the Levy and Collection of Assessments, and Approve Funding Recommendations, and Appropriate Special Revenue Funds for Maintenance District No. 2 - Eden Shores Storm Water Buffer and Facilities, for Fiscal Year 2017 (Report from Development Services Director Rizk) **PH 16-071**

Staff report submitted by Contract Development Review Engineer Rei, dated July 19, 2016, was filed.

Development Services Director Rizk announced the report.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:28 p.m.

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

Resolution 16-149, "Resolution Approving the Engineer's Report, Confirming the Assessment Diagram and Fiscal Assessment, and Ordering Levy and Collection of Assessments for Fiscal Year 2017 for Maintenance District No. 2: Eden Shores Water Buffer Zone and Pre-Treatment Pond"

Resolution 16-150, "Resolution Approving Funding Recommendations and Appropriating the Special Revenue Funds for Maintenance District No. 2 for Fiscal Year 2017"

21. Adopt Resolutions to Approve the Engineer's Report, Reconfirm Maximum Base Assessments, Confirm the Assessment Diagrams and Fiscal Assessments, Order the Levy and Collection of Fiscal Assessments; and Approve Funding Recommendations and Appropriate Special Revenue Funds for Consolidated Landscaping and Lighting District No. 96-1, Zones 1 through 13, for Fiscal Year 2017 (Report from Development Services Director Rizk) **PH 16-072**

Staff report submitted by Contract Development Review Engineer Rei, dated July 19, 2016, was filed.

Contract Development Review Engineer Rei provided a synopsis of the report.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:32 p.m.

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

Resolution 16-151, "Resolution Approving the Engineer's Report, Reconfirming Base Maximum Assessments, Confirming the Assessment Diagrams and Fiscal Assessments, and Ordering Levy and Collection of Fiscal Assessments for Fiscal Year 2017 for the Landscaping and Lighting District No. 96-1, Zones 1-13"

Resolution 16-152, "Resolution Approving Funding Recommendations and Appropriating Special Revenue Funds for Consolidated Landscaping and Lighting District No. 96-1, Zones 1 through 13 for Fiscal Year 2017"

Council Member Márquez disclosed she needed to recuse herself from participating on Hearing Item No. 22 due to a potentially perceived conflict of interest related to her family's business being in close proximity to the proposed property and she left the Council Chambers at approximately 8:35 p.m.

22. Approval of an Application for and Authorization for the City Manager to Accept an Application for a Mills Act Historical Property Contract for the Property Located at 22654 Main Street (Report from Assistant City Manager McAdoo) **PH 16-075**

Staff report submitted by Management Analyst I Stefanski, dated July 19, 2016, was filed.

Assistant City Manager McAdoo announced the report and introduced Management Analyst I Stefanski who provided a synopsis of the report.

Discussion ensued among Council Members and City staff related to the Mills Act Historical Property Contract; property tax; improvements to the subject property and its historical integrity; completion date; and relocation of businesses during renovation.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:47 p.m.

Council Member Mendall offered a motion per staff recommendation and Council Member Zermeño seconded the motion.

It was moved by Council Member Mendall, seconded by Council Member Zermeño, and carried unanimously with Council Member Márquez absent, to adopt the following:

Resolution 16-153, "Resolution of the City Council of the City of Hayward Approving the Application for a Mills Act Historical Property Contract and Authorizing the City Manager to Negotiate and Execute the Mills Act Historical Property Contract Between the City of Hayward and B Street Apartment Group, LP. For the Property Located at 22654 Main Street"



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Council Member Márquez returned to the dais at 8:50 p.m.

LEGISLATIVE BUSINESS

23. General Plan Implementation Annual Report (Report from Development Services Director Rizk) **LB 16-083**

Staff report submitted by Planning Manager Buizer, dated July 19, 2016, was filed.

Development Services Director Rizk announced the report and introduced Planning Manager Buizer who provided a synopsis of the report.

Discussion ensued among Council Members and City staff related to the 2040 General Plan and programs related to: EDL-2, Education Partnership; EDL-5 Public School Marketing Campaign; H-16 Universal Design Principles; H-14 Child Care Services and Facilities; HAZ-6 Airport Noise Monitoring and Reporting; and HAZ-1 Seismic and Geologic Safety Standards.

Council Members accepted the staff report and offered suggestions: prepare some simple graphics or metrics to show how the City is doing in meeting timeframes for program compliance and offer opportunity for the public to provide feedback; upon completion of a program, summarize its findings and make them available to the public via the City's website; review best practices of the Hayward Promise Neighborhood to guide education-related goals; consolidate similar goal oriented programs; consider submitting the annual report related to HAZ-6 to the Council Airport Committee; have an opportunity to review the General Plan after the Council's retreat in the fall; prioritize CS-9 Police and Fire Impact fees and HAZ-1 Seismic and Geologic Safety Standards; and consider codifying universal design principles for developments.

There being no public comments, Mayor Halliday opened and closed the public hearing at 9:18 p.m.

It was noted that the Council did not need to take action on the item.

24. Submission of Cannabis Tax Measure to Hayward Voters on November 8, 2016 (Report will be available Friday afternoon on July 15, 2016) **LB 16-087**

Staff report submitted by City Attorney Lawson, dated July 19, 2016, was filed.

City Attorney Lawson and City Manager David provided a synopsis of the report.

Discussion ensued among Council Members and City staff related to the estimated election cost; proposed tax measure; language in Proposition 64; findings for calling a special election; projected revenue; and language in the ballot question.

Mayor Halliday opened the public hearing at 9:50 p.m.

Ms. Denise Martellacci, Hayward resident, did not support spending funds for a special election in November; instead, she suggested considering medical cannabis dispensaries or regulated outlets first and consider the tax measure in 2018.

Mayor Halliday closed the public hearing at 9:57 p.m.

Discussion ensued among Council Members and City staff regarding the ballot question.

Council Member Zermeño stated that it was likely that Proposition 64 would pass in November and in an effort to retain local control he supported submitting a ballot measure to the voters.

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

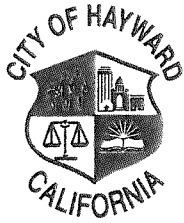
Council Member Mendall expressed he did not see a benefit to making the local control dependent on the passage of Proposition 64, and offered an amendment to modify the ballot question by replacing "... and Proposition 64 is enacted on November 8, 2016..." with "... and recreational or medical cannabis is legal in the State of California" or similar language. Council Member Zermeno was amenable to the change.

City Manager David offered the following modification to the ballot question, "... business-to-business sales, if the State of California legalizes and the City permits such sales with such taxes to be over and above any other state or local taxes."

Council Member Lamnin supported the motion and offered a further amendment to the question language by modifying it to indicate something such as "... business-to-business sales in addition to taxes imposed by the City of Hayward if the City voters permit such sales..."

There was general agreement to give direction to staff to modify the ballot question per the suggestions offered by Council Members and staff; and bring the ballot question back for Council's review at the next Council meeting.

It was moved by Council Member Zermeño, seconded by Council Member Mendall, and carried unanimously, to approve staff's recommendation with direction to staff to modify the language in the ballot question per the suggestions offered by Council Members and City staff, and bring the ballot question back for Council's review at the Council meeting on July 26, 2016.



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CITY MANAGER'S COMMENTS

There were none.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Salinas reported that the Let's Do Lunch and Breakfast Too program, for the seventh summer, had served 57,898 breakfasts and lunches to Hayward kids.

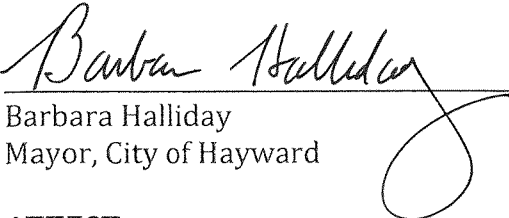
Council Member Zermeño announced the Keep Hayward Clean & Green Task Force Clean-Up event on July 23, 2016, at 1099 E Street.

Mayor Halliday announced the Council would hold interviews for the Council's appointed bodies during a special meeting on July 26, 2016.

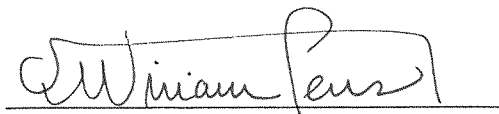
ADJOURNMENT

Mayor Halliday adjourned the meeting at 10:27 p.m., in memory of Mary Nunez. Ms. Mary Nunez was the wife of Maintenance Services employee Randy Nunez and younger sister of Hayward Police Officer Donnie Muniz. Mary Nunez was also related to retired Hayward Police Department Sergeant Teddy Muniz and his wife, current Hayward Police Officers Association Secretary Delia Muniz. Mayor Halliday asked staff to find a suitable place to plant a tree in memory of Mary Nunez.

APPROVED:


Barbara Halliday
Mayor, City of Hayward

ATTEST:


Miriam Lens
City Clerk, City of Hayward

