

CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov



Agenda

Tuesday, January 20, 2026

7:00 PM

Council Chambers

City Council

**CITY COUNCIL MEETING
777 B Street, Hayward, CA 94541
City Hall, Council Chambers**

NOTICE: The City Council will hold a hybrid meeting in the Council Chambers and virtually via Zoom

PUBLIC PARTICIPATION

How to observe the Meeting:

1. Comcast TV Channel 15
2. Live stream <https://hayward.legistar.com/Calendar.aspx>
3. YouTube Live stream: <https://www.youtube.com/user/cityofhayward>

How to submit written Public Comment:

1. Use eComment on the City's Meeting & Agenda Center webpage at:
<https://hayward.legistar.com/Calendar.aspx>. eComments are directly sent to the iLegislate application used by City Council and City staff. Comments received before 3:00 p.m. the day of the meeting will be exported into a report, distributed to the City Council and staff, and published on the City's Meeting & Agenda Center under Documents Received After Published Agenda.

2. Send an email to List-Mayor-Council@hayward-ca.gov by 3:00 p.m. the day of the meeting. Please identify the Agenda Item Number in the subject line of your email. Emails will be compiled into one file, distributed to the City Council and staff, and published on the City's Meeting & Agenda Center under Documents Received After Published Agenda. Documents received after 3:00 p.m. through the adjournment of the meeting will be included as part of the meeting record and published the following day.

How to provide live Public Comment during the City Council Meeting:

Participate in the Council Chambers or click link below to join the meeting:

<https://hayward.zoom.us/j/81587628800?pwd=ERXQWKHcbWIMPmjmx78i18B1TsJd1.1>

Meeting ID: 815 8762 8800

Password: CC1/20@7pm

or

Dial: +1 669 900 6833 or +1 646 931 3860

Meeting ID: 815 8762 8800

Password: 8213909087

**CITY COUNCIL MEETING
777 B Street, Hayward, CA 94541
City Hall, Council Chambers**

CALL TO ORDER: Mayor Salinas

Pledge of Allegiance: Council Member Andrews

SB 707 TELECONFERENCE NOTIFICATIONS AND CONSIDERATION

ROLL CALL

CLOSED SESSION ANNOUNCEMENT

PRESENTATION

California League of Cities Helen Putnam Award for Excellence: Learn to Earn and
Hire Hayward

PUBLIC COMMENTS

The Public Comments section provides an opportunity to address the City Council on items not listed on the agenda or Informational Staff Presentation items. The Council welcomes comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Council is prohibited by State law from discussing items not listed on the agenda, items will be taken under consideration and may be referred to staff. The City Council welcomes comments, including criticism, about the policies, procedures, programs, or services of the City, or of the acts or omissions of the City Council. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a City Council. The City is committed to maintaining a workplace free of unlawful harassment and is mindful that City staff regularly attend Council meetings. Discriminatory statements or conduct that is hostile, intimidating, oppressive, or abusive – are per se disruptive to a meeting and will not be tolerated. ration and may be referred to staff.

CITY MANAGER'S COMMENTS

An oral report from the City Manager on upcoming activities, events, or other items of general interest to Council and the Public.

ACTION ITEMS

The Council will permit comment as each item is called for the Consent Calendar, Public Hearings, and Legislative Business. In the case of the Consent Calendar, a specific item will need to be pulled by a Council Member in order for the Council to discuss the item or to permit public comment on the item. Please notify the City Clerk any time before the Consent Calendar is voted on by Council if you wish to speak on a Consent Item.

CONSENT CALENDAR

1. [MIN 26-009](#) Approve the City Council Minutes of the City Council Meeting on December 16, 2025
Attachments: [Attachment Draft Minutes of 12/16/2025](#)

2. [MIN 26-010](#) Approve the City Council Minutes of the City Council Meeting on January 6, 2026
Attachments: [Attachment I Draft Minutes of 1/6/2026](#)

3. [CONS 26-005](#) Adopt an Ordinance Amending Sections 2-13.02, 2-13.04 and 2-13.06 of Article 13, Chapter 2 of the Hayward Municipal Code Relating to Revised Voluntary Campaign Expenditure and Contribution Limits
Attachments: [Attachment I Staff Report](#)
[Attachment II Summary of Ordinance](#)

WORK SESSION

Work Session items are non-action items. Although the Council may discuss or direct staff to follow up on these items, no formal action will be taken. Any formal action will be placed on the agenda at a subsequent meeting in the action sections of the agenda.

4. [WS 26-004](#) City of Hayward Budget: Work Session to Receive a Budget Update and Information about City General Fund Revenue Sources (Report from City Manager Ott)
Attachments: [Attachment I Staff Report](#)
[Attachment II Historic General Fund Revenue](#)

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Members can provide oral reports on attendance at intergovernmental agency meetings, conferences, seminars, or other Council events to comply with AB 1234 requirements (reimbursable expenses for official activities).

COUNCIL REFERRALS

Council Members may bring forward a Council Referral Memorandum (Memo) on any topic to be considered by the entire Council. The intent of this Council Referrals section of the agenda is to provide an orderly means through which an individual Council Member can raise an issue for discussion and possible direction by the Council to the appropriate Council Appointed Officers for action by the applicable City staff.

ADJOURNMENT

NEXT MEETING, January 27, 2026, 7:00 PM

PUBLIC COMMENT RULES

Any member of the public desiring to address the Council shall limit their comments to three (3) minutes unless less or further time has been granted by the Presiding Officer or in accordance with the section under Public Hearings. The Presiding Officer has the discretion to shorten or lengthen the maximum time members may speak. Speakers will be asked for their name before speaking and are expected to honor the allotted time.

PLEASE TAKE NOTICE

That if you file a lawsuit challenging any final decision on any public hearing or legislative business item listed in this agenda, the issues in the lawsuit may be limited to the issues that were raised at the City's public hearing or presented in writing to the City Clerk at or before the public hearing.

PLEASE TAKE FURTHER NOTICE

That the City Council adopted Resolution No. 87-181 C.S., which imposes the 90-day deadline set forth in Code of Civil Procedure section 1094.6 for filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure section 1094.5.

****Materials related to an item on the agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, City Hall, 777 B Street, 4th Floor, Hayward, during normal business hours. An online version of this agenda and staff reports are available on the City's website. Written comments submitted to the Council in connection with agenda items will be posted on the City's website. All Council Meetings are broadcast simultaneously on the City website, Cable Channel 15 - KHRT, and YouTube. ****

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400 or cityclerk@hayward-ca.gov.

Assistance will be provided to those requiring language assistance. To ensure that interpreters are available at the meeting, interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400.



CITY OF HAYWARD

Hayward City Hall
777 B Street
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File #: MIN 26-009

DATE: January 20, 2026

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Approve the City Council Minutes of the City Council Meeting on December 16, 2025

RECOMMENDATION

That the City Council approves the City Council meeting minutes of December 16, 2025.

SUMMARY

The City Council held a City Council meeting on December 16, 2025.

ATTACHMENTS

Attachment I Draft Minutes of 12/16/2025



CITY COUNCIL MEETING
777 B Street, Hayward, CA 94541
Council Chambers
<https://hayward.zoom.us/j/82784685571?pwd=oE2bMmjVbV3IDV9bgkFPma0uYGlmI.1>
Tuesday, December 16, 2025, 7:00 p.m.

The City Council meeting was called to order by Mayor Salinas at 7:10 p.m. in the Council Chambers.

Pledge of Allegiance: Council Member Goldstein

ROLL CALL

Present: COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño
MAYOR Salinas

Absent: NONE

CLOSED SESSION ANNOUNCEMENT

The City Council convened in closed session on December 9, 2025, at 5:30 p.m., with all members present and one public speaker, Dan Magalhaes, and considered five items: 1) conference with labor negotiators pursuant to Government Code section 54957.6, regarding all labor groups; 2) conference with property negotiators pursuant to Government Code section 54956.8, regarding price and terms related to two parcels at Depot Road and Whitesell Street (APNs 439-0070-006-01, 439-0070-006-02); 3) conference with legal counsel pursuant to Government Code section 54956.9(d)(1), regarding pending litigation, Ghali et al v. City of Hayward, US District Court – Northern District of California Case 3:25-cv-01116; 4) conference with legal counsel pursuant to Government Code section 54956.9, regarding pending litigation, Earl Boles v. City of Hayward, Workers' Compensation Appeals Board Case No. ADJ1785352; and 5) conference with legal counsel pursuant to Government Code section 54956.9 regarding pending litigation, Ronald Womack v. City of Hayward, Workers' Compensation Appeals Board Case Nos. ADJ17146394, ADJ18686562, ADJ18686541. City Attorney Lawson reported that the City Council discussed the items but took no reportable action. The closed session adjourned at 8:48 p.m.

The City Council convened in closed session on December 16, 2025, at 5:30 p.m., with all members present and no public speakers regarding two items: 1) conference with labor negotiators pursuant to Government Code section 54957.6, regarding all labor groups; and 2) conference with legal counsel pursuant to Government Code section 54956.9(d)(1), regarding pending litigation, Ghali et al v. City of Hayward, US District Court – Northern District of California Case 3:25-cv-01116. City Attorney Lawson reported that the City Council discussed the items but took no reportable action. The closed session adjourned at 7:00 p.m.

PRESENTATION

Mayor Salinas read a commendation honoring Acting Fire Chief Eric Vollmer, upon his retirement from the City of Hayward on December 30, 2025, and recognizing his exemplary service and leadership; detailed Chief Vollmer's extensive career, which began with Cal Fire

serving as a firefighter and included time as firefighter with the Manteca Fire Department before joining Hayward in 1999; and recognized his rise through the ranks, his leadership roles in the union and training division, his pivotal role in managing the City's COVID-19 Emergency Operations Center, and efforts in improving firefighter wellness and departmental excellence.

Acting Fire Chief Vollmer expressed gratitude as he reflected on his 30+ year career in fire service; thanked his family, mentors, friends, and colleagues for shaping and supporting him; and highlighted the importance of teamwork across all City departments, particularly during the COVID-19 pandemic.

Mayor Salinas called for a brief recess to adjust the system in the Council Chambers.

PUBLIC COMMENTS

Stanley Przepioski, owner of A.S.A.P. Printing & Promotions, presented a souvenir initiative featuring an aerial image of the Hayward Airport, offering commemorative cups and keychains to promote Hayward to travelers.

Edgar Gil, owner of Habibi's Birria located at Eden Landing Road, stated they have suffered a 50% drop in sales due to nearby construction and business closures and asked the City for programs to help struggling small businesses.

Imelda Adams, co-owner of Neighborhood Grandma, reported a 75% loss in business due to construction and parking issues at their Eden Landing location, and requested a meeting with the City to support small businesses impacted by these conditions.

Keith Brown, representing Alameda Labor Council, voiced opposition to City layoffs and urged the City Council to find alternative solutions that protect workers and essential City services.

Laura Rodriguez, via a Spanish interpreter, spoke about the gas explosion on East Lewelling Boulevard, caused by unauthorized digging, claiming prior warnings to the City and PG&E were ignored.

Antonio Munos, owner of Edgewater Pizza, echoed concerns raised by other Eden Landing Road business owners about loss of revenue due to construction impacts and asked for City assistance and a meeting to discuss potential solutions.

CITY MANAGER'S COMMENTS

City Manager Ott made four announcements: 1) the Hayward Police Department's Cops 4 Kids Toy Drive, the Hayward Fire Department's Toy Drive and Donna's Holiday Hope program, helped local families during the holidays; 2) the Hayward Rides Bike Giveaway, in partnership with Eden Youth, distributed bikes and toys to families, making it one of the largest municipal bike programs in the country; 3) the Hayward Operated Paratransit (HOP) program, provides transportation for seniors and adults with disabilities; and 4) encouraged



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Tuesday, December 16, 2025, 7:00 p.m.

community members to volunteer at the Point-in-Time Count of people experiencing homelessness, scheduled for January 22, 2026, noting the importance of accurate data to inform funding and policy decisions.

CONSENT

Items 4, 7, 8, and 9 were removed from the Consent Calendar.

1. Approve the City Council Minutes of the City Council Meeting on November 18, 2025, **MIN 25-124**.

It was moved by Council Member Syrop, seconded by Council Member Andrews, and carried unanimously to adopt the City Council minutes of November 18, 2025.

2. Approve the City Council Minutes of the City Council Meeting on December 2, 2025, **MIN 25-126**.

It was moved by Council Member Syrop, seconded by Council Member Andrews, and carried unanimously to adopt the City Council minutes of December 2, 2025.

3. Adopt a Resolution Authorizing the City Manager to Negotiate and Execute a Disposition and Development Agreement with Bay Area Community Services for the Transfer of Two Parcels on Depot Road with APNs 439-0070-006-01 and 439-0070-006-02; and Finding that the Action is Exempt from Environmental Review **CONS 25-491**

Staff report submitted by Real Estate Manager Irvin, Senior Assistant City Attorney Vigilia, and Community Services Manager Cole-Bloom, dated December 16, 2025, was filed.

TJ with Hayward Concerned Citizens spoke in opposition to Consent Item No. 3, urging the City Council to consider the broader impact of selling City land for psychiatric or rehabilitation facilities without community input; expressed concern over a lack of oversight, citing past issues with similar projects such as Regis Village; and questioned how many such facilities Hayward should accommodate, given their long-term effect on the community.

It was moved by Council Member Syrop, seconded by Council Member Andrews, and carried unanimously, to adopt the resolution.

AYES: COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño
MAYOR Salinas

NOES: None

ABSENT: None

ABSTAIN: None

Resolution 25-209, "Resolution Authorizing the City Manager to Negotiate and Execute a Disposition and Development Agreement with Bay Area Community Services for the Transfer of Two Parcels on Depot Road with APNs 439-0070-006-01 and 439-0070-006-02; and Finding that the Action is Exempt from Environmental Review"

4. Adopt a Resolution Adjusting the City's Transient Occupancy Tax (TOT) Rate from 12% to 14% Effective February 1, 2026, and Finding that the Action is Exempt from CEQA Review
CONS 25-525

Staff report submitted by Finance Director Hilbrants, dated December 16, 2025, was filed.

Council Member Bonilla Jr. expressed support for raising the City's Transient Occupancy Tax (TOT) to the voter-approved limit of 14%, acknowledging that while raising taxes is difficult, it's a necessary step in addressing the City's ongoing budget challenges; encouraged the community to support local economic activity by inviting friends and visitors to stay in Hayward hotels and shop locally; and highlighted the importance of supporting Hayward's hoteliers.

It was moved by Council Member Syrop, seconded by Council Member Andrews, and carried unanimously, to adopt the resolution.

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| AYES: | COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño MAYOR Salinas |
| NOES: | None |
| ABSENT: | None |
| ABSTAIN: | None |

Resolution 25-210, "Resolution of the City Council of the City of Hayward Adjusting the Transient Occupancy Tax Rate from 12% to 14% Effective February 1, 2026; and Finding that the Action is Exempt from Environmental Review"

5. Adopt a Resolution Approving the Appropriation of \$264,000 from Fund 213 – Measure BB (Ped & Bike) for the Safe Streets Hayward Plan (Capital Improvement Program (CIP) Project Nos. 06942 – High Injury Network, 06943 – Speed Management Plan, and 06945 – Evaluate Alternatives to Downtown Loop) **CONS 25-539**

Staff report submitted by Public Works Director Ameri, dated December 16, 2025, was filed.



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Tuesday, December 16, 2025, 7:00 p.m.

It was moved by Council Member Syrop, seconded by Council Member Andrews, and carried unanimously, to adopt the resolution.

AYES: COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño
MAYOR Salinas

NOES: None

ABSENT: None

ABSTAIN: None

Resolution 25-211, "Resolution Approving the Appropriation of \$264,000 from Fund 213 Measure BB (Pedestrian & Bicycle) for the Safe Streets Hayward Plan Capital Improvement Program Project No. 06942 - High Injury Network, 06943 - Speed Management Plan and 06945 - Evaluate Alternatives to Downtown Loop"

6. Adopt a Resolution Establishing the City Contribution for Active and Retiree Medical Premiums Set by the California Public Employee Retirement System (CalPERS) for Calendar Year 2026 Pursuant to California Government Code Section 22892 of the Public Employees' Medical and Hospital Care Act **CONS 25-541**

Staff report submitted by Human Resources Manager Cole, dated December 16, 2025, was filed.

It was moved by Council Member Syrop, seconded by Council Member Andrews, and carried unanimously, to adopt the resolution.

AYES: COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño
MAYOR Salinas

NOES: None

ABSENT: None

ABSTAIN: None

Resolution 25-212, "Resolution Agreeing to Meet the Minimum Employer Contribution Toward Medical Cost as Set by California Public Employees Retirement System One Hundred Sixty-Two Dollars (\$162) Per Month for Calendar Year 2026"

7. Adopt a Resolution Adopting the Updated Comprehensive Emergency Management Plan, Disaster Debris Management Plan, and Shelter Management Plan; and Finding that the Action is Exempt from Environmental Review **CONS 25-547**

Staff report submitted by Fire Chief Hamre, dated December 16, 2025, was filed.

Council Member Andrews commended the City's Maintenance Services, Fire, and Police departments for their work on the updated Emergency Management Plan, Disaster Debris Management Plan, and Shelter Management Plan; encouraged community members to review these resources for household preparedness; and clarified that the recent explosion being discussed publicly did not occur within the City of Hayward, but rather in unincorporated Alameda County, and advised residents to contact the County for more information.

Council Member Bonilla Jr. echoed Council Member Andrews' appreciation for the City's commitment to core services, particularly around public safety and emergency preparedness; and noted that despite financial constraints, the City continues to prioritize readiness for inevitable disasters.

It was moved by Council Member Syrop, seconded by Council Member Andrews, and carried unanimously, to adopt the resolution.

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| AYES: | COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño MAYOR Salinas |
| NOES: | None |
| ABSENT: | None |
| ABSTAIN: | None |

Resolution 25-213, "Resolution of the City Council of the City of Hayward Adopting the City of Hayward Comprehensive Emergency Management Plan, Disaster Debris Management Plan, and Shelter Management Plan; and Finding that the Action is Exempt from Environmental Review"

8. Adopt a Resolution: (1) Declaring a City Council Recess from December 22, 2025 through January 2, 2026; (2) Cancelling the Regular City Council Meetings Scheduled for December 23, 2025, and January 6, 2026; and (3) Authorizing the City Manager, or their Designee, to take Action on Administrative Matters as Necessary During the Recess **CONS 25-552**

Staff report submitted by City Manager Ott, dated December 16, 2025, was filed.

Mayor Salinas requested to make a change to the declaration of City Council recess by adding January 6, 2026, as a City Council meeting.



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Tuesday, December 16, 2025, 7:00 p.m.

It was moved by Mayor Salinas, seconded by Council Member Bonilla Jr., and carried unanimously to adopt the resolution with a change that the City Council will hold a City Council meeting on January 6, 2026.

AYES: COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño
MAYOR Salinas

NOES: None

ABSENT: None

ABSTAIN: None

Resolution 25-214, "Resolution of the City Council of the City of Hayward Declaring a City Council Recess from December 22, 2025 through January 2, 2026; Cancelling the Regular City Council Meeting Scheduled for December 23, 2025; and Authorizing the City Manager, or Their Designee, to Take Action on Administrative Matters as Necessary During the Recess"

9. Adopt a Resolution Approving Side Letter of Agreements Amending the Memoranda of Understanding between the City of Hayward and Both the International Association of Firefighters, Local 1909 and Hayward Fire Officers Association and Authorizing Staff to Execute the Agreement **CONS 25-569**

Staff report submitted by Human Resources Director Tecson, dated December 16, 2025, was filed.

Council Member Syrop expressed gratitude to members of Local 1909 for initiating conversations with the City to help address the budget deficit; and acknowledged other labor groups that have begun similar discussions.

It was moved by Council Member Syrop, seconded by Council Member Andrews, and carried unanimously, to adopt the resolution.

AYES: COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño
MAYOR Salinas

NOES: None

ABSENT: None

ABSTAIN: None

Resolution 25-215, "Resolution Approving Two Side Letters of Agreement with the Hayward Firefighters and the Hayward Fire Officers Association Represented by International Association of Firefighters – Local 1909 to Amend the Current Memoranda of Understanding"

WORK SESSION

10. City Budget Status Update: Oral Report by the City Manager as Information Becomes Available (Oral Report from City Manager Ott) **WS 25-042**

City Manager Ott introduced the item and provided an update on the City's fiscal condition, reporting an estimated \$27,534,395 million operating deficit and noting \$16,836,900 million in savings and revenue actions; explained why remaining reserves, including Measure C funds, cannot be fully spent due to cash-flow needs, debt obligations, and emergency readiness, and why borrowing from enterprise funds or increasing revenue projections is not a sustainable solution; and outlined next steps, including continued budget discussions at the December 17 Council Budget and Finance Committee meeting, enhanced budget-to-actual reporting beginning in January, layoff notices issued on January 17, 2026, as part of the remaining deficit reduction, January 6, 2026, City Council meeting focused on the budget, February 3, 2026 City Council Closed Session, to evaluate City property assets, and a comprehensive budget City Council work session on February 28, 2026, aimed at restoring structural balance and rebuilding the City's 20% reserve policy.

Mayor Salinas opened public comment at 8:27 p.m.

Nora Huntley, Service Employees International Union (SEIU) 1021 field representative, expressed concern over a lack of transparency in the budget process and demanded an official meet-and-confer session before layoff notices are issued, noting inconsistent messaging from the City and calling for equitable labor negotiations.

Diane Vargas, SEIU 1021 representative, delivered a symbolic bag of coal to the City Council.

Amber Parras, SEIU 1021 Clerical Secretary, shared the personal and emotional impact of proposed cuts, emphasizing that workers who did not cause the budget crisis are being unfairly asked to make sacrifices that affect their families and livelihoods.

Brianne Elizarrey, International Federation of Professional and Technical Engineers (IFPTE) Local 21 President, criticized the comment that "no one will get out of this unscathed" as dismissive, and stated layoff notices are a moral failure, not just a budget issue, urging the City Council to prioritize workers.

Ross Kinnie, IFPTE Local 21 member and recent hire with decades of experience, expressed confusion over the City's financial mismanagement and urged the City Council not to lay off hardworking staff who keep the City running.



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Natalie Weber, IFPTE Local 21 member, outlined the vital services the Hayward Public Library provides and warned of community impacts if layoffs proceed, noting there are alternative budget solutions, such as Measure C and sales tax, that have not been fully explored.

Wenny Wallace, Library employee and IFPTE Local 21 member, described how staffing cuts are already straining library services and program delivery, and asked the City to consider alternatives to further staff reductions as done during the pandemic.

Marylou Gal, lab technician and IFPTE Local 21 member, highlighted the essential public health services provided by her role at the Wastewater Treatment Facility and urged the City not to proceed with layoffs during the holidays, calling it demoralizing and harmful.

Jose Medina, City employee of 27 years, stressed the burnout and understaffing issues already impacting workers and pleaded with the City to support staff and avoid further cuts that jeopardize operations and morale.

Emily Wallace, IFPTE Local 21 representative, argued that recent savings and revenue increases have already closed the projected deficit, making layoffs unnecessary and politically damaging; criticized past spending decisions; and called for City Council accountability.

Carlos Noe Saavedra, Hayward resident, criticized the lack of long-term budget solutions and urged the City Council to address high executive compensation in Police and Fire before laying off frontline workers or raising taxes.

Mayor Salinas closed public comment at 8:57 p.m.

Council Member Roche acknowledged the pain caused by the budget crisis and layoffs, admitting that past decisions, particularly approving contracts based on inaccurate financial data, contributed to the City's deficit and depleted reserves; expressed trust in the new city manager and finance director; apologized for the decisions made under faulty assumptions; and emphasized the urgency and seriousness of the City's financial reality, while thanking labor groups that have already contributed concessions.

Council Member Andrews thanked staff for continued budget transparency; acknowledged labor groups for meeting and offering ideas to help address the deficit; called for City Council members to match public safety and labor concessions by reducing their own salaries in solidarity; and requested a deeper budget analysis for the next work session, including 10-year projections, departmental budget-to-actuals, review of non-essential and Council-initiated projects, and policy updates, all aimed at returning to a structurally balanced budget and rebuilding reserves.

Council Member Bonilla Jr. expressed empathy for workers, recalling his own experience being laid off before the holidays; emphasized that the situation is not final, with more opportunities ahead to find solutions; praised the city manager's transparent budget update; highlighted the City's efforts to both cut costs and find new revenue, such as the City's Transient Occupancy Tax increase; committed to ongoing collaboration with labor partners; expressed hope that continued teamwork and resilience would lead to meaningful progress and minimized layoffs; and thanked International Association of Firefighters, Local 1909 for their concessions.

Council Member Syrop thanked City workers for their service and public comments, emphasizing that real accountability comes through action; committed to minimizing layoffs and welcomed immediate meet-and-confer sessions with labor groups; called for aggressive pursuit of new revenue opportunities, such as updating the business license tax; urged that all ideas remain on the table; and stated that while the City Council shares responsibility for the crisis, the best apology is delivering real, collaborative solutions to protect jobs and sustain services.

Council Member Zermeño thanked City employees for attending the meeting and acknowledged their sacrifices; recommended adding a discussion on a business tax to the January 6, 2026, agenda as part of long-term structural reforms; expressed hope that concessions can prevent job losses; took partial responsibility for the current financial crisis, noting that he voted for compensation packages based on information he trusted at the time; and urged union partners who have not yet come forward with concessions to do so, emphasizing the importance of unity and collaboration to keep the City moving forward.

Council Member Goldstein acknowledged that the City Council failed by relying on flawed data and decision-makers, taking full responsibility for the current financial crisis; emphasized the need for collective action; committed to rebuilding trust through greater fiscal accountability, including budget-to-actuals measures to ensure spending aligns with real revenues; expressed empathy for employees facing uncertainty; and reaffirmed his promise to help build long-term structural safeguards so the City never faces such a crisis.

Mayor Salinas expressed gratitude to the community and City staff, emphasizing that the City Council is actively listening to workers, residents, and stakeholders during this challenging time; acknowledged Council Member Roche for her heartfelt and honest leadership throughout the process; echoed Council Member Syrop's sentiment that real accountability comes through changed behavior, which the City Council has been pursuing over the past several months; highlighted efforts toward transparency, including early union engagement after the previous city manager's departure; and emphasized ongoing accessibility and willingness to meet.

Mayor Salinas called for a brief recess at 9:25 p.m., and reconvened the City Council meeting at 9:30 p.m.



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PUBLIC HEARING

11. Phenos Hayward: Proposal to Operate a Commercial Cannabis Retail Dispensary in a 14,928-Square-Foot Tenant Space at 21463 Foothill Boulevard (Assessor Parcel No. 414-0086-056-02) in the General Commercial (CG) Zoning District, Requiring Approval of Conditional Use Permit Application No. UP-25-0011 and a Finding that the Project is Categorically Exempt from the Provisions of the California Environmental Quality Act (CEQA) Pursuant to Section 15301 of the CEQA Guidelines. Applicants/Operators: Esther Lopez and Angilbert Sarkis, Gream Enterprises, Inc. [DBA Phenos Hayward]; Property Owner: Foothill-Grove LLC **(Report from Development Services Director Buizer) PH 25-049**

Staff report submitted by Development Services Director Buizer, dated December 16, 2025, was filed.

Development Services Director Buizer announced the item and introduced Associate Planner Kowalski, who provided a synopsis of the staff report.

Members of the City Council thanked City staff for the work on the item.

Discussion ensued among members of the City Council and City staff and the following clarifications were made: in 2017 there were three retail dispensary operators approved for a Commercial Cannabis Business Permit, and Applicant Esther Lopez was unable to reach a final agreement with the operator to operate a retail dispensary; the evolution of the cannabis ordinance and challenges in site selection was explained; there was confirmation that on-site consumption would not be allowed and would be actively monitored by security personnel; after an applicant secures local zoning and land use approvals, they can secure state approvals; dispensaries are held to higher standards than other retail establishments, and security staff would handle potential on-site issues; calls for service at Cookies and Garden of Eden were relatively low; barriers need to be approved by Planning; the applicant confirmed extra security measures and signage restrictions would be in place to protect the youth; the proposed cannabis dispensary would not create a disproportionate impact on public safety resources; the proposed location complies fully with Hayward's zoning and distancing regulations and State law; the applicant emphasized her long-term commitment and dedication to operating transparently and responsibly; any future majority ownership changes would return to City Council for review; any operational changes, such as hours, signage, or advertising, would need to come back to the City Council for review and approval; there are only two dispensaries nearby, one outside of Hayward (Garden of Eden) and one within the city (Cookies); while there is no size cap in the ordinance, much of the dispensary's space is allocated for secure storage and staff areas, not retail, making it comparable in scale to other dispensaries and far smaller than what would typically be considered "mega"; the parking spaces at the proposed site are shared among all businesses in the shopping center; the average time a customer would spend at a dispensary is 15 to 20 minutes, with many customers pre-ordering online, and these timing

estimates are factored into traffic studies using national standards, which show dispensaries generate fewer trips than drugstores; although a dojo is located nearby, no incidents involving minors have been reported; dispensaries must follow strict security protocols, including ID checks, video surveillance, and alarm systems, making them highly controlled environments, often with more oversight than many alcohol-serving businesses; staff was not aware of broader economic impacts of cannabis dispensaries in Hayward; while the City's ordinance sets clear distance requirements to prevent clustering, perceptions of oversaturation and its implications for equity remain valid concerns raised by the community; while the applicant's original business permit remains valid, the conditional use permit tied to her prior location had lapsed, requiring a new permit for the current site; despite reviewing hundreds of properties, none were viable in the downtown core due to strict compliance requirements; and the original site's size was approximately 3,000–3,200 sq ft, and the current proposed site is nearly 14,000 sq ft.

Mayor Salinas opened the public hearing at 9: 59 p.m.

The following speakers spoke in opposition to the proposed dispensary, Phenos Hayward, raising concerns about its proximity to youth-centered spaces such as the dojo, increased traffic and parking issues, risks to neighborhood safety, the normalization of cannabis near children, and a perceived overconcentration of dispensaries in communities of color. Many cited the lack of transparency in the approval process, distrust in the applicant's partnerships, and fears that the dispensary would negatively impact the character and welfare of the neighborhood. Some indicated that speakers expressing support for the dispensary were not Hayward residents and the Planning Commission had denied the proposed dispensary. Others questioned whether community feedback had been sufficiently considered and emphasized that the location was inappropriate given nearby family homes and schools.

Edgar Martinez

Dr. Raina Petrov, Hayward resident

Cecilia Soares, retired HUSD teacher and Hayward resident

Monica Carr

Stacy Snowman, Hayward resident

Angelica Leon, Hayward resident

Richard Applebalm, Castro Valley resident

Karen Stathis

Anita Wah, neighborhood resident

Alan Fishman, neighborhood resident and math teacher

Efrain Miranda, Hayward resident

Pat Doherty, Hayward resident

Patricia Fernandez, neighborhood student

Karla Fernandez

Steve Mocker

Jose Munoz, Hayward student

Brandi Gomes, Hayward resident

Baylun Perkins

Jas Dhillon



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Tuesday, December 16, 2025, 7:00 p.m.

Jared Perkins, neighborhood resident
Theresa Resentez
Brook Lyn, Hayward employee
Anthony Scandar, Hayward student and neighborhood resident
Sandra Archuleta, prevention specialist
Dalila
TJ with Hayward Concerned Citizens
Anh Thu Nguyen, student
Rose A, Hayward resident
Zoom User
Teresita (Zoom), local resident
Suzanne Luther, Hayward resident
Claire Dugan, Hayward resident
Dr. Ann Maris, educator, scientist and community advocate
Suhel Singh
Jenna
Samantha, Hayward student
Oscar G, neighborhood resident
Tom Ferreira, Hayward resident
Tyler Dragoni

The following speakers spoke in support of the proposed dispensary, Phenos Hayward, citing the applicant's integrity and community roots, the creation of local jobs, increased tax revenue, and the ability to provide a safer, regulated alternative to illegal cannabis sales; argued that dispensaries, such as the proposed one, have proven to be low-risk, well-regulated operations with effective security measures, and they do not increase youth access or crime. Many praised the applicant's transparency, commitment to safety, and history of philanthropy, while some highlighted personal or professional benefits of legal cannabis access, especially for veterans and patients.

Carlos Rocha, owner of Ta Danado dojo
Yessenia Serrano with Flavors Dispensary in Oakland
Brooke Benson
Eric Lathrop, veteran and employed at a licensed dispensary
David Mariano, veteran and Phenos employee
Samantha Soto with Flavors Dispensary in Riverbank
Destiny Chuca with Flavors Dispensary in Riverbank
Laura Balcita, Hayward resident
Chris Traina, teacher
Aroyn Nangeyaii, Hayward resident
Giulia
Shanell Mora

Marcella James
Natasha Leal
Gabriella Cuevas
Carly Wettgen
Yezmene Fullilove
Val Reyes
Hanna Joekema
Vanessa Machado
Alissia
Michael Warda, representing Phenos
Zach Drivon
Jada Gusman
Barbara Madeiros, Hayward resident and substance abuse counselor
Darryl Gray, Castro Valley resident
Vasko Yorgov, Hayward resident
Alejandro Jasso, Hayward resident

The following speakers did not speak:

Roberta Checo
Tasha Parra
Tara Riley
Adam Macias
Samantha Ramos

Applicant Esther Lopez clarified misconceptions about the size of the proposed dispensary, noting that only a portion of the total space will be active retail space, with the rest used for compliance-related functions such as waiting areas and secure storage; stressed that the location was chosen based on City-approved mapping tools and met all requirements; pointed out that many opponents are from outside jurisdictions that do not contribute to Hayward's tax base; and urged the City Council to support a local operator rather than allow a monopoly to dominate the market.

Ron Roberts, consultant for Phenos and Applicant Lopez, defended the project against what he characterized as fear-based and inaccurate opposition; highlighted Applicant Lopez's strong track record, including her documented charitable donations totaling \$200,000 for this year, and her willingness to commit to long-term local philanthropic support; noted that over half of the proposed 14,000 square foot facility would not be used for retail, and the large size was a result of limited real estate options due to City zoning constraints; challenged competing dispensaries to match Applicant Lopez's community investment and questioned their contributions to Hayward; and added that Applicant Lopez has fully met every City requirement and promised that their operation would set a new gold standard for dispensaries in Hayward.

Mayor Salinas closed the public hearing at 12:01 a.m.



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Tuesday, December 16, 2025, 7:00 p.m.

Members of the City Council thanked speakers who spoke on both sides of the matter and to those who submitted letters and emails.

Council Member Zermeño expressed support for the proposed cannabis dispensary, highlighting the City's prior vote in favor of cannabis legalization and the structured process that resulted in awarding three dispensary permits; emphasized that Applicant Lopez, presented a solid business and safety plan and met all City requirements; spoke highly of Applicant Lopez as a professional and a long-standing Hayward business owner, having known her as his accountant and community supporter; and moved to approve the application based on staff's recommendation.

Council Member Bonilla Jr. seconded the motion.

Council Member Roche acknowledged the concerns expressed by the immediate neighborhood and proposed that the dispensary implement a public hotline for residents to report issues; while she expressed understanding for neighborhood worries, she also stressed that Applicant Lopez met all City criteria, and that the dispensary's one-year conditional use permit allows for swift revocation if problems arise; proposed future town halls with the City, County, and other dispensaries to address neighborhood concerns, should the application be approved; and noted the lack of evidence linking dispensaries to youth drug use.

In response to Council Member Andrews' inquiries about Parcel Group 8 and tax revenue from cannabis, City staff indicated the item would come before the City Council in January and a conservative estimate would be \$500, 000 to \$800,000 in annual revenue.

Council Member Andrews emphasized the importance of consistency and fairness in City processes; reminded the City Council that Applicant Lopez's application was already approved in 2018 and had followed all of the City's established rules and zoning requirements; reiterated that predictability for businesses is key and stated that if the dispensary causes problems, the City should not hesitate to shut it down; shared the idea of a moratorium on new dispensaries in the downtown area; proposed working with the operator to find an alternative location if needed in the future; and noted that community complaints would be taken seriously and acted upon.

Council Member Bonilla Jr. emphasized the need for the City Council to follow its own rules and maintain consistency in business permitting; noted that Applicant Lopez met all the City's rigorous cannabis requirements and praised her as a long-time Hayward resident and business owner; noted that failure to operate in compliance with permit conditions may result in revocation of the permit; emphasized that allowing competition in the cannabis market can benefit residents and bring needed tax revenue to Hayward; demonstrated a plan to mitigate concerns raised including posting a phone number that people can call with any concerns; and

supported the project as a boost to the local economy and a way to revitalize a long-vacant property.

Council Member Syrop expressed concern with the overly restrictive cannabis policies that have made it difficult for compliant businesses to open in Hayward; supported revisiting City ordinances to allow for more flexibility in dispensary locations; expressed concern about the lack of alignment between the Planning Commission and City Council priorities; expressed concern about the message it sends to other businesses if the project is denied; pointed out that the public opposition may have been influenced by competing cannabis businesses; stated that the City should make decisions based on facts, not fear; was in favor of developing policies to protect youth; and noted he would be supporting the proposal as a way to increase City revenue, support public services, and correct systemic barriers for small business owners.

Council Member Goldstein shared he had been volunteering in addiction recovery and initially opposed cannabis dispensaries but changed his stance after researching the data, finding cannabis to be safer than alcohol; argued that medicinal cannabis users deserve safe and accessible locations, not hidden industrial areas; expressed support for Applicant Lopez, commending her perseverance over seven years of navigating City red tape and landlord resistance; praised Applicant Lopez's community involvement; and recommended outreach strategies such as adopting a block to address neighborhood concerns.

Mayor Salinas opposed the dispensary, citing overconcentration of cannabis businesses in the downtown area, especially in neighborhoods of color; criticized the City staff report for prioritizing projected revenue over community concerns; expressed disappointment that neighborhood voices were not given more weight; emphasized that five dispensaries clustered in one area is not equitable planning and does not reflect the intent of voters when cannabis was legalized; thanked Applicant Lopez for her professionalism but stated his duty is to prioritize the integrity of neighborhoods; and urged his colleagues to reject the application and uphold the Planning Commission's decision.

It was moved by Council Member Zermeño, seconded by Council Member Bonilla Jr, and carried unanimously to adopt the resolution.

| | |
|----------|---|
| AYES: | COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Syrop, Zermeño |
| NOES: | COUNCIL MEMBER Roche |
| | MAYOR Salinas |
| ABSENT: | None |
| ABSTAIN: | None |

Resolution 25-216, "Resolution Approving a Conditional Use Permit to Operate a Commercial Cannabis Retail Dispensary in a Vacant Tenant Space in a Shopping Center at 21463 Foothill Boulevard"

Mayor Salinas called for a brief recess and reconvened the City Council meeting at 12:55 a.m.



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<https://hayward.zoom.us/j/82784685571?pwd=oE2bMmjVbV3IDV9bgkFPma0uYGlmI.1>
Tuesday, December 16, 2025, 7:00 p.m.

LEGISLATIVE BUSINESS

12. Hayward Municipal Code Update: Introduction of an Ordinance Amending Sections 2-13.02, 2-13.04 and 2-13.06 of Article 13 of Chapter 2 of the Hayward Municipal Code Relating to Revised Voluntary Campaign Expenditure and Contribution Limits (**Report from City Attorney Lawson**) **LB 25-041**

Staff report submitted by City Attorney Lawson and City Clerk Lens, dated December 16, 2025, was filed.

Mayor Salinas forwent staff's oral report, advised that the report and presentation were available online, and opened the floor for questions; none were received.

There being no public speakers, Mayor Salinas opened and closed the public hearing at 1:00 a.m.

Council Member Syrop thanked Council Members Zermeño and Bonilla Jr. for their collaboration on the ordinance via the referral process and the rest of the City Council for their review, noting it had been thoroughly discussed in a previous October work session and encouraged the public to revisit that meeting for more context.

It was moved by Council Member Syrop, seconded by Council Member Bonilla Jr., and carried unanimously to introduce the ordinance.

| | |
|----------|---|
| AYES: | COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño MAYOR Salinas |
| NOES: | None |
| ABSENT: | None |
| ABSTAIN: | None |

Introduction of Ordinance 25-__ "An Ordinance of the City Council of the City of Hayward Amending Sections 2-13.02, 2-13.04 and 2-13.06 of Article 13, Chapter 2 of the Hayward Municipal Code Relating to Revised Voluntary Campaign Expenditure and Contribution Limits"

13. Temporary Moratorium: Adopt an Interim Urgency Ordinance Pursuant to Government Code Section 65858, Imposing a Temporary Moratorium on New Massage Businesses in Hayward, and Finding that the Action is Exempt from Environmental Review (**Report from Development Services Director Buizer**) **LB 25-046**

Staff report submitted by City Attorney Lawson, Development Services Director Buizer, and Police Chief Matthews, dated December 16, 2025, was filed.

Mayor Salinas forwent staff's oral report, noting the item was discussed at a Council Public Safety Committee meeting.

Council Member Andrews noted the item was also presented to the Council and Economic Development Committee; and expressed interest in allowing City Council review of reputable massage services during the moratorium to ensure Hayward remains welcoming to legitimate businesses. Development Services Director Buizer indicated that staff would alert the City Council if such proposals arose and confirmed that ordinance updates were expected in the first quarter of 2026 as part of the "Business Friendly Hayward" initiative.

Council Member Bonilla Jr. sought clarification on whether the moratorium applies specifically to standalone massage parlors or broadly to all businesses offering massage services, such as nail salons. Development Services Director Buizer explained that the moratorium would cover all massage activities, regardless of whether massage is the primary service, due to regulatory challenges and enforcement concerns.

Mayor Salinas clarified that the item was not presented to the Council Public Safety Committee.

There being no speakers, Mayor Salinas opened and closed public comment at 1:05 a.m.

It was moved by Council Member Goldstein, seconded by Council Member Andrews, and carried unanimously to adopt the interim emergency ordinance.

| | |
|----------|---|
| AYES: | COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño MAYOR Salinas |
| NOES: | None |
| ABSENT: | None |
| ABSTAIN: | None |

Ordinance 25-16, "An Interim Urgency Ordinance of the City Council of the City of Hayward Pursuant to Government Code Section 65858, Imposing A Temporary Moratorium on New Massage Businesses, and Finding that the Action is Exempt from Environmental Review"



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<https://hayward.zoom.us/j/82784685571?pwd=oE2bMmjVbV3IDV9bgkFPma0uYGlmI.1>
Tuesday, December 16, 2025, 7:00 p.m.

14. Mayor Pro Tempore Election: Adopt a Resolution Authorizing the Election of Mayor Pro Tempore of the City of Hayward for 2026 (Report from City Clerk Lens) **LB 25-047**

Staff report submitted by City Clerk Lens, dated December 16, 2025, was filed.

City Clerk Lens provided a synopsis of the staff report.

There being no speakers, Mayor Salinas opened and closed public comment at 1:07 a.m.

Mayor Pro Tempore Roche made a motion to elect Council Member Syrop as Mayor Pro Tempore for 2026. Council Member Syrop seconded the motion, thanking Mayor Pro Tempore Roche for her service.

Council Member Andrews thanked Mayor Pro Tempore Roche for her service and wished success to the incoming Mayor Pro Tempore in the coming year.

Council Member Bonilla Jr. expressed agreement with Council Member Andrews' remarks and formally seconded her comments.

Mayor Salinas praised Mayor Pro Tempore Roche's leadership, accessibility, and thoughtful partnership throughout the year.

It was moved by Council Member Roche, seconded by Council Member Syrop, and carried unanimously to adopt the resolution electing Council Member Syrop as Mayor Pro Tempore for 2026.

| | |
|----------|---|
| AYES: | COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño MAYOR Salinas |
| NOES: | None |
| ABSENT: | None |
| ABSTAIN: | None |

Resolution 25-217, "Resolution Authorizing the Election of Mayor Pro Tempore of the City of Hayward for 2026"

INFORMATION ITEMS

15. Update on Federal Advocacy and City Legislative Priorities for the 2026 Federal Legislative Session **RPT 25-097**

Staff report submitted by Interim City Manager Addleman, dated December 16, 2025, was filed.

City Manager Ott noted that the consultant was going to present the item in January.

16. Update on State Advocacy and Legislative Developments for the 2025-26 Session **RPT 25-099**

Staff report submitted by Interim City Manager Addleman, dated December 16, 2025, was filed.

City Manager Ott noted the consultant was going to present the item in January.

COUNCIL REPORTS AND ANNOUNCEMENTS

Council Member Andrews thanked Alameda County Supervisor Márquez, Council Member Roche, staff, and the community for supporting the Toy Drive, and acknowledged Council Member Bonilla Jr. for attending the event.

Council Member Syrop welcomed City Manager Jennifer Ott back to Hayward, commended her for stepping into a tough role, and expressed hope for stable leadership moving forward.

Council Member Andrews also thanked former acting leadership and expressed confidence in City Manager Ott's ability to guide the City through its budget challenges.

Council Member Bonilla Jr. and Council Member Goldstein seconded Council Member Andrews' appreciation for the new city manager and City leadership.

Council Member Zermeño thanked City Manager Ott, acknowledged Chamber of Commerce President Lopez was in the audience, and wished everyone Felices Fiestas.

Mayor Salinas welcomed City Manager Jennifer Ott back, praised her readiness to lead during a critical time, and closed the meeting with holiday wishes for all and gratitude to public safety staff.

COUNCIL REFERRALS

There were none.



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Tuesday, December 16, 2025, 7:00 p.m.

ADJOURNMENT

Mayor Salinas adjourned the City Council meeting at 1:15 a.m.

APPROVED

Mark Salinas
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: MIN 26-010

DATE: January 20, 2026

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Approve the City Council Minutes of the City Council Meeting on January 6, 2026

RECOMMENDATION

That the City Council approves the City Council meeting minutes of January 6, 2026.

SUMMARY

The City Council held a City Council meeting on January 6, 2026.

ATTACHMENTS

Attachment I Draft Minutes of 1/6/2026



CITY COUNCIL MEETING
777 B Street, Hayward, CA 94541
Council Chambers
<https://hayward.zoom.us/j/83944124968?pwd=Bz4Fmq2WJkbyVa8CK1W5J8UyEVYFdv.1>
Tuesday, January 6, 2026, 7:00 p.m.

The City Council meeting was called to order by Mayor Salinas at 7:12 p.m. in the Council Chambers.

Pledge of Allegiance: Mayor Salinas

ROLL CALL

Present: COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño
MAYOR Salinas
Absent: NONE

CLOSED SESSION ANNOUNCEMENT

The City Council convened in closed session on January 6, 2026, at 6:00 p.m., with all members present and two public speakers (Nora Huntley and Amber Bell), regarding two items: 1) conference with labor negotiators pursuant to Government Code section 54957.6, regarding all labor groups; and 2) conference with legal counsel pursuant to Government Code section 54956.9 (d)(1), regarding Ghali et al v. City of Hayward, US District Court – Northern District of California Case 3:25-cv-01116. City Attorney Lawson reported the City Council met and discussed Item 1 but took no reportable action; and did not discuss Item 2.

PUBLIC COMMENTS

Donna T expressed disappointment over the City Council's approval of a new cannabis dispensary in a predominantly black and brown neighborhood, warning it could repeat historical patterns of harm seen with liquor store oversaturation; and disapproved the redirection of Measure C funds, originally intended to support first responders.

Sajit Khatri, representing Best Western Hotels, opposed the repeated increases in hotel occupancy tax, stating it burdens an already struggling hospitality industry facing declining occupancy, increased costs, and reduced revenue; and urged the City Council to delay the tax hike, emphasizing that higher rates could further reduce business and City tax income.

Theresa with Hayward Concerned Citizens thanked City Manager Ott for her fiscal leadership during necessary layoffs and supported capping overtime for Fire department apparatus operators; and questioned the viability of relying on cannabis tax revenue, noting that only 65% of projected revenue had been realized.

CITY MANAGER'S COMMENTS

City Manager Ott announced the official kickoff of Hayward Restaurant Month on New Year's Day 2026, marking its third annual celebration, with over 20 local restaurants having already

joined the program, which aims to support local eateries during the slower post-holiday season.

WORK SESSION

1. Work Session to Receive a Budget Update and Provide Feedback on the Proposed Format and Content of the City Council Budget Retreat in February 2026 (**Staff Report from City Manager Ott**)

Staff report submitted by Finance Director Hilbrants, dated January 6, 2026, was filed.

City Manager Ott announced the item and introduced Finance Director Hilbrants who provided an update on efforts to balance the budget, detailing a combination of Measure C transfers, one-time transfers, anticipated one-time revenues, department reductions in services and supplies, Other Post-Employment Benefits (OPEB) trust access, and approximately \$8.3 million in personnel-related savings, while noting the budget remains tight with limited contingency; and previewed the February 28, 2026, City Council work session, including a financial status report, five-year projection, review of budget-to-actuals, long-term forecast, potential revenue enhancements, expenditure strategies, and draft budget policies aimed at strengthening fiscal sustainability and accountability.

Mayor Salinas opened the public comment section at 7:33 p.m.

Emily Wallace, International Federation of Professional and Technical (IFPTE) Local 21 representative, urged the City Council to protect public services and avoid layoffs by accounting for the advanced payment in cannabis tax revenue, incorporating vacancy savings, using a portion of remaining Measure C funding, adjusting sales tax projections; and advocated for modernizing the business license tax and selling unused City properties to generate revenue without cutting jobs and essential services.

Daniel Arnold, partner of a soon-to-be laid-off City employee, criticized the City Council for lacking transparency and accountability, claiming layoffs were pre-planned despite public claims of negotiations; and urged them to take responsibility for the City's financial decisions.

TJ with Hayward Concerned Citizens raised concerns about the sudden introduction of a business license tax ballot measure, questioning its cost, transparency, and the need for consultants; expressed skepticism about taxing legitimate businesses while street vendors remain untaxed; and highlighted a lack of community engagement.

Suzanne Luther with Hayward Concerned Citizens opposed the proposed business tax unless it also applies to street vendors; and encouraged the public to spread awareness about the tax proposal, especially among local business owners.

Mayor Salinas closed the public comment section at 7:42 p.m.



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Tuesday, January 6, 2026, 7:00 p.m.

Council Member Andrews offered short-term and long-term strategies to restore fiscal sustainability: review of contributions to overfunded accounts such as Workers' Compensation Fund and Internal Service Fund; assess salary reductions to match public safety and pause non-essential Capital Improvement Program (CIP) projects until reserves reach 20%; have the Council Economic Development Committee review the list of vacant properties with the goal of selling or activating them, and track the permitting process for business that generate revenue; review Measure W Fund; have the Council Public Safety Committee and Council Infrastructure and Airport Committee review calls for service and cost sharing; review 10-year projections; have the Council Budget and Finance Committee review the General Fund and Enterprise Fund on a monthly basis, review City investments, and factors contributing to the deficit; review efforts by the Downtown Hayward Improvement Association to drive economic development and community engagement; explore what would involve expediting same-day permits and same-day inspections; review business tax license revenue; explore partnerships with Hayward Area Recreation and Park District (HARD) and the Hayward Chamber of Commerce to align economic strategies with major events such as the Super Bowl and World Cup; and review economic development trends.

Council Member Syrop offered the following suggestions: support for enhanced collaboration with HARD to reduce event costs; support exploring revenue sources such as a modernized business license tax; review of zoning regulations to help street vendors transition into formal businesses, and to help enforce short-term rentals such as Airbnbs; explore fiscal literary and labor negotiation trainings for member of the City Council; review sale tax projections to understand data; provide data and clear visuals identifying the factors contributing to the growing deficit; and revisit vacant business ordinances or pursue a commercial vacancy tax such as the one in Berkeley.

Council Member Zermeño offered the following suggestions: review how other cities have responded to budget deficits and outline what can be learned from their strategies; review the Master Fee Schedule for any potential amendments; review the business license tax; review accelerating permit processes for new businesses; review enforcing licensing for street vendors, and revitalizing Hayward's economy through campaigns such as "Shop Hayward First;" review tightening oversight on absentee property owners in downtown; and emphasized the need for consistency, transparency, and trust to rebuild faith with the public.

Council Member Bonilla Jr. offered the following suggestions: focus on long-term structural changes and review revenue-generating opportunities through established criteria including guidelines around preserving core services, managing risk responsibly, and incorporating additional short-term changes using all available data sources. Council Member Bonilla Jr. recommended to explore the following during the budget work session: understand the staffing philosophy across the City including hire freeze, reassigning work internally, identifying efficiencies to minimize community impact, and requiring a quarterly review of

frozen positions to determine essential positions and job automation; review all active contracts over a preset threshold and set renegotiation goals with potential savings; review and dispose of City properties including the movie theater; defer expenses with low risk; consider a risk-informed framework for financial decisions; evaluate forced ranking of City services; prioritize staffing and investment that protect or increase revenue; audit the Master Fee Schedule to ensure recovery of costs for services; explore feasibility of a progressive business license tax increase; explore the feasibility of a first responder fees such as San Jose's First Responder Fee Program; explore the feasibility of a Mello-Roos (Community Facilities District) tax; and review ideas from labor groups.

Council Member Goldstein emphasized avoiding future fiscal crises by supporting necessary policy changes; urged early labor engagement in solutions; supported a progressive business tax; favored reviewing zoning changes to encourage home-based businesses and partner with the business community to promote Hayward's hotels and events; supported exploring the feasibility of a Mello-Roos (Community Facilities District) tax and measures such as medical response fees; and favored technology investments that improve service without cutting jobs.

Council Member Roche called for full transparency and rebuilding trust by clearly explaining how the City reached its financial situation; and requested a review of previous missteps, a more transparent discussion of the potential business tax revenue, better clarity on overtime management, and steps to avoid declaring a fiscal emergency.

Mayor Salinas expressed agreement with the plan for the February budget work session, noting that his priority is identifying structural and ongoing fiscal strategies to preserve City services and staff; defended the City Council's record on transparency and accountability, emphasizing the importance of public trust; reiterated past commitments fulfilled under Measures A, C, and K1; and reaffirmed the City Council's intent to protect both services and employees, while pursuing responsible revenue-generating strategies.

COUNCIL REPORTS AND ANNOUNCEMENTS

There were none.

COUNCIL REFERRALS

There were none.

ADJOURNMENT

Mayor Salinas adjourned the City Council meeting at 8:58 p.m.



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777 B Street, Hayward, CA 94541
Council Chambers
https://hayward.zoom.us/j/83944124968?pwd=Bz4Fmq2WJkbyVa8CK1W5J8UyEVYFdv.1
Tuesday, January 6, 2026, 7:00 p.m.

APPROVED

Mark Salinas
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: CONS 26-005

DATE: January 20, 2026

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Adopt an Ordinance Amending Sections 2-13.02, 2-13.04 and 2-13.06 of Article 13, Chapter 2 of the Hayward Municipal Code Relating to Revised Voluntary Campaign Expenditure and Contribution Limits

RECOMMENDATION

That the City Council adopts the Ordinance introduced on December 16, 2025.

SUMMARY

This item entails the adoption of an Ordinance amending Sections 2-13.02, 2-13.04 and 2-13.06 of Article 13, Chapter 2 of the Hayward Municipal Code revising voluntary campaign expenditure and contribution limits. The Ordinance was introduced on December 16, 2025, by Council Member Syrop.

ATTACHMENTS

| | |
|---------------|--------------------------------|
| Attachment I | Staff Report |
| Attachment II | Published Summary of Ordinance |



DATE: January 20, 2026

TO: Mayor and City Council

FROM: City Clerk

SUBJECT: Adopt an Ordinance Amending Sections 2-13.02, 2-13.04 and 2-13.06 of Article 13, Chapter 2 of the Hayward Municipal Code Relating to Revised Voluntary Campaign Expenditure and Contribution Limits

RECOMMENDATION

That the City Council adopts the Ordinance introduced on December 16, 2025.

SUMMARY

This item entails the adoption of an Ordinance amending Sections 2-13.02, 2-13.04 and 2-13.06 of Article 13, Chapter 2 of the Hayward Municipal Code revising voluntary campaign expenditure and contribution limits. The Ordinance was introduced on December 16, 2025, by Council Member Syrop.

FISCAL IMPACT

There is no fiscal impact associated with this report.

BACKGROUND

The Ordinance was introduced by Council Member Syrop at the December 16, 2025, meeting of the City Council with the following vote:

| | |
|-----------------|---|
| AYES: | COUNCIL MEMBERS: Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño |
| | MAYOR Salinas |
| NOES: | NONE |
| ABSENT: | NONE |
| ABSTAIN: | NONE |

STRATEGIC ROADMAP

The agenda item is a routine operational item and does not relate to one of the Council's Strategic Initiatives.

PUBLIC CONTACT

The summary of the Ordinance was published in the Daily Review c/o Bay Area News Group-East Bay on Friday, January 16, 2026. Adoption, at this time, is therefore appropriate.

NEXT STEPS

The Hayward Municipal Code and other related documents will be updated accordingly.

Prepared and Recommended by: Miriam Lens, City Clerk

Approved by:

A handwritten signature in blue ink, appearing to read "Jennifer Ott".

Jennifer Ott, City Manager

PUBLIC NOTICE OF AN INTRODUCTION OF AN ORDINANCE BY THE
CITY COUNCIL OF THE CITY OF HAYWARD

SUMMARY OF ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HAYWARD AMENDING SECTIONS 2-13.02, 2-13.04 AND 2-13.06 OF ARTICLE 13, CHAPTER 2 OF THE HAYWARD MUNICIPAL CODE RELATING TO REVISED VOLUNTARY CAMPAIGN EXPENDITURE AND CONTRIBUTION LIMITS

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Sections 2-13.02, 2-13.04 and 2-13.06 of Article 13, Chapter 2 of the Hayward Municipal Code are amended to read as follows, with deleted terms shown in strikeout and added terms underlined:

ARTICLE 13
CAMPAIGN CONTRIBUTION PRACTICES FOR CITY ELECTIVE OFFICES AND BALLOT MEASURES

SECTION 2-13.02 VOLUNTARY EXPENDITURE LIMITS FOR CAMPAIGNS FOR CITY ELECTIVE OFFICES.

SEC. 2-13.04 CONTRIBUTION LIMITATIONS FOR CANDIDATES ACCEPTING EXPENDITURE LIMITATIONS.

SEC. 2-13.06 PERSONAL LOANS.

Section 2. California Environmental Quality Act. Adoption of this Ordinance is exempt from environmental review as the adoption of this Ordinance does not qualify as a “project” pursuant to the California Environmental Quality Act (“CEQA”), under Public Resource Code Section 21065 and CEQA Guidelines Section 15320, 15378, and 15061(b) (3) as there is no possibility that such action would cause either a direct, or reasonably foreseeable indirect, physical change in the environment.

Section 3. If any section, subsection, paragraph, or sentence of this Ordinance, or any part thereof, is for any reason found to be unconstitutional, invalid, or beyond the authority of the City of Hayward by a court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance.

Section 4. The effective date of this Article shall be thirty (30) days after its adoption by the City Council.

Introduced at a meeting of the City Council of the City of Hayward, held on the 16th day of December 2025, by Council Member Syrop.

ATTACHMENT II

This Ordinance will be considered for adoption at the regular meeting of the Hayward City Council, to be held on January 20, 2026, at 7:00 p.m.

Please note the City Council will hold a hybrid meeting which will allow for participation in the Council Chamber and virtually via the Zoom platform.

The full text of this Ordinance is available for examination by the public by contacting the City Clerk's office at cityclerk@hayward-ca.gov or (510) 583-4400.

Dated: January 16, 2026

Miriam Lens, City Clerk

City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: WS 26-004

DATE: January 20, 2026

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT

City of Hayward Budget: Work Session to Receive a Budget Update and Information about City General Fund Revenue Sources

RECOMMENDATION

That the City Council:

1. Receive an update on the status of the adopted Fiscal Year (FY) 2025-26 General Fund Operating Budget; and
2. Receive information about the City's major general fund revenue sources.

SUMMARY

Staff will provide an update on the status of the FY 2025-26 General Fund Operating Budget and, in preparation for the February 28, 2026, Fiscal Sustainability Work Session, staff will provide information about general fund revenue sources.

ATTACHMENTS

| | |
|---------------|-------------------------------|
| Attachment I | Staff Report |
| Attachment II | Historic General Fund Revenue |



DATE: January 20, 2026

TO: Mayor and City Council

FROM: Finance Director

SUBJECT: City of Hayward Budget: Work Session to Receive a Budget Update and Information about City General Fund Revenue Sources

RECOMMENDATION

That the City Council:

1. Receive an update on the status of the adopted Fiscal Year (FY) 2025-26 General Fund Operating Budget; and
2. Receive information about the City's major general fund revenue sources.

SUMMARY

Staff will provide an update on the status of the FY 2025-26 General Fund Operating Budget and, in preparation for the February 28, 2026 Fiscal Sustainability Work Session, staff will provide information about general fund revenue sources.

BACKGROUND AND DISCUSSION

Preparation for Phase Two of the Budget Process

On November 18, 2025, the City Council authorized the City Manager to take steps to eliminate the FY 2025-26 budget deficit by January 31, 2026. Staff are on track to meet this deadline. Although these actions are anticipated to bring the FY 2025-26 budget into balance, many of these items are one-time in nature and will not address the longer term structural fiscal imbalance projected for subsequent fiscal years.

As a result, staff are preparing for Phase Two of this budget process to take additional actions to strengthen long-term stability and replenish reserves, including a long-term fiscal sustainability plan that will inform the creation of the FY 2026-27 budget. Staff's analysis and recommendations for the long-term plan will be presented at the full-day budget work session on Saturday, February 28, 2026.

Exploration of Business License Tax Measure

City staff have begun work to explore a possible measure to update the City's Business License Tax, which has not been updated in decades. As a first step, the City has secured a consultant

to review how the City's existing tax structure compares to neighboring jurisdictions and if the structure still makes sense considering today's economy. The consultant will be available at this work session to answer questions about this process.

Below is a tentative deadline for this process. The findings from the research phase will be presented at the February 28 budget work session. Staff will be in touch with the Chamber of Commerce before that meeting to collect feedback.

January & February 2026:

- Research: comparison to neighboring jurisdictions
- Initial stakeholder outreach
- Present findings on February 28, 2026

March & April 2026: If desired, polling & further stakeholder outreach

May 2026: Present poll results and evaluate a potential measure

June 23, 2026: Deadline for the City Council to pass a resolution to place a measure on the November ballot

Major Revenue Sources

In addition to discussing a potential business license tax measure, this work session will be focused on providing additional information about the City's major general fund revenue sources. In particular, the City's sales tax consultant will be available to answer questions about how sales tax is forecasted and regional trends. Staff will also provide background about how other general fund revenues are forecasted.

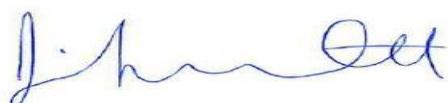
For context, Attachment II shows historic actuals for general fund revenue back to FY 2018.

NEXT STEPS

Based on Council input this evening, staff will prepare information, analysis and preliminary recommendations for further Council discussion at the February 28 budget work session.

Prepared by: DeAnna Hilbrants, Director of Finance

Approved by:



Jennifer Ott, City Manager

Historic General Fund Revenue

Attachment II

| General Fund Revenue Actuals | FY 2026 Revised Budget | FY 2025 Unaudited | FY 2024 | FY 2023 | FY 2022 | FY 2021 | FY 2020 | FY 2019 | FY 2018 |
|--------------------------------|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Property Tax | 77,458,791 | 75,906,531 | 73,406,275 | 68,458,486 | 63,524,226 | 61,196,409 | 58,431,803 | 54,467,978 | 51,235,946 |
| Sales Tax | 47,559,300 | 53,476,339 | 53,034,329 | 44,051,047 | 44,027,645 | 40,074,819 | 39,679,957 | 36,010,642 | 33,388,718 |
| Utility Users Tax | 25,000,000 | 23,101,342 | 24,453,592 | 25,944,798 | 17,308,117 | 17,267,592 | 16,065,943 | 16,935,327 | 17,487,828 |
| Franchise Fees | 13,630,000 | 13,031,111 | 13,161,911 | 11,906,944 | 10,515,951 | 10,624,234 | 10,581,959 | 9,730,174 | 9,647,903 |
| Fees and Charges for Service | 14,198,995 | 11,668,867 | 11,285,639 | 14,202,735 | 12,635,730 | 13,208,123 | 11,977,513 | 15,865,842 | 14,675,977 |
| Real Property Transfer Tax | 11,000,000 | 10,597,871 | 12,540,552 | 12,356,957 | 21,226,290 | 17,120,032 | 12,150,286 | 12,256,155 | 9,168,329 |
| Inter-Governmental | 7,098,366 | 7,232,682 | 5,906,061 | 6,275,057 | 6,303,497 | 10,881,724 | 6,699,241 | 7,075,380 | 7,449,812 |
| Fines & Forfeitures | 2,822,948 | 2,977,452 | 2,703,563 | 2,504,636 | 2,687,658 | 2,194,569 | 2,210,385 | 2,537,537 | 2,462,449 |
| Other Taxes | 2,000,000 | 2,105,981 | 2,062,576 | 2,174,116 | 1,967,587 | 1,937,518 | 2,144,072 | 2,285,339 | 2,301,295 |
| Business Tax | 4,000,000 | 3,982,438 | 3,745,626 | 3,252,938 | 3,134,175 | 2,662,731 | 2,736,823 | 2,834,015 | 2,682,439 |
| Transient Occupancy Tax | 2,426,500 | 2,341,487 | 2,045,297 | 2,358,670 | 1,978,906 | 1,552,148 | 2,186,927 | 2,822,564 | 2,808,158 |
| Cannabis Revenue | 806,933 | 740,910 | 875,437 | 804,451 | 842,860 | 441,877 | 2,984 | - | - |
| Other Revenues | 863,170 | 1,188,666 | 2,167,384 | (1,179,849) | (440,257) | 1,456,853 | 706,926 | 1,000,275 | 874,013 |
| Interest | - | 30,670 | 817,648 | 426,955 | (734,896) | (7,526) | 465,472 | 524,633 | 76,672 |
| Subtotal | 208,865,003 | 208,382,349 | 208,205,889 | 193,537,940 | 184,977,489 | 180,611,104 | 166,040,292 | 164,345,860 | 154,259,538 |
| Transfers In (49*) | 10,987,105 | 8,700,015 | 8,716,234 | 17,123,418 | 11,570,546 | 3,967,046 | 3,964,046 | 17,356,835 | 4,045,046 |
| Total with Transfers In | 219,852,108 | 217,082,364 | 216,922,123 | 210,661,358 | 196,548,035 | 184,578,150 | 170,004,338 | 181,702,695 | 158,304,584 |