

**CITY COUNCIL
MEETING**

APRIL 21, 2026

PRESENTATIONS

Item #18

PH-018

**Stratford Village
Proposition 218
Hearing**

Public Hearing: Prop 218 for Maintenance District 1 – Stratford Village Pump Station

TODD RULLMAN, DIRECTOR OF MAINTENANCE SERVICES DEPARTMENT

APRIL 21, 2026

Recommendation

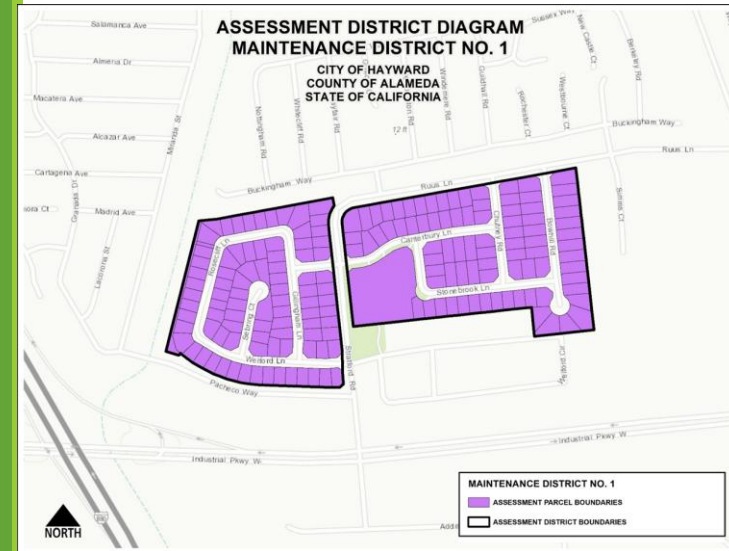
Conduct a Public Hearing in accordance with the City's Charter pursuant to Proposition 218

- If approved, establish proposed Assessment, approve Final Engineer's Report, and order the levying and collection of Fiscal Assessments
- If not approved, proposed Assessment will not be imposed



Maintenance District No.1 (MD1)

- Storm drainage improvements and flood protection services.
- Current rate is \$243.92 and does not allow for CPI increases
- Proposal: base increase of \$97.82 for a total assessment rate of \$341.74, subject to annual CPI increases



Conclusion

Questions/comments

Item# 19

WS 26-017

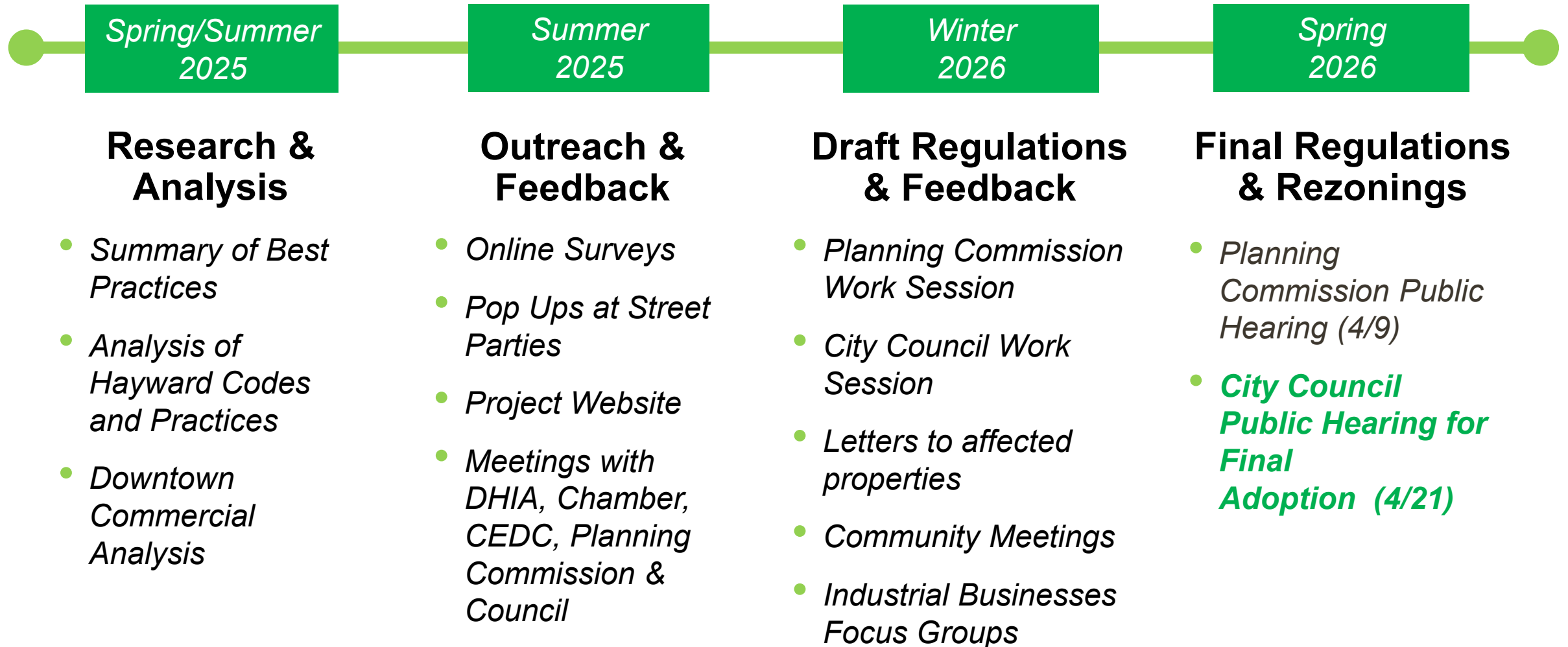
**Business Friendly
Hayward**



BUSINESS-FRIENDLY HAYWARD

City Council Public Hearing • April 21, 2026

TIMELINE



Spring/Summer
2025

Research & Analysis

- *Summary of Best Practices*
- *Analysis of Hayward Codes and Practices*
- *Downtown Commercial Analysis*

Summer
2025

Outreach & Feedback

- *Online Surveys*
- *Pop Ups at Street Parties*
- *Project Website*
- *Meetings with DHIA, Chamber, CEDC, Planning Commission & Council*

Winter
2026

Draft Regulations & Feedback

- *Planning Commission Work Session*
- *City Council Work Session*
- *Letters to affected properties*
- *Community Meetings*
- *Industrial Businesses Focus Groups*

Spring
2026

Final Regulations & Rezonings

- *Planning Commission Public Hearing (4/9)*
- **City Council Public Hearing for Final Adoption (4/21)**

ZONING ORDINANCE CHANGES

- Organization and Simplification
- Relaxed Permitted Requirements
- Updated Definitions
 - Refinement of **truck terminal** definition needs more input, so this will be tabled for a future effort.



NEW LAND USE CONTROLS

- **Message Establishments**
- **Data Centers**
 - Restrict data centers to the **Industrial Park (IP)** and **General Industrial (IG)** zoning districts
 - Data centers that generate **<50 MW** of energy will be subject to approval of a **CUP**.
 - Data centers that generate **50+ MW** of energy will be subject to approval of a **MCUP**.



NEW PERMIT TYPES

- **Zoning Conformance Permit for Accessory Commercial Units (ACUs)**
 - **No restaurant** uses permitted
 - Pilot program: **South of Tennyson Road**
- **Limited Entertainment Permit**
 - Applies to live entertainment events involving **amplified sound** for **10 to 100 attendees**
- **Minor Temporary Use Permit**
 - Applies to **specified outdoor uses** for up to 1,000 people
- **Major Conditional Use Permit (MCUP)**
 - Requires **Council approval** following recommendation from Planning Commission
 - Applies to **Data Centers (50+ MW)**, **cannabis dispensaries**, and **gas stations**



RESIDENTIAL OFFICE (RO) DISTRICT



	Use	Existing RO	Proposed RO
RESIDENTIAL	Detached residential unit(s)	P	P
	Duplex/Triplex	P	P
	Multi-Unit Residential (4+ attached units)	P	P
	Residential development per AB 2011/SB 6	-	-
	Small Unlicensed Group Home	P	P
	Large Unlicensed Group Home	C	C
	Small Licensed Group Home	P	P
	Medium Licensed Group Home	A	A
	Large Licensed Group Home	C	C
	Accessory dwelling unit(s)	P	P
	Office	A/C	P
OFFICE & OTHER USES	Artisan/Craft Production	-	-
	Cultural facility	A	A
	Day care home	P	P
	Day care center	A	A
	Educational facility	A	A
	Home occupation	P	P
	Home occupation – expanded	A	A
	Low Barrier Navigation Center	-	-
	Nursery (plant)	-	-
	Parking lot	-	-
	Personal Services	-	-
	Public agencies facilities	P	P
	Recreation facility - Indoor	A	A
	Recreational facility - Outdoor	A	-
	Reverse vending machine(s)	-	-

RECOMMENDATIONS

- **Staff Recommendation**

- Approve:
 - Proposed **Municipal Code text amendments** to Chapter 10 Articles 1, 2, 24, and 28 and Chapter 6 Article 2
 - Proposed **Zoning Map revisions**
 - Proposed **Master Fee Schedule updates** related to the Business-Friendly Hayward Project

- **Planning Commission Recommendation**

- Voted **6-0** in favor of staff's recommendation



Item #20

PH 26-020

**Master Fee
Schedule**



Public Hearing: Master Fee Schedule & Fine and Bail Schedule



Background

- Each year, the City Council adopts a Master Fee Schedule and a Fine and Bail Schedule
- Any changes take effect July 1
- Fees must comply with legislative requirements (Prop 26 and 218)
- When applicable, fees are based on recovery of the costs of delivering services
 - If the fee does not recover the full cost of providing a service, the City must use General Fund to subsidize that difference

How Do We Calculate Recovery of Cost?

- The City completed a comprehensive user fee and cost allocation plan study in August 2024 ([link](#))
- The chargeable hourly rate for staff reflect the comprehensive cost of providing services:
 - Salaries and Benefits
 - Department and central overhead (like Finance and HR)
 - Supplies and Services
- To update the study, staff adjusted expenses that have changed since 2024, including salary and benefit increases

Fee Schedule Structure

- Organized by department, with some all-department fees
- Fees are set multiple ways:
 - Flat rate for each task (i.e., printing)
 - Hourly rate (i.e., expedited plan review)
 - By building valuation per square foot (i.e., certain plan reviews)
 - Daily/monthly/year charges (i.e., hangar space)
- Includes chargeable hourly rates for all positions

Fine & Bail Schedule Structure

- Organized by government code:
 - Uniform Fire Code
 - Hayward Municipal Code
 - Hayward Traffic Code
 - California Vehicle Code
- All fines not paid within the legal time requirement will be assessed a penalty equal to double the fine plus an administrative fee of \$18

Q & A

Item# 21

LB 26-007

Massage Permits

Updates to Massage Permit Ordinance

Police Dept., Development Services Dept., City Attorney's Office
April 21, 2026



Background

Temporary Moratorium

- 12/16/2025 – Initial 45-day moratorium adopted.
- No use permits, business licenses, massage permits or other approvals for massage businesses can be issued.
- 1/27/2026 – Moratorium extended up to 10 month, 15 days.

Existing Massage Regulations

- **Zoning Ordinance**

- Allowed by right in the Downtown core
- Conditional Use Permit (CUP) required in select other commercial districts
- Prohibited in all other parts of the City

- **Massage Permit Ordinance**

- Requires permit to operate massage business
- Establishes criteria for issuance, suspension and revocation of permits
- Imposes specific operational criteria

Current Challenges

- **Increase of Massage Establishments**

- Since 2020, 7 new businesses have opened/ changed ownership in the City of Hayward
- 17 permitted massage establishments

- **Illicit activity/ unpermitted premises**

- 5 unpermitted massage establishments
- 10 permitted locations have complaints of illicit activity

- **Police Department Staffing**

- 1 Vice Detective/ 1 Sgt assigned to Vice unit to regulate massage establishments/ investigate complaints

Proposed Code Updates

Amendments to Massage Permit Ordinance

- *Applicant must provide name/contact information of property owner for business location or a notarized property owner acknowledgment.*
- *Expanded definition of “owner/operator” to enlarge scope of potentially responsible parties.*
- *Expanded bases for suspension or revocation of permits, including:*
 - *Sexual activity, even if not charged/prosecuted;*
 - *Use of sexually suggestive advertising.*
- *Shorten duration of massage permit from two years to one year.*

Business Friendly Project (also considered this evening)

- *Require CUP for massage establishments in select zoning districts, including Downtown*
- *Prohibit massage establishments in all other zoning districts*

Questions/Comments

Item# 22

LB 26-008

**Salary and Benefits
Resolution &
Employment
Agreements**

Adopt Resolutions Amending the Unrepresented Salary and Benefits Resolution, the City Clerk Employment Agreement, the City Attorney Employment Agreement, and the City Manager Employment Agreement

Presenter: Ian Tecson, Director of Human Resources

Unrepresented Employees, City Clerk, City Attorney, and City Manager

GROUP	FORGO / DEFERRAL (ALIGNED WITH PAY PERIOD CONTAINING JUNE 30, 2027)	FISCAL IMPACT (APPROXIMATE)
All Unrepresented Classifications	Executives: 4% Deferral to June 28, 2027 Non-Executives: 3% Deferral to June 28, 2027	\$300,000 savings to the General Fund
City Clerk	4% Deferral to June 28, 2027	\$9,000 savings to the General Fund
City Attorney	4% Deferral to June 28, 2027	\$14,000 savings to the General Fund
City Manager	4.5% equivalent in forgone benefits to end of FY2026-27	\$18,000 savings to the General Fund

- Unrepresented employees will defer the COLA increase from the beginning of fiscal year 2026-27 to the end of fiscal year 2026-27.
- City Clerk and City Attorney will defer the increases due in their respective Employment Agreements from the beginning of fiscal year 2026-27 to the end of fiscal year 2026-27.
- City Manager will extend forgoing benefits in her Employment Agreement through the end of fiscal year 2026-27.