

**CITY COUNCIL MEETING**

**JANUARY 6, 2026**

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**Item#1**

**WS 26-001**

**Budget Update**

**From:** BC4AD  
**Sent:** Tuesday, January 6, 2026 2:09 PM  
**To:** List-Mayor-Council <[List-Mayor-Council@hayward-ca.gov](mailto>List-Mayor-Council@hayward-ca.gov)>  
**Subject:** Agenda WS 26-001

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Dear City Council,

Please direct staff to commence a study on the economics of building city owned social housing on city owned properties. Selling those properties would be a travesty. Negotiate with Caltrans & try to get concessions due to the budget crisis the city is facing. Hopefully Caltrans would do the right thing in good faith. The private developments currently taking place are atrocious in their architecture. We must do better.

We have an opportunity to build city owned housing approximately 2000-3000 units that could help fund the obligations indefinitely.

Approximately it costs \$400-700 per sqft. & an economic size is 900-1100 sqft units.

<https://marinbuilders.com/construction-costs-per-sq-ft/#:~:text=New%20Residential%20Construction,Marin%20County%20and%20adjacent%20communities.>

Furthermore, we have to start enforcing blight regulations. Too many properties are vacant & in disrepair. Implement a vacancy fee just like in San Francisco as I previously wrote. Due to the historic inflation, I would suggest a \$5000 vacant fee per quarter in order to stimulate property utilization or sale. Landlords are possibly sitting on vacant properties to utilize tax loopholes as expense write offs to the detriment of the overall local economy & aesthetic.

We need a plan around the Southland Mall property & downtown. Meaning, we need to engineer tourism. This start by implementing a strict design guidelines that enables a

cohesive look. We have too much of a patchwork of architecture that disconnects the city from itself.

Engineer tourism by implementing design guidelines, to make the city more attractive. Overtime it will fall into cohesion. And finally, reach out to the Palace if they are interested in expanding, or allow more competition. Transforming the downtown & Southland Mall properties should be priorities. There is ample space at the mall location for a potential casino. The city of San Jose gets about \$18M annually from casino taxes.

In summary:

- 1) City owned social housing. I foresee \$2,000 per unit at 2000-3000 units equals \$48-72M annual revenue. Get in touch with Senator Wahab & have her lobby for state funding/grants. Utilize whatever benefits or credits the city has with the state (ie. PGE undergrouding) to help finance the project. We pay too many taxes & don't have any tangible results. This project would ensure long term stability.
- 2) Update vacancy taxes & blight codes. Make the city beautiful again. Reject modernist architecture & implement a Santa Barbara type design guidelines. We want traditional, Spanish revival, Mediterranean, Victorian, & craftsman architecture. The city has so much beautiful architecture that is being drowned out by the recent blight & modernists monstrosities.
- 3) Explore the expansion of a Casino at Southland Mall at the building next to the former Sears. Rehabilitating the mall property properly could create an anchor for tourism. For example you could partner with Asian countries & market Hayward as an ideal springboard towards Bay Area & Silicon Valley tourism.

Best,

John

BC4AD