

HAYWARD CITY COUNCIL

RESOLUTION NO. 23-

Introduced by Council Member _____

RESOLUTION TO ADOPT AMENDMENTS TO CHAPTER 10, ARTICLE 1, SECTION 10-1.2750 (ALCOHOLIC BEVERAGE OUTLETS) OF THE HAYWARD MUNICIPAL CODE UPDATING THE REGULATIONS GOVERNING ALCOHOLIC BEVERAGE OUTLETS THROUGHOUT THE CITY.

WHEREAS, on November 19, 2013, the Hayward City Council adopted the current Alcoholic Beverage Outlets Ordinance (Hayward Municipal Code Section 10-1.2750) to address a proliferation of alcohol-selling establishments that existed in the City of Hayward (“City”) at that time and impose regulations on such establishments to ensure they do not pose an adverse impact on the safety and welfare of the public; and

WHEREAS, on January 28, 2020, the City Council adopted the Fiscal Year 2021-23 Strategic Roadmap for the City, which included a call to revise the regulations contained in Section 10-1.2750 of the Municipal Code to better support existing full-service restaurants and encourage more full-service restaurants to locate in the City in response to concerns expressed by a small number of local restaurant owners about the overly strict nature of some of the regulations; and

WHEREAS, between April and July 2022, City staff conducted extensive public outreach to solicit input on potential changes to the regulations that could achieve the Council’s goal, including sending an email flyer to all 1,200 members of the Hayward Chamber of Commerce, emailing 110 local restaurant owners having active business licenses with the City, and interviewing several stakeholders including the former Chamber president, the manager of the Downtown Hayward Improvement Association, and the owner/operators of numerous local and regional eating and drinking establishments; and

WHEREAS, on September 22, 2022, staff presented a number of draft amendments to the regulations crafted using the input received from the public outreach to the Council Economic Development Committee (CEDC) to obtain preliminary feedback before proceeding with a final set of recommended amendments to the Planning Commission and City Council; and

WHEREAS, on September 22, 2022, the CEDC expressed support for the draft amendments and suggested a small number of additional changes; and

WHEREAS, on February 9, 2022, the Planning Commission held a duly-noticed public hearing to consider the recommended amendments to the regulations, received public testimony, and voted unanimously to forward them to the City Council with a recommendation for approval; and

WHEREAS, on February 24, 2023, notice of a public hearing was published in the manner required by law, and said hearing was duly held by the City Council and public testimony was received on March 7, 2023.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds and determines as follows:

CALIFORNIA ENVIRONMENTAL QUALITY ACT

1. The proposed text amendments are exempt from the California Environmental Quality Act (CEQA) under the “common sense” exception set forth in CEQA Guidelines Section 15061(b)(3) in that it can be seen with certainty that there is no possibility that their adoption could have a significant effect on the environment.

FINDINGS FOR TEXT AMENDMENTS TO CHAPTER 10, ARTICLE 1 OF THE HAYWARD MUNICIPAL CODE RELATED TO THE ALCOHOLIC BEVERAGE OUTLETS ORDINANCE (REFERRED TO AS THE "TEXT AMENDMENTS")

- 1. Substantial proof exists that the proposed change will promote the public health, safety, convenience, and general welfare of the residents of Hayward;**

The proposed Text Amendments will promote the public health, safety, convenience and general welfare of Hayward residents by potentially attracting more full-service restaurants to the City through the relaxing of certain standards that restaurant owners who offer alcoholic beverage service must abide by, by affording greater flexibility in the types of restaurant establishments that are allowed to sell alcoholic beverages, and by ensuring that all establishments that are permitted to sell alcohol for on-site consumption offer information for patrons on ways to get home safely in the event that they drink too much. Furthermore, the Text Amendments will assist existing restaurants and entice new restaurants to locate in the City in order to add to the vitality of the downtown area and other commercial districts and provide a greater offering of choices for residents and workers looking to dine out.

- 2. The proposed change is in conformance with all applicable, officially adopted policies and plans;**

The proposed Text Amendments are consistent with the goals and policies set forth in the *Hayward 2040 General Plan* in that they are designed to help increase business for the City’s many existing full-service restaurants and also entice new restaurants to locate in the City. The General Plan contains numerous goals and policies aimed at providing a robust economy that offers a wide variety of goods and services, establishing a lively downtown district that features an array of shopping, restaurant and entertainment options, and attracting and retaining local businesses of all sizes and types. Specifically, the proposed Text Amendments are consistent with the following goals and policies set forth in the *Hayward 2040 General Plan*:

Land Use Policy LU-2.1 – Downtown Arts and Entertainment: The City shall encourage private-sector investment in Downtown to transform it into a safe, vibrant, and prosperous arts and entertainment district that offers enhanced shopping, dining, recreational, and cultural experiences and events for residents, families, college students, and visitors.

Land Use Policy LU-2.16 – Uses to Attract the Creative Class: The City shall encourage the development of uses and amenities to attract creative-class professionals and businesses to Hayward, including restaurants and cafes; art studios and galleries; and entertainment and cultural venues.

Land Use Policy LU-5.1 – Mix of Uses and Activities: The City shall encourage a mix of retail, service, dining, recreation, entertainment, and cultural uses and activities in regional and community centers to meet a range of neighborhood and citywide needs.

Economic Development Goal ED-1: Diversify the economic base of Hayward to support a robust and stable economy with a diverse range of employment, shopping, and cultural opportunities for local residents.

Economic Development Policy ED-1.14 – Hospitality and Entertainment Business Clusters: The City shall encourage the development of a hospitality and entertainment business cluster within Downtown Hayward and other appropriate locations to improve opportunities for shopping, dining, arts and entertainment, lodging, business conventions, and cultural events.

Economic Development Goal ED-3: Grow the local economy and employment base by supporting efforts to expand and retain local businesses.

Economic Development Goal ED-5: Encourage economic investment by enhancing the image and reputation of Hayward.

Additionally, the proposed Text Amendments are consistent with Council’s Strategic Roadmap projects and the recently adopted *Downtown Specific Plan* (DSP), which contains a goal to establish the downtown area as the heart of the City and create a lively, safe and attractive regional destination for people of all ages that features a mix of land uses, including ground-floor retail shops, restaurants, cafes, business offices and bars/nightclubs, and residential uses on upper floors of mixed-use buildings.

3. Streets and public facilities existing or proposed are adequate to serve all uses permitted when the property is reclassified; and

This finding is not applicable as the proposed Text Amendments will not rezone or reclassify any properties in the City. Additionally, staff does not anticipate that the proposed Text Amendments will generate a significant increase in traffic volumes throughout the City or result in an undue strain on public facilities.

4. All uses permitted when property is reclassified will be compatible with present and potential future uses, and, further, a beneficial effect will be achieved which is not obtainable under existing regulations.

The proposed Text Amendments will result in a beneficial effect on existing and future restaurants in that they are designed to help introduce flexibility and encourage a variety of new types of restaurants to open in the City. Increasing business at restaurants will support Hayward’s small business community, while attracting new restaurants which will benefit the community at large by offering a wider variety of local choices to patronize when dining out. Finally, requiring establishments that can sell alcohol for on-site consumption to provide information for patrons on safe alternatives for getting home will provide a beneficial effect for the general public by helping reduce the likelihood of persons driving while intoxicated after patronizing such establishments.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward, based on the foregoing findings, hereby adopts the findings in support of the proposed Text Amendments to Chapter 10, Article 1, Section 10-1.2750 of the Hayward Municipal Code, subject to the adoption of the companion Ordinance.

BE IT RESOLVED that this resolution shall become effective on the date that the companion Ordinance (Ordinance No. 23-__) becomes effective.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2023.

ADOPTED BY THE FOLLOWING VOTE:

- AYES: COUNCIL MEMBERS:
 MAYOR:
- NOES: COUNCIL MEMBERS:
- ABSTAIN: COUNCIL MEMBERS:
- ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward