

**CITY COUNCIL MEETING  
TUESDAY, JUNE 26, 2018**

**DOCUMENTS RECEIVED  
AFTER PUBLISHED AGENDA**

# **AGENDA QUESTIONS & ANSWERS**

## **Item 11**

**AGENDA QUESTIONS & ANSWERS**

**MEETING DATE: June 26, 2018**

Item #11: 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 Consolidated Landscaping and Lighting District No. 96-1, Zones 1 through 16, for Fiscal Year 2019 (Report from Maintenance Services Director Rullman)

For the Lighting and Landscaping Districts:  
On District 10: Why has the water rate jumped up? Page 40 of Engineer's Report (attachment 4) -  
FY16: 12,965 FY17 20,050 FY18 32,000

For the Maintenance District  
I see that we are asking for an accounting of the increased costs, which is appreciated. Are we also considering a different maintenance/management arrangement for this District (ex: returning the work to the City or other contractor instead of the Flood Control District?)

For LLAD 10 – Eden Shores - The water budget has been increasing to provide ample water to maintain the plant material, after several years of water restrictions due to the drought. When drought restrictions were in effect, staff proactively reduced watering levels. Since the drought restrictions have lifted, water use has increased to bring landscaped areas back to a healthy condition.

For the Maintenance District – Stratford Pump Station - the City does not have the available resources to operate and maintain the maintenance contract. The original maintenance agreement was made between the City and County since the Flood Control District is an experienced operator, who maintains similar facilities within our City. We are proactively working with the County to find some middle ground regarding rising costs.

**ITEM #11**

**LISA TEALER**

**RESOLUTION APPROVING A MEMORANDUM  
OF UNDERSTANDING  
BETWEEN THE CITY OF HAYWARD AND  
HAYWARD ASSOCIATION OF  
MANAGEMENT EMPLOYEES AND  
AUTHORIZING STAFF TO EXECUTE THE  
AGREEMENT**

**Talking Points re: Landscape and Lighting Assessment  
June 26, 2018**

Greetings Mayor Halliday, City Council members and Staff:

My name is Lisa Tealer and I am a Hayward resident, homeowner at Blackstone at the Cannery. and recently, I was appointed to our HOA. There are a few points I wanted to make this evening regarding the Landscape and Light Assessment for Benefit Zone 16, i.e. The Blackstone @ The Cannery.

- To recap, last week, I expressed my concern for the significant increases, the process in gathering community input, lack of lights on Meek Ave between Madsen, Palmer and Filbert streets and appreciated the additional information from Maintenance Services staff (see attachment).
  - I have since reviewed the final staff and engineering report and I still have some questions and concerns re: the recommended assessment increases for Zone 16.
- 1) In speaking with the builder Tripointe Point Homes, they shared that Blackstone was originally part of Zone 13, i.e. Cannery Park, here is the map from the preliminary engineering report, FY 2016-17 with Blackstone being part of Zone 13 and now on the final engineering report FY 2019 Blackstone is separated out as its own zone, Zone 16 (see attachment).
  - 2) The Builder also wasn't aware of the zone change. As a result, questions have come up regarding: why the change, when was the change and what was the process in making the change for Blackstone to be a separate benefit zone.
  - 3) In addition, the staff report on page 5 indicates the largest increase is Zone 16, (see chart) and note percentage states 37%, if I did my math correctly it should be 27% increase. However, the builder doesn't anticipate tract acceptance at the latest until Spring of 2019. My understanding is legally the city can't collect more than it spends for these types of assessments.
  - 4) When I spoke with our HOA management company Landmark Limited re: a joint HOA meeting, they said they were given 1 date with a week's notice. They sent back options from other dates but didn't hear back from anyone. When I inquired about this meeting I was told people couldn't make the date, so they decided not to have the meeting. I would have recommended selecting 4 days over a 2-week period and the most groups that could make a certain date have the meeting as opposed to not having the meeting at all.
  - 5) As I mentioned in my previous comments last week, I attended the May 22<sup>nd</sup> community input and only two homeowners were in attendance. I talked to few homeowners and they did not receive the postcard.

In closing, I hope you can see my concern that several constituents that are being impacted by the increase were not adequately represented and part of this process. I recommend the following:

- 1) A hold on any increased assessments at least for Zone 16, until
  - a. An analysis and explanation for zone change (which may exist, it just needs to be shared)
  - b. A meeting with TPH on what maintenance will be done by the city and the real cost (i.e. agreement)
  - c. Provide opportunity to review give input
  - d. Resubmit new staff and/or engineering report with new recommendations

Thank you again for this opportunity to share my comments and concerns. I hope you take my proposal under serious consideration.

Respectfully submitted,

  
Lisa Tealer  
Blackstone @ The Cannery Homeowner  
HOA Boardmember

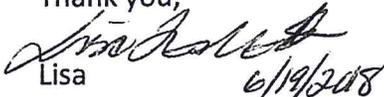
## Talking Points re: Landscape and Lighting Assessment

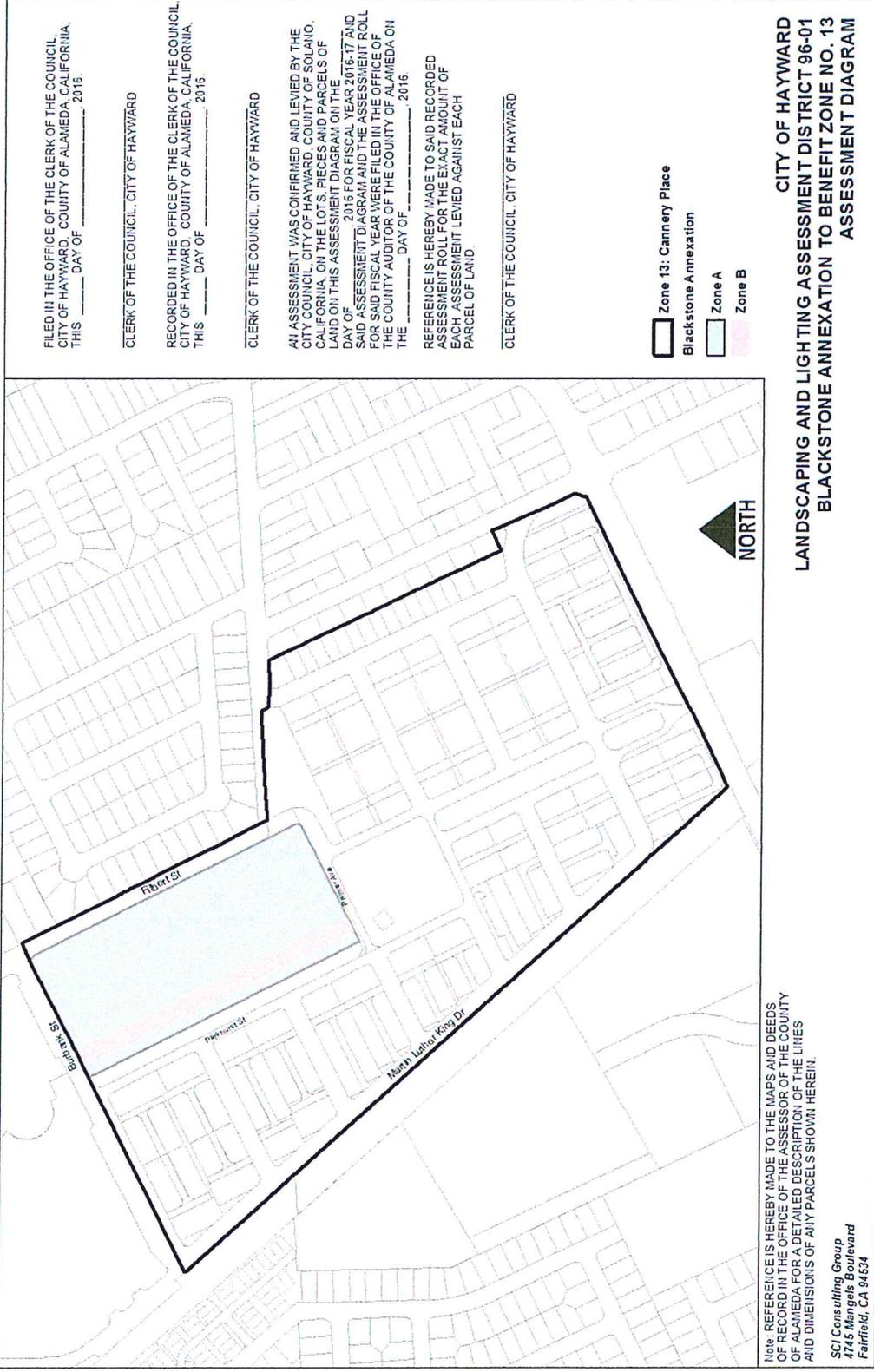
Greetings Mayor Halliday, City Council members and Staff:

My name is Lisa Tealer and I am a Hayward resident, homeowner at Blackstone at the Cannery. and recently, I was appointed to our HOA. There are a few points I wanted to make this evening regarding the Landscape and Light Assessment for Benefit Zone 16, i.e. The Blackstone @ The Cannery.

- 1) An almost 30% increase in Landscape and Lighting assessment is very high. I was told at the Community Input meeting on May 22<sup>nd</sup> it was due to labor (both retention and hiring costs) as well the additional work needed for our new development. I would expect that in future with better planning the city can avoid these large and significant increases to us the taxpayers.
- 2) I was also informed that there was an attempt to organize a meeting with all the HOAs in the Burbank/Cannery area to discuss these assessments and there were many conflicting dates. I would recommend in the future that attempts be made to get as many people as possible to meet, urging the importance of the financial impact on the residents. You'll always have conflicts, but there still should be a meeting and I am willing to help where I can.
- 3) I am also concerned about the lack of lights on Meek Ave/Place between Madsen and Palmer and Filbert, this isolated area and lack of light is fertile ground for illegal dumping, illegal fireworks, auto break-ins and theft, drinking and loitering. I was told that this was not in the budget and I would need to get with the other HOAs in the area to determine feasibility and cost. I would urge that the city will play an active role in both the process and cost (i.e. our tax dollars) for these lights. In the long term, it will save the city money with lower costs for police involved activity, lowering costs for garbage clean-up, and minimizing other illegal activities, etc. in that area.
- 4) Lastly, I would like to thank both Richard Nield, Landscape Maintenance Manager his assistant and Denise Blohm, Mgmt. Analyst for explaining the process and sharing requested information on the other HOA contacts, so that we (The City and HOAs) can make sound and mutually beneficial decisions moving forward.

Thank you,

  
Lisa 6/19/2008



FILED IN THE OFFICE OF THE CLERK OF THE COUNCIL, CITY OF HAYWARD, COUNTY OF ALAMEDA, CALIFORNIA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2016.

CLERK OF THE COUNCIL, CITY OF HAYWARD

RECORDED IN THE OFFICE OF THE CLERK OF THE COUNCIL, CITY OF HAYWARD, COUNTY OF ALAMEDA, CALIFORNIA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2016.

CLERK OF THE COUNCIL, CITY OF HAYWARD

AN ASSESSMENT WAS CONFIRMED AND LEVIED BY THE CITY COUNCIL, CITY OF HAYWARD, COUNTY OF SOLANO, CALIFORNIA, ON THE LOTS, PIECES AND PARCELS OF LAND ON THIS ASSESSMENT DIAGRAM ON THE DAY OF \_\_\_\_\_, 2016 FOR FISCAL YEAR 2016-17 AND SAID ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL FOR SAID FISCAL YEAR WERE FILED IN THE OFFICE OF THE COUNTY AUDITOR OF THE COUNTY OF ALAMEDA ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2016.

REFERENCE IS HEREBY MADE TO SAID RECORDED ASSESSMENT ROLL FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND.

CLERK OF THE COUNCIL, CITY OF HAYWARD

- Zone 13: Cannery Place
- Blackstone Annexation
- Zone A
- Zone B

Note: REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF ALAMEDA FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREIN.

SCI Consulting Group  
4745 Mengels Boulevard  
Fairfield, CA 94534

**CITY OF HAYWARD  
LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT 96-01  
BLACKSTONE ANNEXATION TO BENEFIT ZONE NO. 13  
ASSESSMENT DIAGRAM**



**CITY OF HAYWARD  
BLACKSTONE AT THE CANNERY  
ANNEXATION TO EXISTING CITY OF HAYWARD LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT 96-01  
ENGINEER'S REPORT, FY 2016-17**

# ASSESSMENT DISTRICT DIAGRAM LANDSCAPING & LIGHTING ASSESSMENT DISTRICT NO. 96-1

CITY OF HAYWARD  
COUNTY OF ALAMEDA  
STATE OF CALIFORNIA

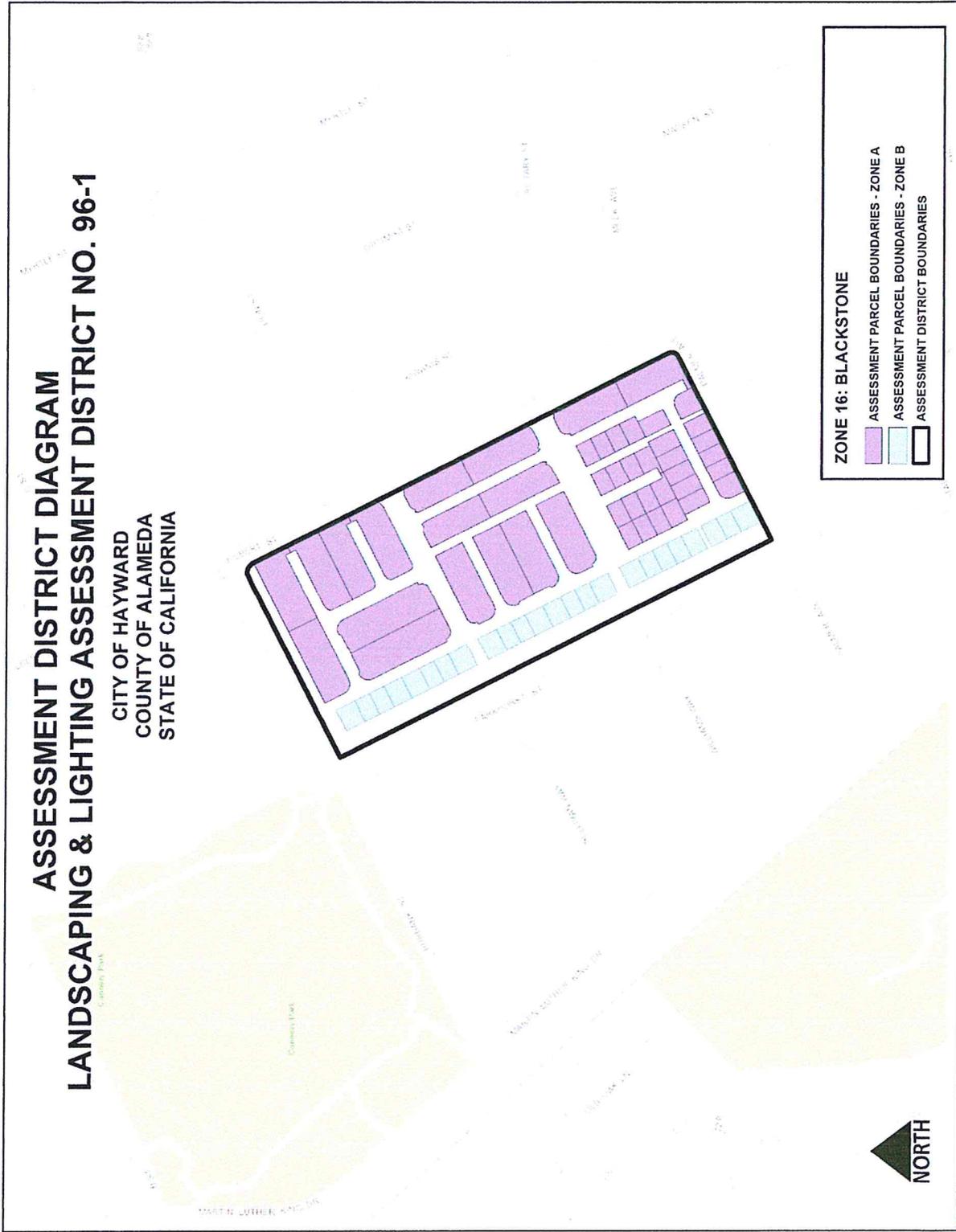


TABLE 2: FY 2019 ASSESSMENT AMOUNTS BY BENEFIT ZONE							
A	B	C	D	E	F	G	H = (F - E)
Zone	Name/Location	Annual CPI Update	FY 2019 Max Base Assessment	FY 2018 Assessment	FY 2019 Assessment	Chg from last year	Chg \$/%
Year Over Year Assessment Comparison							
1	Huntwood Ave. & Panjon St.	No	\$295.83	\$183.75	\$192.94	Incr	\$9.19, 5%
2	Harder Rd. & Mocine Ave.	No	\$193.39	\$153.58	\$122.86	Decr	(\$30.72), -20%
3	Prominence	Yes	\$933.07	\$824.16	\$853.83	Incr	\$29.67, 3.6%
4	Stratford Village	No	\$180.00	\$145.20	\$116.16	Decr	(29.04), -20%
5	Soto Rd. & Plum Tree St.	No	\$258.67	\$205.25	\$212.64	Incr	\$7.39, 3.6%
6 <sup>(1,2)</sup>	Pepper Tree Park	No	\$2.61	\$2.61	\$2.61	None	N/A
7	Twin Bridges	Yes	\$975.95	\$563.52	\$591.70	Incr	\$28.18, 5%
8	Capitola St.	Yes	\$698.00	\$150.00	\$157.50	Incr	\$7.50, 5%
9	Orchard Ave.	Yes	\$186.37	\$30.00	\$31.08	Incr	\$1.08, 3.6%
10	Eden Shores - Residential	Yes	\$1,111.33	\$192.50	\$221.38	Incr	\$28.88, 15%
11a	Stonebrae Country Club (developed)	Yes	\$1,576.26	\$168.44	\$210.55	Incr	\$42.11, 25%
11b	Stonebrae Country Club (undeveloped)	Yes	\$1,576.26	\$89.21	\$111.51	Incr	\$22.30, 25%
12a	Eden Shores- Sports Park	Yes	\$208.87	\$112.00	\$112.00	None	N/A
12b	Spindrifft - Sports Park (developed)	Yes	\$206.85	\$112.00	\$112.00	None	N/A
12c	Spindrifft - Sports Park (undeveloped)	Yes	\$62.06	\$33.60	\$33.60	None	N/A
13	Cannery Place	Yes	\$1,185.29	\$361.00	\$361.00	None	N/A
14a	La Vista (developed)	Yes	\$607.42	\$50.00	\$15.00	Decr	(\$35.00), -70%
14b	La Vista (undeveloped)	Yes	\$607.42	\$15.00	\$4.50	Decr	(\$10.50), -70%
16a	Blackstone (Zone A - developed)	Yes	\$432.68	\$315.00	\$432.68	Incr	\$117.68, 37%
16b	Blackstone (Zone A - undevelopment)	Yes	\$129.80	\$95.00	\$129.80	Incr	\$34.80, 37%
16c	Blackstone (Zone B - developed)	Yes	\$454.31	\$330.75	\$454.31	Incr	\$123.56, 37%
16d	Blackstone (Zone B - undeveloped)	Yes	\$136.29	\$99.75	\$136.29	Incr	\$36.54, 37%
Self Maintained Benefit Zone - For Reference ONLY							
15 <sup>(3)</sup>	Cadence	Yes	\$607.42	N/A	N/A	N/A	N/A

27%  
↓

Notes: <sup>(1)</sup> Shaded items reflect Fiscal Year 2019 assessment amounts levied at the base maximum assessment  
<sup>(2)</sup> Zone 6 is in the industrial district and is assessed based upon street frontage.  
<sup>(3)</sup> Zone 15 maintains their own benefits.

# ASSESSMENT DISTRICT

We want to hear from you!

# RESIDENTS

Each year the City conducts a Community Input Meeting, and two Council meetings to gather input and approve the annual budget for your district. The annual assessment recommendation is made based on a zone's annual budget requirement, future capital needs, and bank account balance. Annually, you and your neighbors are charged this assessment, which is listed on your property tax bill. The assessment for Zone 16 pays for the annual cost to operate and maintain the landscaping and park improvements (including capital replacement) within your neighborhood. Your proposed FY 2019 assessment rates for developed and undeveloped Zone A and B properties are Zone A: \$432.68, \$129.80 and Zone B: \$454.31, \$136.29 per parcel respectively, which is an increase from last fiscal year (\$315.00, \$95.00 and \$330.75 \$99.75).

**Questions, or to provide input, please contact:**  
Denise Blohm, Management Analyst  
Phone: 510.583.4343, Email: Denise.Blohm@hayward-ca.gov

## Join Us - Key Dates:

1. **Community Input:** Tuesday, May 22, 6:30-7:30pm  
City Hall, Room 2a
2. **City Council Consent:** Tuesday, June 5, 7pm  
City Hall Council Chambers
3. **City Council Public Hearing:** Tuesday, June 19, 7pm  
City Hall Council Chambers

### Take the survey:

Please Take a few moments to let us know your thoughts and suggestions regarding your benefit zone.  
[www.hayward-ca.gov/benefitzone](http://www.hayward-ca.gov/benefitzone)



**ITEM #15**

**SUPPLEMENTAL INFORMATION –**

**APPROVAL OF COMMERCIAL CANNABIS  
PERMITS FOR CANNABIS  
CULTIVATION, MANUFACTURING,  
DISTRIBUTION, DELIVERY, AND  
MICROBUSINESSES**



**DATE:** June 26, 2018

**TO:** Mayor and City Council

**FROM:** City Manager

**THROUGH:** Assistant City Manager

**SUBJECT** Supplemental Information Regarding the Approval of Non-Retail Commercial Cannabis Permits

## **RECOMMENDATION**

That Council receives this memo accompanying agenda item #15, LB 18-032, regarding the Approval of Commercial Cannabis Permits for Cannabis Cultivation, Manufacturing, Distribution, Delivery, and Microbusinesses.

## **DISCUSSION**

### *Rejected Applicants*

Staff is now in the process of returning the score report narratives to all applicants. In addition, staff working on the Commercial Cannabis Permit program have offered and are meeting with those applicants who wish to discuss and review their scores.

The process of returning this information was delayed by multiple large public records requests that consumed staff time over the past month. Several requests in particular required the redaction of sensitive information contained in each of the 78 Commercial Cannabis Permit Applications the City received. These requests are now complete. Staff anticipates having all score reports and deposit reimbursements complete within the next two to three weeks.

### *Community Benefit Proposals*

Attachment III included a brief executive summary of the applications being recommended for approval. The section below provides additional information regarding the Community Benefit proposals outlined in each application. While these benefits have been preliminarily proposed, staff recommends that the conversations regarding implementation of the final community benefit package for each potential licensee continue through the land use and entitlement phase of the process. Given the discussion that staff has been having regarding the formation of a Hayward Community Foundation, there is an opportunity to pair up the two efforts. Staff plans to report back to the Budget & Finance Committee at either the July or September meeting regarding the next steps on the Hayward Community Foundation concept.

### Mijosa LLC—Cultivation & Manufacturing

Mijosa, LLC is committed to combating and preventing both youth and adult substance abuse. Over the past several months, they have been outreaching to local substance abuse treatment and education organizations to discuss partnerships. These organizations include the Second Chance Hayward Recovery Center, the Seventh Step Foundation, Terra Firma Diversion/Education Services, the Women on the Way Recovery Center, and Project Eden.

Mijosa is planning to hold community engagement meetings that include panel discussions on cannabis impacts on the community. The applicant will produce collateral, for distribution via their website, on making children disinterested in experimenting with cannabis.

In addition to these activities, Mijosa will pledge an annual donation commensurate with their tax revenue to the City, to supplement the City's community agency funding. In addition to this payment, Mijosa also will pledge additional money to specifically enhance youth enrichment and art education through the Hayward Band and Orchestra Festival. Lastly, Mijosa plans to host an annual summer Food Drive BBQ to raise money for the South Hayward Parish and/or the Alameda County Community Food Bank.

### Empress Extracts—Cultivation

Empress Extracts' community benefit proposal involves several goals which focus on establishing a generative relationship with the community, stimulating economic prosperity within the community, championing the City's most important goals, and advancing the holistic wellness of the community. They will establish a Community Liaison to serve as a primary point of contact for the surrounding community and to connect with the Hayward Coalition for Healthy Youth.

Empress Extracts will donate 5% of profits annually to a non-profit organization that supports the local homeless population. Specifically, Empress Extracts plans to donate \$6,500 to Downtown Streets, Inc. The applicant also plans to provide material support for veteran's assistance organizations such as the Weed for Warriors Project.

### Hidden Farms, Inc.—Cultivation

Hidden Farms' community benefit proposal involves Project Wreckless, a non-profit created by the applicant. Project Wreckless is a capacity development program targeting at risk youth in San Francisco. The program provides tools for life through an immersive curriculum centered towards the restoration of one-of-a-kind automobiles. Hidden Farms will open a Project Wreckless program in Hayward for twelve at-risk youth.

### Stoned Age Edibles Company, Inc (SAEC). —Manufacturing

SAEC will implement a community relations program with a designated staff member serving as a point of contact to address neighborhood concerns. Additionally, SAEC will produce print collateral for substance abuse disorder education, prevention, and treatment information. SAEC plans to organize community graffiti removal projects or participate in the City's Mural Art Program. They also plan to develop and organize a clothing and canned food drive for local shelter and community service organizations. SAEC also plans to donate a percentage of their profit to help the City build a complete streets network.

#### Green Haven, LLC—Delivery

Green Haven plans to participate in classroom meetings, community events, and city meetings to act as a resource and educational tool in health education and substance abuse prevention for youth and adults in the Hayward community. They also plan to hold employee donation food and clothing drives to support local shelters and food banks. Green Haven also proposes providing annual contributions to local non-profits, including CALICO, a local nonprofit that provides advocacy resources to abused children.

#### CBRA, Inc.—Distribution

CBRA will employ several strategies to integrate health education and prevention strategies into everyday practice. Specifically, CBRA will produce web and print collateral to help inform and influence individuals, empowering them to change or improve their own health conditions. Furthermore, CBRA will donate a percentage of their net proceeds to vetted and reputable nonprofit agencies. Specifically, they wish to support law enforcement and/or community health education programs to deter minors from recreational drug, alcohol and tobacco use.

#### Manifest, LLC- Distribution

Manifest will maintain one community liaison who will be responsible for implementing their community benefit proposal. Their health communication and education strategies will include posting materials on their website and social media accounts in addition to distributing traditional print collateral. They plan to commit a percentage of their net proceeds to local community-based programs aimed at educating and preventing drug, alcohol, and tobacco abuse. Specifically, Manifest plans to assist the Eden Area YMCA, and Eden Youth and Family Center.

#### Vista Development Enterprises—Distribution

Vista Development Enterprises plans to donate a portion of their net proceeds to the Hayward Coalition for Healthy Youth as well as aid in their ongoing community outreach programs. Vista Development will also establish a neighborhood business watch program as well as participate in the City's Stop Graffiti Reward Program. Lastly, the applicant will donate a portion of their profits to a community agency recommended for funding by the Community Services Commission.

#### Green Grizzly- Microbusiness

Green Grizzly plans to produce health education and prevention strategy guides to be distributed at the Skilled Nursing Pharmacy, Eden Area YMCA, CSUEB, Chabot College, and other community medical resource centers. Green Grizzly plans to sponsor grants covering legal services for immigrants (via International Institute of the Bay Area), HIV early intervention programs (via Tri-City Health Center) and music and arts programs (via Hayward Arts Council).

#### Sticky Thumb—Microbusiness

The staff of Sticky Thumb will volunteer at various local non-profit organizations that address substance abuse and other key issues pertaining to the Hayward Community. They anticipate

at least 100 hours of community service within their first year. Sticky Thumb will also contribute to programs financially, understanding that investing in youth programs also serves as a method of prevention. They currently plan to donate financial and resource support to:

- Horizon Services: Project Eden
- Hayward Center for Education and Careers Youth Enrichment Services: GED Basic Skills Preparation
- St. Rose Hospital Foundation: Faces for the Future Career Training Program
- Tri-City Health Center: HIV Early Prevention Program

American Holdings—Microbusiness

American Holdings will make donations to the Hayward Police Department to ensure they have the necessary resources and support to keep Hayward safe as legal cannabis becomes available within the City. In addition to these donations, American Holdings plans to form and fully subsidize a non-profit aimed at educating residents and students on sustainable, local gardening, and healthy eating habits.

*Recommended by:* John Stefanski, Management Analyst II

Approved by:



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Kelly McAdoo, City Manager