

CITY OF HAYWARD

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



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Tuesday, April 11, 2017

7:00 PM

Council Chambers

City Council

Mayor Barbara Halliday
Mayor Pro Tempore Sara Lamnin
Council Member Francisco Zermeno
Council Member Marvin Peixoto
Council Member Al Mendall
Council Member Elisa Márquez
Council Member Mark Salinas

SPECIAL CITY COUNCIL MEETING**CALL TO ORDER Pledge of Allegiance: Council Member Márquez****ROLL CALL****CLOSED SESSION ANNOUNCEMENT****PRESENTATIONS**

National Animal Care and Control Appreciation Week April 9-15, 2017

National Public Safety Telecommunicators Week April 9-15, 2017

Annual Volunteer Recognition Week April 23-29, 2017

PUBLIC COMMENTS

The Public Comment section provides an opportunity to address the City Council on items not listed on the agenda or Information Items. The Council welcomes your 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, your item will be taken under consideration and may be referred to staff.

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

1. [MIN 17-041](#) Minutes of the Special City Council Meeting on March 14, 2017

Attachments: [Attachment I Draft Minutes of 03/14/17](#)

2. [MIN 17-042](#) Minutes of the City Council Meeting on March 21, 2017

Attachments: [Attachment I Draft Minutes of 03/21/17](#)

3. [CONS 17-127](#) Mission Boulevard Corridor Improvements Phase 3 Project - Authorization for the City Manager to Execute a Professional Services Agreement for Final Design

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III Mission Boulevard Corridor Phases](#)
 [Attachment IV Phase 2 Overall Plans](#)
 [Attachment V Phase 3 Overall Plans](#)

4. [CONS 17-145](#) Resignation of Mr. Robert Leppert from the Community Services Commission

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III Resignation Letter](#)

5. [CONS 17-146](#) Filing Nuisance Abatement/Municipal Code Liens with the County Recorder's Office for Non-Abatable Code Violations

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)

6. [CONS 17-149](#) Approval of Final Map Tract 8266 (Amaral), associated with the previously approved Vesting Tentative Tract Map and proposed development of 42 single-family homes on a 3.2-acre site located at 81 Fagundes Court, (APNs 443-0080-027-01, 443-0080-027-02, 443-0085-009-03); KB Home (Applicant/Owner)

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III Vicinity Map](#)
 [Attachment IV Site Map](#)

7. [CONS 17-159](#) Adoption of a Resolution Authorizing the City Manager to Execute an Agreement with RRM Design Group to Prepare a Comprehensive Update to the City's Industrial District Regulations and Related Environmental Analysis for an Amount Not to Exceed \$225,000

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III Hayward Industrial Baseline Report](#)
 [Attachment IV RRM Design Group Scope-Schedule-Budget](#)
 [Attachment V RRM Fee Schedule](#)
 [Attachment VI CEDC Minutes 03/02/15](#)
 [Attachment VII City Council Minutes 03/17/15](#)
 [Attachment VIII Planning Commission Minutes 04/09/15](#)
 [Attachment IX Hayward General Plan Land Use Map](#)

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.

8. [WS 17-012](#) Tennyson Corridor Strategic Initiative - Vision and Concept
 (Report from City Manager McAdoo)

Attachments: [Attachment I Staff Report](#)

PUBLIC HEARING

9. [PH 17-019](#) Adoption of a Resolution of Intention to Introduce an Ordinance Approving an Amendment to the Contract between the City of Hayward and the California Public Employees Retirement System (PERS) for Miscellaneous Members in HAME, Local 21, and the Unpresented Employee Group (Report from Human Resources Director Collins)

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III Ordinance](#)
 [Attachment IV Sample Amendment](#)

LEGISLATIVE BUSINESS

10. [LB 17-014](#) Approval of a Resolution in Support of Measure A, Hayward Unified School District's Special Parcel Tax Measure (Report from City Manager McAdoo)

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)

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.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Oral reports from Council Members on their activities, referrals to staff, and suggestions for future agenda items.

ADJOURNMENT

NEXT MEETING, April 18, 2017, 7:00 PM

PUBLIC COMMENT RULES

Any member of the public desiring to address the Council shall limit her/his address 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. Speaker Cards are available from the City Clerk at the meeting.

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 website and on Cable Channel 15, KHRT. ****

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 TDD (510) 247-3340.

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
Hayward, CA 94541
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File #: MIN 17-041

DATE: April 11, 2017

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Minutes of the Special City Council Meeting on March 14, 2017

RECOMMENDATION

That the City Council approves the minutes of the Special City Council meeting on March 14, 2017

ATTACHMENTS

Attachment I Draft Minutes of March 14, 2017



**MINUTES OF THE SPECIAL CITY COUNCIL MEETING OF THE CITY OF
HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, March 14, 2017, 7:00 p.m.**

The Special City Council meeting was called to order by Mayor Halliday at 7:00 p.m., followed by the Pledge of Allegiance led by Council Member Salinas.

ROLL CALL

Present: COUNCIL MEMBERS Zermeño, Márquez, Mendall, Peixoto, Lamnin, Salinas
MAYOR Halliday
Absent: None

CITY COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

City Manager McAdoo noted the Hayward Unified School District Superintendent Wayne asked if the Council would be interested in passing a resolution in support of a Hayward Unified School District's (HUSD) special parcel tax measure. There was Council's consensus to direct staff to prepare a resolution in support of a HUSD parcel tax measure and to present it at a future Council meeting.

CLOSED SESSION ANNOUNCEMENT

City Attorney Lawson noted that the Council convened in closed session pursuant to Government Code 54956.8 regarding state owned parcels along the Route 238 Bypass Alignment. The session was separated into two items: 1) All state parcels owned in the Route 238 right-of-way; and 2) Parcels related to the William Lyon Homes proposal/exclusive negotiation's rights agreement. Mr. Lawson noted that Mayor Halliday recused herself from participating on Item No. 1; and added that the Council took no reportable action on the items.

PRESENTATION

Mayor Halliday read a proclamation declaring the month of March 2017 as American Red Cross Month; and presented it to Mr. Jay Pimentel, Chair of the American Red Cross Alameda County Leadership Council. Mr. Pimentel thanked the Council for the recognition, and introduced Ms. Karen Fuller, American Red Cross volunteer, who spoke about local activities.

PUBLIC COMMENTS

Mr. Charlie Peters, Clean Air Performance Professionals representative, provided documents for the record related to rules for driverless autonomous vehicles.

Ms. Renee Rettig, "Books on B" business owner, announced two fundraiser events whose proceeds would go to Books on B: 1) St. Patrick's Day event at Brews and Brats on March 17, 2017; and 2) fundraiser at Los Compadres Restaurant on March 22, 2017.

Mr. Jim Drake, Hayward resident, requested that: 1) the pine trees along Santa Clara Street be restored; and 2) water and sewer rates be decreased.

CONSENT

Consent Item No. 2 was pulled for separate vote and to allow for a public comment.

1. Minutes of the City Council Meeting on February 28, 2017 MIN 17-031

It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the City Council meeting on February 28, 2017.

Mayor Halliday noted she had to recuse herself from participating and voting on Consent Item No. 2 because her property was on the list for proposed improvements. Council Member Márquez indicated she would be recusing herself from participating and voting on the item because she was helping her neighbors with items related to the proposed improvements.

Mayor Pro Tempore Lamnin presided over the meeting.

2. FY16 Sidewalk Rehabilitation and Wheelchair Ramps (Districts 2 and 3) - Award of Contract CONS 17-094

Staff report submitted by Public Works Director Fakhrai, dated March 14, 2017, was filed.

Mr. Jim Drake, Hayward resident, expressed concern for the yellow raised wheelchair ramps. Mayor Pro Tempore Lamnin noted that wheelchair ramps are developed according to state standards.

It was moved by Council Member Zermeño, seconded by Council Member Mendall and carried, to adopt the resolution with the following vote:

Resolution 17-023, "Resolution Awarding Contract for the Sidewalk Rehabilitation and Wheelchair Ramps FY16 Project, Project Nos. 5256, and 5211 to Sposeto Engineering Inc."

AYES: Council Members Zermeño, Mendall, Peixoto, Salinas

MAYOR PRO TEMPORE Lamnin

NOES: None

ABSENT: MAYOR Halliday
Council Member Márquez

ABSTAINED: None

3. I-880/SR-92 Reliever Route: Phase 1 Project – Construction Agreement Amendment CONS 17-095



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Staff report submitted by Public Works Director Fakhrai, dated March 14, 2017, was filed.

It was moved by Council Member Mendall, seconded by Council Member Márquez and carried unanimously, to adopt the following:

Resolution 17-022, "Resolution Increasing the Authorized Funding for the Reliever Route Phase I Project to \$32,050,000; and Authorizing the City Manager to Increase the Construction Contract with O.C. Jones and Sons, Inc. for Construction Services of the I-880/SR-92 Reliever Route – Phase 1 Project, Project 05197"

4. Adoption of Ordinance Adding Article 13 to Chapter 6 of the Hayward Municipal Code Relating to Transportation Permits **CONS 17-123**

Staff report submitted by City Clerk Lens, dated March 14, 2017, was filed.

It was moved by Council Member Mendall, seconded by Council Member Márquez and carried unanimously, to adopt the following:

Ordinance 17-02, "Ordinance of the City of Hayward, California Adding Article 13 to Chapter 6 of the Hayward Municipal Code Relating to Transportation Permits"

Mayor Halliday resumed the proceedings of the meeting.

WORK SESSION

5. Discussion on State Law Regulating Accessory Dwelling Units within the City of Hayward (Report from Development Services Director Rizk) **WS 17-009**

Staff report submitted by Development Services Director Rizk, dated March 14, 2017, was filed.

Development Services Director Rizk announced the report and introduced Planning Manager Buizer who provided a synopsis of the report.

Mayor Halliday opened the public comments section at 7:48 p.m.

Mr. Bill Mulgrew, Rental Housing Association of Southern Alameda County representative, supported staff's recommendation, and asked staff to consider a lot size threshold that might accommodate more than one accessory dwelling unit (ADU).

Mayor Halliday closed the public comments section at 7:52 p.m.

Discussion ensued among Council Members and City staff regarding the new State regulations related to accessory dwelling units (ADUs) and the City's local ordinance.

Council Members offered the following recommendations: conduct further research to establish criteria for locations where ADUs may be permitted and consider any leverage that can restrict ADUs in neighborhoods that are negatively impacted with parking issues; require the owner of the property to occupy either the main residential unit or ADU; allow for replacement parking as covered, uncovered, or in a tandem parking configuration on the property, and be stringent about parking standards; preserve the integrity of older neighborhoods; facilitate bringing current ADUs into state compliance; create an informational reference sheet about ADU requirements for prospective rental homeowners; limit the number of bedrooms to two in areas that are not already impacted with parking issues; make sure that living units are habitable and meet minimum safety standards; limit ADUs to one per parcel; follow staff's recommendation related to the maximum unit sizes and height restrictions; research state law regulations for homeowners' associations and Covenants, Conditions and Restrictions (CC&Rs) as they relate to ADUs; ensure that ADUs are equally distributed across neighborhoods; research further the legal implications of public notification when requests for ADUs are processed; analyze data from Access Hayward regarding complaints related to neighborhoods impacted with parking issues and target those neighborhoods using the Hayward Empathy Action Response Team (HEART); consider the Americans with Disabilities Act (ADA) for ADUs to accommodate special needs; and review regulations around Airbnb and ADUs.

CITY MANAGER'S COMMENTS

City Manager McAdoo reiterated the announcement about the Hayward Downtown Specific Plan Design Charrette from March 14 to 18, 2017, at the Masonic Lodge.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Mayor Halliday reported on her attendance at the second meeting of the Community Task Force on March 13, 2017.

ADJOURNMENT

Mayor Halliday adjourned the meeting at 9:05 p.m., in memory of Ms. Betty DeForest and Mr. Richard Nield Sr.



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Tuesday, March 14, 2017, 7:00 p.m.**

Mr. Richard Nield Sr., was hired by the City of Hayward in 1962 and worked in the Streets Department until his retirement in 2005. It was noted that he is survived by his wife and two children one of whom is Richard Nield Jr., the City's current Landscape Maintenance Manager. Mayor Halliday asked staff to work with the Nield family and find a suitable place to plant a tree in memory of Richard Nield Sr.

Ms. Betty DeForest was a long-time Hayward resident; former Hayward Unified School District Board Trustee; 2010 City of Hayward Lifetime Award recipient; former Human Relations Commission Chair; helped establish the John Pappas Humanitarian Award; served on the Harder-Tennyson Neighborhood Task Force; was involved with the LGBT (lesbian, gay, bisexual, and transgender) and helped launch the Hayward Gay Prom; was the former Eden Youth and Family Center Executive Director; was the South Hayward Parish Executive Director; organized the warming shelter at the Westminster Hills Presbyterian facility; was a Community Task Force Member; was a community activist; and was a champion for people of lower economic status.

Mayor Halliday asked staff to work with the DeForest family and find a suitable place to plant a tree in memory of Betty DeForest. Council Member Zermeño suggested that the City consider naming a park or a street in honor of Betty DeForest.

APPROVED:

Barbara Halliday
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
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File #: MIN 17-042

DATE: April 11, 2017

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Minutes of the City Council Meeting on March 21, 2017

RECOMMENDATION

That the City Council approves the minutes of the City Council meeting on March 21, 2017

ATTACHMENTS

Attachment I Draft Minutes of March 21, 2017



MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD
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Tuesday, March 21, 2017, 7:05 p.m.

The Special Joint City Council meeting was called to order by Mayor Halliday at 7:05 p.m., followed by the Pledge of Allegiance led by Council Member Salinas.

ROLL CALL

Present: COUNCIL MEMBERS Zermeño, Márquez, Mendall, Peixoto, Lamnin, Salinas
MAYOR Halliday
Absent: None

CLOSED SESSION ANNOUNCEMENT

City Attorney Lawson announced the Council convened in closed session concerning two items: 1) conference with legal counsel pursuant to Government Code 54956.9 regarding one anticipated litigation; and 2) conference with labor negotiators pursuant to Government Code 54957.6 regarding all groups. There was no reportable action.

PUBLIC COMMENTS

Ms. Wynn Grich, Hayward resident, spoke about recycled water and claimed that the City's drinking water is recycled water.

Mr. Jim Drake, Hayward resident, requested that pine trees be replanted along Santa Clara Street to cover the apartments.

Council Member Mendall clarified that the City's drinking water comes from the Hetch Hetchy and Calaveras reservoirs; and the City is working on a recycled water project for landscape irrigation.

CONSENT

Consent Item No. 3 and 4 were pulled for separate action.

1. Minutes of the City Council Meeting on March 7, 2017 **MIN 17-034**

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to approve the minutes of the City Council meeting on March 7, 2017.

2. Appointment of a Director to the Boards of the Bay Area Water Supply and Conservation Agency and the San Francisco Bay Area Regional Water System Financing Authority **CONS 17-071**

Staff report submitted by City Manager McAdoo, dated March 21, 2017, was filed.

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to adopt the following:

Resolution 17-024, "Resolution Confirming the Reappointment of Council Member Mendall as the City's Representative to the Bay Area Water Supply and Conservation Agency and the San Francisco Bay Area Regional Water System Financing Authority"

3. Trash Capture Device Installation on Patrick Avenue: Award of Construction Contract
CONS 17-110

Staff report submitted by Utilities and Environmental Services Director Ameri, dated March 21, 2017, was filed.

Mr. Jim Drake, Hayward resident, claimed the proposed project was not competitively bid. City Manager McAdoo noted the project underwent a competitive bid process.

It was moved by Council Member Márquez, seconded by Council Member Mendall and carried unanimously, to adopt the following:

Resolution 17-029, "Resolution Awarding the Contract for the Trash Capture Device Installation on Patrick Avenue Project, Project No. 07675, to Cratus, Inc."

4. Fire Stations 1-5 Improvements: Reject Bid Protest and Award of Construction Contract to Arntz Builders and Amendment to Professional Services Agreements with Kitchell and RossDrulisCusenbery **CONS 17-120**

Staff report submitted by Public Works Director Fakhrai, dated March 21, 2017, was filed.

Mr. David Miller, Compliance Officer with Roofers Labor Management, presented a document for the record and noted that the Arntz Builders is not a qualified Garland Contractor; and recommended that the project be rebid. Director of Public Works Fakhrai noted that Arntz Builders was not required to identify the subcontractors and that could be added during the construction.

It was moved by Council Member Zermeño, seconded by Council Member Márquez and carried unanimously, to adopt the following:

Resolution 17-030, "Resolution Approving Addenda No. 1-3 for the Fire Stations 1-5 Improvements Project, Project Nos. 07476, 07477, 07478, 07479, and 07480, Rejecting the Bid Protest of



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D.L. Falk Construction, Inc., and Awarding the Contract to Arntz Builders Inc.”

Resolution 17-031, “Resolution Authorizing the City Manager to Execute an Amendment to the Professional Services Agreement with RossDrulisCusenbery Architecture Inc., for Additional Services Associated with the Fire Stations 1-6 and Fire Training Center Improvement Project”

Resolution 17-032, “Resolution Authorizing the City Manager to Execute an Amendment to the Professional Services Agreement with Kitchell for Additional Services Associated with the Fire Stations 1-6 and Fire Training Center Improvement Project”

5. Adoption of a Resolution Approving the Side Letter Agreements between the City of Hayward and the Service Employees International Union, Local 1021 (SEIU), Maintenance and Operations Unit and the SEIU Clerical and Related Unit **CONS 17-124**

Staff report submitted by Human Resources Director Collins, dated March 21, 2017, was filed.

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to adopt the following:

Resolution 17-025, “Resolution Approving the Side Letter Agreement between the City of Hayward and the Services Employees International Union (SEIU) 1021 Maintenance, Clerical and Related Bargaining Units”

6. Resignation of Ms. Angelica Moore from the Keep Hayward Clean and Green Task Force **CONS 17-126**

Staff report submitted by City Clerk Lens, dated March 21, 2017, was filed.

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to adopt the following:

Resolution 17-026, “Resolution Accepting the Resignation of Angelica Moore from the Keep Hayward Clean and Green Task Force”

7. Adoption of Resolution Approving an Amendment to the City of Hayward Salary Plan for Fiscal Year 2017 **CONS 17-129**

Staff report submitted by Human Resources Director Collins, dated March 21, 2017, was filed.

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to adopt the following:

Resolution 17-027, "Resolution Approving the Amended Fiscal Year 2017 Salary Plan Designating Positions of Employment in the City Government of the City of Hayward and Salary Range; and Superseding Resolution No. 16-179 and All Amendments Thereto"

8. Approval of a Resolution Authorizing the City Manager to Negotiate and Execute a Purchase and Sale Agreement with William Lyon Homes, Inc for Properties Located in South Hayward near Dixon, and Valle Vista Avenues **CONS 17-148**

Staff report submitted by Management Analyst Stefanski, dated March 21, 2017, was filed.

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to adopt the following:

Resolution 17-028, "Resolution Authorizing the City Manager to Negotiate and Execute a Purchase and Sale Agreement with William Lyon Homes, Inc for Properties Located in South Hayward near Dixon and Valle Vista Avenues"

WORK SESSION

9. Medical Cannabis and Adult Use of Marijuana Work Session: Where Do We Go From Here? (Report from City Attorney Lawson and City Manager McAdoo) **WS 17-010**

Staff report submitted by City Attorney Lawson, dated March 21, 2017, was filed.

City Manager McAdoo announced the report and City Attorney provided a synopsis of the staff report.

The public comment section opened at 7:46 p.m.

Mr. Scot Candell, Scot Candell & Associates, spoke on behalf of individuals in the audience about medical marijuana regulation, and spoke about the potential financial benefits of marijuana as a new industry.



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Mr. Richard Cech, inquired about regulations related to cannabis businesses. City Attorney Lawson noted that staff will draft legislation to either prohibit or permit cannabis based on Council's direction.

Mr. Hector Villasenor, Hayward resident, spoke in favor of permitting marijuana businesses in Hayward, and offered his expertise to provide site analysis and revenue projection.

The public comment section closed at 8:02 p.m.

Discussion ensued among Council Members, City staff, and Mr. Scot Candell about medical and recreational cannabis; public safety around cannabis; current practices and regulatory efforts in Alameda County; and bank account issues related to cannabis business.

Council Members were in general agreement with the following : 1) draft legislation that would permit cannabis and marijuana businesses; 2) include both medical and adult recreational products; 3) limit the number of businesses to three for retail dispensaries and have more flexibility for production and distribution; 4) permit cannabis businesses in industrial zones but not in downtown, near schools, residential and commercial areas, with one member inclined to try a high end retail establishment on B Street and other commercial areas; 5) have a well framework of regulation with zoning controls and conditional use permits (CUP) to allow for a level of discretionary review, and have discretion for the Police Department to impose stronger requirements for businesses creating problems; 6) direct lobbyists to pursue legislation around cannabis; 7) as regulations are developed, have robust public input; 8) build on the expertise of other agencies and consider technology that has been used already; 9) explore a concept similar to the winery experience in the industrial zone; 9) consider updating the tobacco retail sales ordinance to include cannabis; 10) when considering manufacturing, be mindful of proper packaging; and 11) use the lessons learned from the work done related to tobacco regulations.

In response to how transactions should be taxed, Council Members offered the following suggestions: 1) consider taxing in a way that covers cost but is not so onerous that people are driven out of the market or to the black market; 2) tax could be high on retail and delivery (10-12%); less for intermediate steps in the supply chain (5-8%), and lower or non-existent for research and development; 3) provide more information to enable informed decisions; 4) consider applying the revenue generated to priorities around children and youth and law enforcement; and 5) consider taxing medical cannabis but at a lower rate to cover cost.

CITY MANAGER'S COMMENTS

City Manager McAdoo noted that she would not be attending the City Council meeting on April 4, 2017, but Assistant City Manager Hurtado will be acting City Manager for that week.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Zermeño made two announcements: 1) the Latino Business Roundtable on March 24, 2017 at St. Rose Hospital; and 2) the Cesar Chavez celebration on April 1, 2017 at City Hall Plaza.

Council Member Mendall announced the Keep Hayward Clean and Green Task Force clean-up event on March 25, 2017 at Bay Hills Community Church, Gading Road.

Council Member Márquez noted the Cesar Chavez event on April 1, 2017 would be from 11:30 a.m. to 2:00 p.m.

Mayor Halliday noted that the Council meeting on March 28, 2017 was canceled and the Council would reconvene on April 4, 2017.

ADJOURNMENT

Mayor Halliday adjourned the meeting at 9:24 p.m., in memory of Mr. Braxston Banks. It was noted that Braxston Banks was from the Southgate neighborhood; beloved teacher from Tennyson High School; a former Keep Hayward Clean and Green Task Force member; son of Priscilla Banks, former Citizens Advisory Commission member; and had a friendly demeanor. Mayor Halliday asked staff to work with the Banks family to plant a tree in memory of Braxston Banks.

APPROVED:

Barbara Halliday
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
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File #: CONS 17-127

DATE: April 11, 2017

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

Mission Boulevard Corridor Improvements Phase 3 Project - Authorization for the City Manager to Execute a Professional Services Agreement for Final Design

RECOMMENDATION

That Council adopts the attached resolution (Attachment II) authorizing the City Manager to execute a professional services agreement with Mark Thomas & Company for the preparation of final design plans of the Mission Boulevard Corridor Improvements Phase 3 Project in an amount not to exceed \$700,000.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Mission Boulevard Corridor Phases
Attachment IV	Phase 2 Overall Plans
Attachment V	Phase 3 Overall Plans



DATE: April 11, 2017

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Mission Boulevard Corridor Improvements Phase 3 Project – Authorization for the City Manager to Execute a Professional Services Agreement for Final Design

RECOMMENDATION

That Council adopts the attached resolution (Attachment II) authorizing the City Manager to execute a professional services agreement with Mark Thomas & Company for the preparation of final design plans of the Mission Boulevard Corridor Improvements Phase 3 Project in an amount not to exceed \$700,000.

BACKGROUND

On November 27, 2007, Council approved Phase 1 of the Route 238 Corridor Improvement Project, which covered roadway and street improvements on Mission Boulevard from A Street to Industrial Parkway, and Foothill Boulevard from Mission Boulevard to Apple Avenue, and certified the Final Environmental Impact Report (FEIR) for the project. Subsequently, Caltrans relinquished portions of State Routes 92, 185 and 238 to the City within the Phase 1 project limits. During these discussions, Caltrans agreed to relinquish, and the City to accept, most of the remaining state highways within the City boundaries upon completion of the Phase 1 project and after sufficient Local Area Transportation Improvement Program (LATIP) funding became available. Construction of the Phase 1 project was completed in January 2014. LATIP funds totaling \$30 million were approved by the California Transportation Commission (CTC) for this project. The CTC allocated \$8.1 million of this amount for the Route 238 Phase 1 expenses and another \$2 million for the Phase 2 and 3 design effort.

Phases 2 and 3 are a continuation of the Phase 1 project (see Attachment III). Phase 2 (State Route 238) will improve Mission Boulevard from Industrial Parkway to the south City limit near Blanche Street, and Phase 3 (State Route 185) will improve Mission Boulevard from A Street to the north City limit at Rose Street, respectively (see Attachments IV and V). On October 28, 2014, Council approved an agreement with BKF Engineers (BKF) for professional services to begin design work for Phase 2 and preliminary design (35%) for Phase 3.

DISCUSSION

The current condition of the infrastructure in Phase 3 is deficient with several improvements needed, including:

- substandard sidewalks and curb ramps,
- upgrades to traffic signals and equipment needed,
- insufficient street lighting,
- no designated bike facilities, and
- poor pavement conditions.

Improvements along the Mission Boulevard corridor are designed to improve multi-modal access and better accommodate pedestrians, bicyclists, transit users, motorists, and commercial vehicles.

Phase 3 will improve existing and/or provide new sidewalks, curbs and gutters, valley gutters, driveways, median islands, trees and wells, storm drain inlets, asphalt pavement, ADA ramps, traffic signals and controls, signs and striping, fiber optic lines, street lighting, pedestrian and bicycle friendly improvements and gateway features.

California Public Utilities Commission (CPUC) Rule 20 Program

In 1968, the CPUC and utility companies established a program to “underground” utilities across the state. Pacific Gas and Electric (PG&E) considers Rule 20A allocations a tool to allow cities and counties to evaluate and prioritize undergrounding projects within their respective jurisdictions. These allocations accumulate until they are expended for undergrounding projects. PG&E uses its own funds to design and construct Rule 20A projects and once the projects are completed, the cost is recovered through incremental utility rate increases.

On December 14, 2010, in anticipation of Phases 2 and 3 of the Mission Boulevard Corridor Improvement project, Council adopted Ordinances to form Underground District No. 29 (Mission Boulevard from A Street to the north City limit) and Underground District No. 30 (Mission Boulevard from Arrowhead Way to the south City limit) to use Rule 20A funds allocated each year to the City by PG&E. Under Rule 20A, PG&E allocates funds, on a calendar year basis, to convert existing overhead electrical facilities to underground electrical facilities within the communities it serves. Due to higher than anticipated costs for recently completed undergrounding projects, and because PG&E convinced the CPUC to reduce local agency Rule 20A allocations, the City may not be able to complete the undergrounding work in Phases 2 and 3 using only Rule 20A funds. However, staff has acquired Rule 20A allocations from the City of Corcoran and it is estimated that approximately \$2.4 million of Rule 20A funding will be available. On February 27, 2017, a CPUC Administrative Law Judge issued a proposed decision on PG&E’s General Rate Case for 2017. This proposed decision, expected to be confirmed on April 6, 2017, will require PG&E to increase Rule 20A allocation credits by approximately \$400,000 per year. Since PG&E allows agencies to allocate five years of future funds to current projects, staff anticipates that another \$2 million will be available for the undergrounding effort. Staff is currently working with PG&E to determine the limits of work

under the Rule 20A program. The remainder of the segments will be performed under Rule 20B where the project pays for most the undergrounding work.

Since design work began, BKF has completed various studies, concept drawings and 35% of design for Phase 3. A Request for Proposal (RFP) was released for the final design of Phase 3 and on January 20, 2017, the City received three proposals (BKF Engineers, Kimley-Horn and Associates, and Mark Thomas and Company). Staff recommends Mark Thomas and Company for this project, after a review of their qualifications, experience, project understanding and approach. Mark Thomas and Company provided the initial design and construction support for the Phase 1 project. The scope of work includes preparation of 100% plans for Phase 3, including specifications and engineer's estimates that will be used to advertise for Phase 3 construction.

FISCAL IMPACT

Phases 2 and 3 will be funded by LATIP funds, matching funds from Measure BB and Rule 20A allocations for Underground District Nos. 29 and 30. The funding breakdown is as follows:

FUNDING SOURCE	AMOUNT
LATIP	\$ 21,900,000
Measure BB	\$ 21,500,000
Rule 20A*	\$ 2,400,000
Total	\$45,800,000

*Estimate: The Rule 20A and total amounts may increase by \$2 million if the Administrative Law Judge proposed ruling is confirmed.

The estimated project costs are as follows:

PHASE 2	ESTIMATED COST
Design	\$2,000,000
Utility Undergrounding	\$6,000,000
Construction	\$22,000,000
Construction Admin, Inspection, Testing	\$1,500,000
PLA/CWA	\$1,000,000
Phase 2 Project Total	\$32,500,000

PHASE 3	ESTIMATED COST
Design	\$1,000,000
Utility Undergrounding	\$5,000,000
Construction	\$8,000,000
Construction Admin, Inspection, Testing	\$1,000,000
PLA/CWA	\$500,000
Phase 3 Project Total	\$15,500,000

The \$1 million in Phase 3 design includes \$700,000 for consultant services and \$300,000 for staff time that will be funded by the Adopted FY17 CIP in Fund 212. Staff is working on obtaining additional funding to close the \$2.2 million shortfall. This action tonight by Council will only authorize the City Manager to negotiate and enter into a professional services agreement for design of Mission Blvd Improvement Phase 3 project, totaling \$700,000.

SUSTAINABILITY FEATURES

1. Water:

The project includes the installation of drought tolerant plants to reduce the amount of water usage.

2. Environment:

This project will implement:

- Bay-Friendly Landscaping techniques to use native and climate appropriate plants for the median islands and sidewalk planters. The project will be reviewed for Bay-Friendly certification after the project is complete.
- Permeable pavers to treat storm water runoff from the sidewalk, and filter pollution from the storm water before entering the San Francisco Bay.
- Cold In-place Recycling to rehabilitate the pavement. The CIR method reuses the existing pavement as base material thereby conserving on new raw material resources and reducing greenhouse gases with reduced fuel use for hauling materials from a plant to the project site.
- Bike and pedestrian facilities as an alternative to automobiles will contribute to a reduction of greenhouse emissions

3. Energy:

This project will install street lights with energy efficient LED lighting and dimming features to minimize energy use and provide cost savings.

PUBLIC CONTACT

Staff held a community meeting for Phase 3 on October 12, 2016. Overall, the meeting attendees were receptive of the planned improvements; however, business owners preferred that little to no trees be planted because of concerns the trees may block business signs or make egress from their driveways difficult. The location of the new trees will take business signs and sight distances into consideration.

A dedicated [web page](#) to share the information about the project is available on the City's website.

SCHEDULE

The following is the tentative schedule for this project:

Start Design	April 2017
Complete Design	October 2017
Begin Construction	January 2018
Complete Construction	November 2018

This construction schedule is highly dependent upon utility companies providing the necessary support for the undergrounding design effort in a timely fashion.

NEXT STEPS

If Council approves this request, the City Manager will execute the contract with Mark Thomas and Company for the design work to begin.

Prepared by: Yaw Owusu, Assistant City Engineer

Recommended by: Morad Fakhrai, Director of Public Works

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH MARK THOMAS AND COMPANY FOR PROFESSIONAL SERVICES FOR THE MISSION BOULEVARD CORRIDOR IMPROVEMENTS PROJECT – PHASE 3 DESIGN SERVICES

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized to execute an agreement with Mark Thomas and Company for Professional Services for the Mission Boulevard Corridor Improvements Project – Phase 3 design work, in an amount not to exceed \$700,000, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2017

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

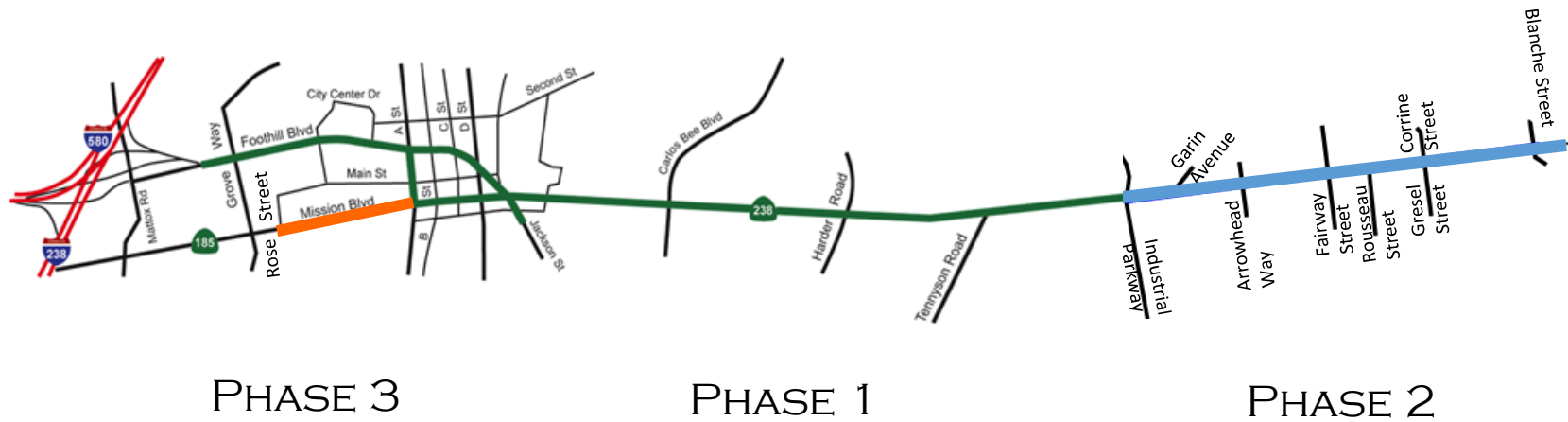
ABSENT: COUNCIL MEMBERS:

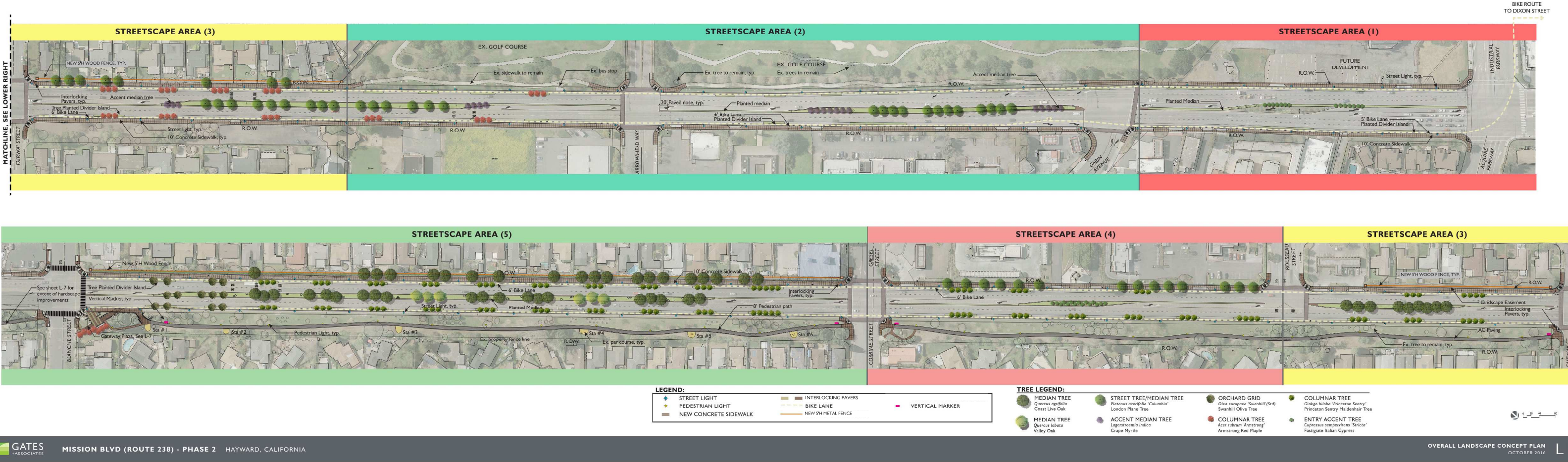
ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

MISSION BOULEVARD CORRIDOR PHASES





MISSION BOULEVARD CORRIDOR
PHASE 3
A STREET TO ROSE STREET





CITY OF HAYWARD

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

File #: CONS 17-145

DATE: April 11, 2017

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Resignation of Mr. Robert Leppert from the Community Services Commission

RECOMMENDATION

That the City Council adopts a resolution accepting the resignation of Mr. Robert Leppert from the Community Services Commission.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Resignation Letter



DATE: April 11, 2017

TO: Mayor and City Council

FROM: City Clerk

SUBJECT Resignation of Mr. Robert Leppert from the Community Services Commission

RECOMMENDATION

That the City Council adopts a resolution accepting the resignation of Mr. Robert Leppert from the Community Services Commission.

BACKGROUND

Mr. Robert Leppert was appointed to the Human Services Commission on September 14, 2010, and reappointed to the Community Services Commission on September 16, 2014. Mr. Leppert's resignation becomes effective on April 1, 2017 per his resignation letter (Attachment III). His vacated position will be filled as part of the annual appointment process for the City's appointed officials to Boards, Commissions, Committees, and Task Forces.

FISCAL IMPACT

There is no fiscal impact.

Prepared and Recommended by: Miriam Lens, City Clerk

Approved by:

Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION No. 17-

Introduced by Council Member _____

RESOLUTION ACCEPTING THE RESIGNATION OF ROBERT LEPPERT FROM THE
COMMUNITY SERVICES COMMISSION

WHEREAS, Mr. Robert Leppert was appointed to the Human Services Commission
on September 14, 2010;

WHEREAS, Mr. Robert Leppert was reappointed to the Community Services
Commission on September 16, 2014;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that
the Council hereby accepts the resignation of Robert Leppert from the Community Services
Commission; and commends him for his civic service to the City.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2017.

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

Robert N. Leppert

March 6, 2017

Miriam Lens
City Clerk
City of Hayward
777 B Street
Hayward CA 94542

Dear Miriam,

We will be moving out of Hayward in April and due to that I am resigning my position on the Community Services Commission effective April 1st.

It is an honor to have been appointed by the City Council for two terms. I believe my service on the commission has benefitted the city and the non profits we work with. It has been rewarding for me personally and I have learned a great deal from the experience.

Best Regards,

Robert N. Leppert

Robert N. Leppert



CITY OF HAYWARD

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

File #: CONS 17-146

DATE: April 11, 2017

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT

Filing Nuisance Abatement/Municipal Code Liens with the County Recorder's Office for Non-Abatable Code Violations

RECOMMENDATION

That Council adopts the attached resolution (Attachment II) confirming the Report, non-abatable code violations, and penalty liens associated with the Code Enforcement Division and Community Preservation/Rental Housing Programs.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution



DATE: April 11, 2017

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT: Filing Nuisance Abatement/Municipal Code Liens with the County Recorder's Office for Non-Abatable Code Violations

RECOMMENDATION

That Council adopts the attached resolution (Attachment II) confirming the Report, non-abatable code violations, and penalty liens associated with the Code Enforcement Division and Community Preservation/Rental Housing Programs.

BACKGROUND

The purpose of this Nuisance Abatement/Municipal Code liens action confirmation is to consider the associated proposed Report and filings of liens with the County Recorder's Office as a third collection tool for the Community Preservation and Rental Housing Programs. The Resolution will officially confirm the properties in violation of the following three City ordinances and will be filed with the County.

Hayward's Community Preservation and Improvement Ordinance: Article 7, Chapter 5 of the Hayward Municipal Code (HMC), otherwise known as the Community Preservation and Improvement Ordinance, makes it unlawful for Hayward property owners to allow the condition of their property to deteriorate to the point that it becomes detrimental to the public health, safety, or general welfare of the community. This includes both inhabited properties and vacant properties, whether residential or commercial. Typical violations include debris, trash, overgrown vegetation, graffiti, signs, zoning issues, abandoned and/or inoperable vehicles, and the like.

Hayward's Residential Rental Inspection Ordinance: Article 5, Chapter 9 of the Hayward Municipal Code (HMC), otherwise known as the Residential Rental Inspection Ordinance (RRIO), creates an inspection program for residential rental units in the City. The purpose of the RRIO is to safeguard the stock of safe and sanitary rental housing by inspecting units for violations of housing and building codes. This includes all rental housing units and hotels and motels. Typical violations include housing violations such as inadequate maintenance, and unpermitted building, plumbing, electrical and mechanical work.

Hayward's Public Nuisance Ordinance: Article 1, Chapter 4 of the Hayward Municipal Code (HMC), otherwise known as the Public Nuisance Ordinance, defines a public nuisance as anything which is injurious to health, or is indecent, offensive to the senses, or an obstruction to the free use of property so as to interfere with the comfortable or safe enjoyment of life or property of the community.

These ordinances provide staff an alternative method of enforcement and collections for non-abatable violations of the HMC. A condition on property is considered non-abatable when City staff cannot perform the abatement and the property owner fails to comply with the City's requirement to perform abatement. Examples of non-abatable conditions include fence height(s) and/or structures that do not meet setback requirements, illegal structures, businesses operating without an approved use permit (if applicable) or failing to comply with Conditions of Approval of an approved use permit, parking violations, rental housing violations, and illegal units. Adoption of the Resolution will authorize staff to file a lien against properties in violation with the County Recorder's Office.

This additional enforcement process does not affect or change the Administrative Hearing request process, nor the Special Assessment Process. However, this Nuisance Abatement/Municipal Code Violations lien process is an additional means of enforcement when dealing with non-abatable code violations. Staff utilizes the lien and special assessment processes independently or in conjunction to enhance compliance efforts. The lien process differs from that used for special assessments in that a violation and fee are recorded on a property's title to alert potential buyers or those with a fiduciary interest in the property, such as a lending institution, of the property violation and the need to pay a fee. The primary function of special assessments, related to the separate action to be taken by Council on July 19, is to allow the City to collect past due fees via annual tax bills. Authority for this process is granted under the Community Preservation and Improvement Ordinance, Residential Rental Inspection Ordinance and Government Code Section 38773.1.

DISCUSSION

As of the date of this report, there are fourteen (14) properties being submitted to Council for the filing of a Nuisance Abatement/Municipal Code Violations lien, as listed in Exhibit "A" in the attached resolution (Attachment II). The unpaid charges, which total \$73,189 plus any administrative costs of the County, will become liens on the property titles. When the properties are sold or refinanced, the liens will be paid through escrow.

Staff sends a minimum of three notices to the property owner in question and, if applicable, to the tenants. The first notice informs the recipient of the violation and the right to an Administrative Hearing to dispute the factual findings. The notices are sent by first class mail with proof of service. The final notice is also delivered by way of process server. The final notice details all related costs and/or fees and informs the affected parties of the opportunity to request an Administrative Hearing. The notice also encourages them to make the needed corrections(s) to bring their properties into compliance. To date, no Administrative Hearings have been requested to be heard by the City's hearing officer. A confirmed copy of the

Nuisance Abatement/Municipal Code Violations form will be sent to the owner, tenant and lender once received from the County Recorder's Office.

FISCAL IMPACT

There is no negative fiscal impact to the City of Hayward resulting from this action. There will be 100% cost recovery reimbursement through the lien process. In order to change ownership of a property, a lien must be satisfied. If the property is sold or the owner refinances, the City will receive reimbursement through escrow. All reimbursed funds are allocated to the General Fund and support the Code Enforcement Division's on-going compliance efforts.

PUBLIC CONTACT

Notice of City Council's confirmation of this report was published in *The Daily Review* on March 24th 2017.

Prepared by: Eusebio Espitia, Code Enforcement Manager

Recommended by: David Rizk, AICP, Development Services Director

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. _____

Introduced by Council Member

RESOLUTION CONFIRMING THE REPORT AND NON - ABATABLE CODE VIOLATIONS AND PENALTIES LIENS LIST ASSOCIATED WITH THE CODE ENFORCEMENT DIVISION AND COMMUNITY PRESERVATION/RENTAL HOUSING PROGRAMS

WHEREAS, in connection with the Community Preservation, Nuisance Abatement and Rental Housing Programs that are administered by the Code Enforcement Division, the Code Enforcement Manager has prepared an itemized report ("the Report"), attached as Exhibit "A", which shows and describes the Community Preservation, Public Nuisance and Residential Rental Inspections and Zoning Ordinance non-abatable code violations and related fines, fees, penalties and lien costs for certain properties in the City of Hayward, which total to \$73,189; and

WHEREAS, the hour of 7:00 p.m. on Tuesday, April 4, 2017, in the Council Chambers, City Hall, 777 B Street, Hayward, California, was fixed as the time and place for the City Council to confirm the Report, as published and noticed in the manner required by Section 5-7.110 of the Municipal Code; and

WHEREAS, the Report was presented at the time and place fixed, and the City Council has considered the Report and all comments with respect thereto.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward confirms, except as may be amended by Council, the Report of the Code Enforcement Manager of the City of Hayward Code Enforcement Division.

BE IT FURTHER RESOLVED that payments of all fines, fees, penalties and lien costs confirmed hereby may be received by the City of Hayward Finance Director within ten days from the date of this resolution and thereafter such official shall transmit the unpaid charges to the County Recorder's Office for a Nuisance Abatement lien on said property(s) listed in the Report.

IN COUNCIL, HAYWARD, CALIFORNIA April 4, 2017

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

MAYOR:

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

Exhibit "A"

	Address/Lien Amount		Zoning/Violation
1.	22554 American Ave.	\$4,177	Industrial Zone (I) Unpermitted construction, failure to obtain a business license and an administrative use permit for the property.
2.	24877 Broadmore Ave.	\$5,406	Single Family Residential (RS) Unpermitted construction.
3.	25842 Bryn Mawr Ave.	\$4,177	Residential Single Family Zone (RS) Unpermitted construction.
4.	27001 Call Ave.	\$4,551	Residential Single Family Zone (RS) Unpermitted construction.
5.	31278 Carroll Ave.	\$5,303	Residential Single Family Zone (RS) Excess paving in the front setback.
6.	2730 Cavanagh Ct.	\$6,325	Industrial Zone (I) Unpermitted construction.
7.	27910 Industrial Blvd.	\$6,325	Industrial Zone (I) Unpermitted construction and storage of junk and debris on the property.
8.	25164 Lindenwood Way	\$4,281	Residential Single Family Zone (RS) Unpermitted construction.
9.	511 Marin Ave.	\$6,221	Residential Single Family Zone (RS) Unpermitted construction.
10.	24480 Mohr Dr.	\$4,281	Residential Single Family Zone (RS) Unpermitted construction.
11.	29303 Pacific St.	\$6,325	Industrial Zone (I) Unpermitted construction.
12.	28686 Roanoke St.	\$4,385	Residential Single Family Zone (RS) Unpermitted accumulation of debris/materials.
13.	29342 Ruus Rd.	\$6,325	Residential Single Family Zone (RS) Unpermitted construction.

14. 1933 Wingate Way \$5,107 Single Family Residential (RS)
 Unpermitted storage and accumulation of
 vehicle(s)/debris/materials.

SUMMARY CHART

1.	22254 American Ave.	\$4,177
2.	24877 Broadmore Ave.	\$5,406
3.	25842 Bryn Mawr Ave.	\$4,177
4.	27001 Call Ave.	\$4,551
5.	31278 Carroll Ave.	\$5,303
6.	2730 Cavanagh Ct.	\$6,325
7.	27910 Industrial Blvd.	\$6,325
8.	25164 Lindenwood Way	\$4,281
9.	511 Marin Ave.	\$6,221
10.	24480 Mohr Dr.	\$4,281
11.	29303 Pacific St.	\$6,325
12.	28686 Roanoke St.	\$4,385
13.	29342 Ruus Rd.	\$6,325
14.	1933 Wingate Way	\$5,107
	TOTAL	\$73,189



CITY OF HAYWARD

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

File #: CONS 17-149

DATE: April 11, 2017

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT

Approval of Final Map Tract 8266 (Amaral), associated with the previously approved Vesting Tentative Tract Map and proposed development of 42 single-family homes on a 3.2-acre site located at 81 Fagundes Court, (APNs 443-0080-027-01, 443-0080-027-02, 443-0085-009-03); KB Home (Applicant/Owner)

RECOMMENDATION

That the City Council adopts the attached Resolution (Attachment II) to approve Final Map 8266 and find it in substantial conformance with the approved Vesting Tentative Tract Map 8266 and the Conditions of Approval thereof, and authorize the City Manager to take other administrative actions and execute a Subdivision Agreement and such other documents as are appropriate to effectuate the required improvements for the development at 81 Fagundes Court.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Vicinity Map
Attachment IV	Site Map



DATE: April 11, 2017

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT Approval of Final Map Tract 8266 (Amaral), associated with the previously approved vesting tentative tract map and proposed development of 42 single-family homes on a 3.2-acre site located at 81 Fagundes Court (APNs 443-0080-027-01, 443-0080-027-02, and 443-0085-009-03); KB Home(Applicant/Owner)

RECOMMENDATION

That the City Council adopts the attached Resolution (Attachment II) to approve Final Map 8266 and find it in substantial conformance with the approved Vesting Tentative Tract Map 8266 and the Conditions of Approval thereof, and authorize the City Manager to take other administrative actions and execute a Subdivision Agreement and such other documents as are appropriate to effectuate the required improvements for the development at 81 Fagundes Court.

BACKGROUND

Per State law, Tentative Tract and Final maps are required for all subdivisions creating five or more parcels. A Tentative Tract Map is required to ensure that any proposed development complies with the Subdivision Map Act, the California Environmental Quality Act, Planned Development guidelines, the City Subdivision Ordinance, Zoning Ordinance, Building Regulations, the Hayward General Plan and Neighborhood Plans, and the site-specific requirements of the Planning, Public Works, Utilities, Fire, and Police Departments.

After the Tentative Map and Precise Plan are approved, the developer submits the Final Subdivision Map and Improvement Plans for review and approval by the City Engineer (and subsequent recordation of the Final Map after Council review and approval) before proceeding with obtaining grading and building permits for the construction of improvements. The developer is also required to file a Tentative Map and Final Map so that the 42 single-family residential lots may be sold individually.

On May 24, 2016, the Hayward City Council approved the Vesting Tentative Tract Map application to subdivide the properties and construct 42 single-family homes. The Vesting Tentative Map expires on May 24, 2019.

In July 2016, the applicant submitted preliminary Improvement Plans and the Final Map to the City for review and approval.

DISCUSSION

Tract 8266 is located on a 3.2-acre parcel at 81 Fagundes Avenue (see Attachment III- Vicinity Map). The project proposes 42 new single-family homes located within an existing single-family residential neighborhood with industrial uses to the north. The Subdivision Improvement Plans and Final Map were reviewed by the City Engineer and were found to be in substantial compliance with the Vesting Tentative Map, and in conformance with the Subdivision Map Act and Hayward's subdivision regulations. There have not been any significant changes to the Final Map as compared to the approved Vesting Tentative Tract Map.

The City Council's approval of the Final Map shall not become effective until and unless the developer enters into a Subdivision Agreement with the City for the construction of improvements and other obligations required per conditions of approval of the Vesting Tentative Tract Map.

The development of Tract 8266 was previously reviewed under a Mitigated Negative Declaration adopted for the development by the Hayward City Council via Resolution 16-092 on May 24, 2016. No additional environmental review is required for approval of the project Final Map.

ECONOMIC AND FISCAL IMPACT

The Final Map approval is consistent with the approved project and the Final Map, by itself, will not have a fiscal or economic impact.

PUBLIC CONTACT

A public hearing is not required for the filing of the Final Map for Tract 8266. Public hearings were already conducted as part of the approval of Vesting Tentative Map application for Tract 8266.

NEXT STEPS

If the City Council approves the Final Map, the applicant will have the final map recorded, obtain construction permits and commence the construction of improvements shown on the approved Improvement Plans.

Prepared by: Allen Baquilar, PE, Development Review Engineer

Recommended by: David Rizk, AICP, Development Services Director

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', is written over a horizontal line.

Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-

Introduced by Council Member _____

RESOLUTION APPROVING FINAL MAP FOR TRACT 8266 AND AUTHORIZING
THE CITY MANAGER TO EXECUTE A SUBDIVISION AGREEMENT

WHEREAS, Vesting Tentative Tract Map No. 8266, Amaral, was approved by the Hayward City Council on May 24, 2016; and

WHEREAS, the Final Map for Tract 8266 has been presented to the City Council of the City of Hayward for development of 42 single-family homes, located on three (3) parcels totaling 3.2 acres, generally located at 81 Fagundes Court; and

WHEREAS, the Director of Public Works reviewed the Final Map and found it to be in substantial compliance with the approved Vesting Tentative Tract Map, the Subdivision Map Act and the City of Hayward regulations.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward does hereby find that the Final Map for Tract 8266 is in substantial compliance with the approved Vesting Tentative Tract Map and does hereby approve the Final Map for Tract 8152, subject to the subdivider entering into a subdivision agreement for the construction of improvements and other obligations, as required by the conditions of approval of the Vesting Tentative Tract Map for Tract 8266, and that the approval of the Final Map for Tract 8266 shall not be effective until and unless such agreement is entered into.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized for and on behalf of the City of Hayward to negotiate and execute a subdivision agreement in a form approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2017

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

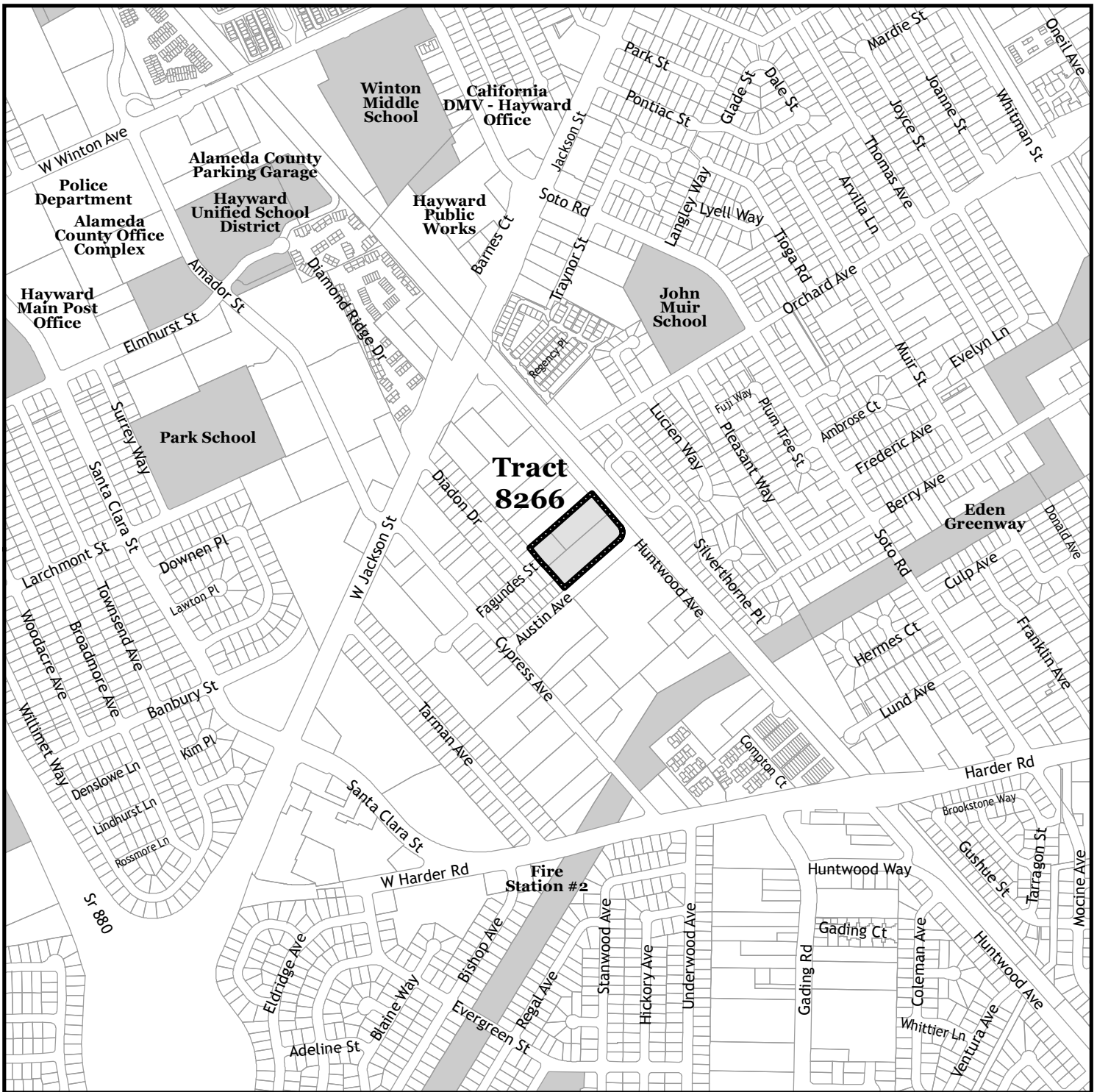
APPROVED AS TO FORM:

City Attorney of the City of Hayward



Vicinity Map

Attachment III



Final Map 8266

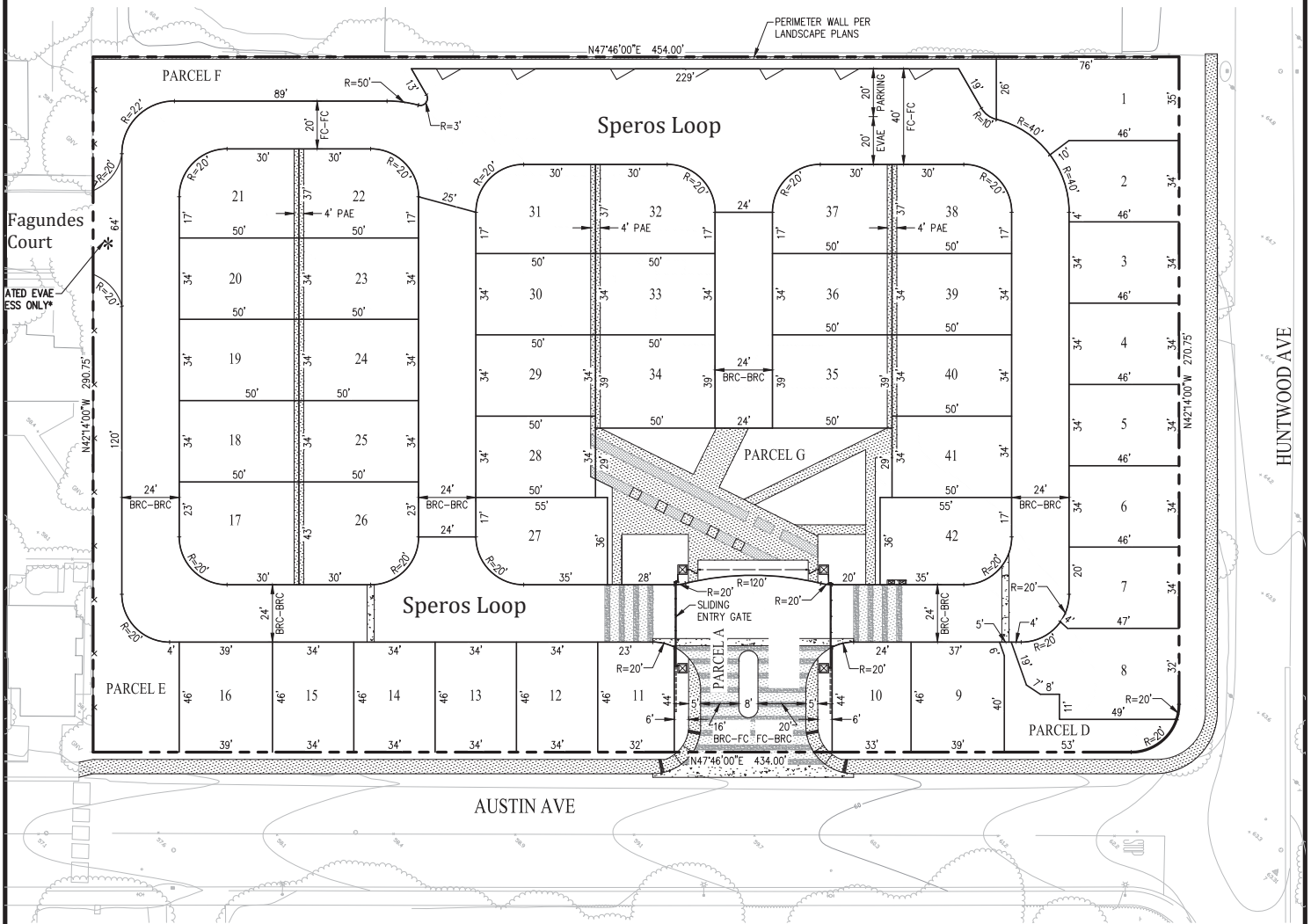
Address:
81 Fagundes Ct

Applicant:
KB Home

Owner:
KB Home

0 250 500 750
Feet

March 2017





CITY OF HAYWARD

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

File #: CONS 17-159

DATE: April 11, 2017

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT

Adoption of a Resolution Authorizing the City Manager to Execute an Agreement with RRM Design Group to Prepare a Comprehensive Update to the City's Industrial District Regulations and Related Environmental Analysis for an Amount Not to Exceed \$225,000

RECOMMENDATION

That the City Council adopts the attached resolution authorizing the City Manager to negotiate and execute an agreement with RRM Design Group to prepare a comprehensive update to the City's Industrial Zoning District regulations and related environmental impact analysis.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Industrial Technology and Innovation Corridor Baseline Profile
Attachment IV	RRM Scope of Work
Attachment V	RRM Fee Schedule
Attachment VI	Council Economic Development Committee Meeting Minutes, March 2, 2015
Attachment VII	City Council Meeting Minutes, March 17, 2015
Attachment VIII	Planning Commission Meeting Minutes, April 9, 2015
Attachment IX	City of Hayward General Plan Land Use Map



DATE: April 11, 2017

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT: Adoption of a Resolution Authorizing the City Manager to Execute an Agreement with RRM Design Group to Prepare a Comprehensive Update to the City's Industrial District Regulations and Related Environmental Analysis for an Amount Not to Exceed \$225,000

RECOMMENDATION

That the City Council adopts the attached resolution authorizing the City Manager to negotiate and execute an agreement with RRM Design Group to prepare a comprehensive update to the City's Industrial Zoning District regulations and related environmental impact analysis.

SUMMARY

In order to accomplish adopted General Plan and Economic Development Strategic Plan goals, policies and implementation programs, the City released a detailed Request for Proposals (RFP) seeking a professional urban planning firm to update the Hayward Municipal Code Zoning Ordinance related to Industrial Districts. The City received proposals from five firms. Proposals were carefully reviewed by Planning Division and Economic Development Division staff, who selected RRM Design Group as the preferred candidate. Staff requests that Council authorize the City Manager to execute an agreement with RRM Design Group for a total amount not to exceed \$225,000, and a term not to extend beyond June 30, 2019.

BACKGROUND

The [Hayward 2040 General Plan](#) recognizes that the Industrial Technology and Innovation Corridor (Industrial Corridor) is an important economic asset that must be protected and enhanced. The General Plan contains goals and policies to support land use changes that will help Hayward transition from a manufacturing-based economy into an information, technology and advanced manufacturing-based economy. The General Plan also includes Implementation Program Land Use (LU)-11, which encourages development and adoption of a specific or master plan for the Industrial Corridor sometime between 2017-2019, to achieve the General Plan goals and policies. The Industrial Corridor is shown in the dark purple crescent along the western edge of the City in Attachment IX, General Plan Land Use map.

The [Economic Development Strategic Plan 2014-2018](#) (EDSP) also contains goals related to the Industrial Sector. These include but are not limited to IS4.A, to ensure that current

zoning allows for desired uses; and IS4.D, to develop preferential zoning areas that support the desired business types.

In early 2015, Economic Development Division staff prepared an Industrial Technology and Innovation Corridor Baseline Profile (Attachment III) to provide a clearer picture of the industrial businesses located in Hayward, to create a database of major employers and trends, and to identify locations of industry clusters. One of the main goals of the baseline analysis was to determine the most effective and efficient way to implement General Plan and EDSP goals and policies related to protection and expansion of the area.

The Baseline Report findings and recommendations were presented to the Council Economic Development Committee on March 2, 2015, to the City Council on March 17, 2015 and to the Planning Commission on April 9, 2015. Minutes from all meetings are included as Attachments VI, VII and VIII, respectively, to this staff report.

DISCUSSION

Following preparation of the Baseline Report and considering the clear guidance included in the General Plan and the EDSP, Planning and Economic Development staff concluded that preparation of a Specific Plan or Master Plan for the area would be redundant, time-consuming, costly and would still require a comprehensive update to the Industrial District zoning regulations. Rather, the City's vision and intent for the area could more immediately be realized with a simpler, streamlined approach of amending the Zoning Ordinance to bring the use categories, development standards, performance measures and infrastructure requirements into conformance with the goals and policies of the General Plan and EDSP as complemented by the market analysis and Conclusions and Recommendations included in the Baseline Report.

Staff conducted extensive research and analysis to prepare a Request for Proposals (RFP) and completed a competitive bidding process to select a consultant to prepare the comprehensive update. On August 8, 2016, the City released a detailed RFP. The City received proposals from five firms: M Group; Michael Baker International; Mintier Harnish; PlaceWorks; and RRM Design Group. A committee of Planning Division and Economic Development Division staff reviewed the proposals and interviewed four firms before determining that RRM Group was the preferred candidate to complete the subject work.

RRM's Scope of Work and Fee Schedule are attached to this staff report as Attachments IV and V. Staff found that RRM and its team members have recent experience developing updated 21-century industrial zoning regulations (South San Francisco, El Monte, among others); a strong design background with architects on staff; a thorough understanding of the complexities related to crafting use, development and performance standards to achieve the City's vision; a strong public outreach component; expertise to develop a defensible environmental analysis; and the ability to do this work within the required budget and year-long timeframe.

The Scope of Work includes two estimates for environmental review. The base Scope of Work assumes preparation of an Addendum to the General Plan EIR, which is appropriate if planned

modifications will be consistent with the General Plan and its associated Program Environmental Impact Report (EIR). However, if substantial changes are proposed that would require major revisions to the General Plan or General Plan EIR, then it may be necessary to prepare environmental studies and a Supplemental EIR. The expanded environmental scope (included as Attachment 1 to RRM's Scope) would cost an additional \$56,000 and add about six months to the project timeframe. It is important to note any modifications to the base Scope of Work, including preparation of this higher level of environmental analysis, would require City review and approval.

FISCAL IMPACT

The proposed project is expected to be completed within the initial \$165,000 estimate, which would cover the base Scope of Work and minimal CEQA analysis. A portion (\$93,000) of that cost will be absorbed within the Planning Division FY 17 approved operating budget.

The remaining \$72,000 for the initial project is not currently budgeted, and has been recommended in the Proposed FY 2018 Operating Budget for the Planning Division of Development Services. If staff finds that additional CEQA analysis is warranted and approves the consultant to move forward with the work, the additional estimated \$56,000 will also be included in the FY 2018 Proposed Operating Budget for the Planning Division of Development Services. Staff is recommending a total contract not to exceed amount of \$225,000 to cover possible additional expenses above the initial \$221,000 consultant estimate and to allow the work to proceed without having to return to Council for additional contracting authorization when the budget allocation is made for FY 2018.

NEXT STEPS

If the Council approves the attached resolution, staff will prepare an Agreement to be executed between the City of Hayward and RRM Design Group in a form approved by the City Attorney, and will hold a kick-off meeting in May 2017.

Prepared by: Leigha Schmidt, Senior Planner

Recommended by: David Rizk, AICP, Development Services Director

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH RRM DESIGN GROUP FOR PREPARATION OF A COMPREHENSIVE UPDATE OF THE CITY'S INDUSTRIAL ZONING REGULATIONS FOR AN AMOUNT NOT TO EXCEED \$225,000.

WHEREAS, the City of Hayward 2040 General Plan recognizes that the Industrial Technology and Innovation Corridor (Industrial Corridor) is an important economic asset that must be protected and enhanced; and

WHEREAS, the General Plan contains goals and policies to support land use changes that will help Hayward transition from a manufacturing-based economy into an information, technology, and advanced manufacturing- based economy; and

WHEREAS, the Economic Development Strategic Plan 2014-2018 (EDSP) also contains goals related to the Industrial Sector to ensure that current zoning allows for desired uses; and

WHEREAS, in 2015, Economic Development Division staff prepared and presented an Industrial Technology and Innovation Corridor Baseline Profile to Council Economic Development Committee, City Council, and Planning Commission; and

WHEREAS, following preparation of the Baseline Profile, staff concluded that preparation of a comprehensive update to the Industrial District zoning regulations would be the most efficient tool to achieve desired outcomes; and

WHEREAS, a formal Request for Proposals was prepared and advertised soliciting competitive bids for consultant services to prepare a comprehensive update to the City's Industrial District Regulations, to which the City received five qualified bids; and

WHEREAS, a committee of Planning and Economic Development Division staff reviewed the proposals and determined that RRM Design Group was the preferred candidate to complete the subject work; and

WHEREAS, the Scope of Work includes two estimates for environmental review services; 1) a base Scope of Work that assumes preparation of an Addendum to the General Plan Environmental Impact Report (EIR) with an estimated project amount of approximately

\$165,000; and 2) preparation of a Supplemental EIR, if substantial changes require major revisions to the General Plan or General Plan EIR with an estimated project amount of \$56,000.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hayward, hereby authorizes the City Manager to negotiate and execute an Agreement with RRM Design Group in a form approved by the City Attorney, for preparation of a comprehensive update of the City's Industrial Zoning Regulations for an amount not to exceed \$225,000, and a term through June 30, 2019.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2017

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



CITY OF
HAYWARD
HEART OF THE BAY

INDUSTRIAL TECHNOLOGY AND INNOVATION CORRIDOR BASELINE PROFILE

2015 INTERIM REPORT

PREPARED BY:

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MARCH 10, 2015

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EXECUTIVE SUMMARY

ES-1 Study Purpose and Objectives

The City's Economic Development Strategic Plan and General Plan 2040 identify the development of a strategic approach to retain and grow businesses in the Innovation and Technology Industrial Corridor as a priority. To develop the necessary information and data to drive strategic planning, staff conducted research to develop a baseline profile of businesses in Hayward's industrial corridor. Specifically, this effort set out to achieve the following objectives:

1. Establish a clear picture of the businesses located in Hayward's industrial zoned area;
2. Create a database to identify major employers and track establishment and employment trends; and
3. Apply the database using a graphic information system (GIS) to assess the existence of industry clusters, which for the purposes of this study is defined as similar businesses located near one another.

This research represents the completion of multiple work tasks outlined in the EDSP. The EDSP directs staff to establish baseline measures and monitor the Top 25 industrial employers (EDSP Performance Measure IS1.1) and overall employment levels of industrial businesses (EDSP Performance Measure IS1.5).

This study is a first-of-its-kind profile of businesses in the industrial corridor. The data and information produced will guide all economic development program activities from branding and marketing to business attraction, retention, and expansion. By understanding the types of businesses that are in Hayward, the number of workers they employ, how businesses are performing, and how their operation contributes to the City's economic vitality, the City can direct economic development resources to targeted sectors and programs. This data-driven decision-making will help maximize the impact of the City's economic development activities.

"This study is a first-of-its-kind profile of businesses in the industrial corridor. The data and information produced will drive economic development program activities from branding and marketing to business attraction, retention and expansion."

The industrial baseline information is also pertinent to other long-term strategic approaches specifically the City's General Plan Implementation Program on development of an Industrial Technology and Innovation Corridor Plan. By identifying the types and profiles of our existing businesses and conducting outreach to understand specific business needs, we can craft policies and regulations to attract targeted

industries and further develop industrial lands in a comprehensive manner that addresses both economic vitality and land use concerns.

ES-2 Key Findings

While the focus of the study was to develop a baseline profile of businesses in the industrial corridor, the following key findings materialized:

1. **Hayward's industrial corridor is home to a wide-range range of industrial businesses.** The corridor, which spans approximately nine square miles of land, consists of the following major industry sectors:

- Advanced Materials
- Biotechnical, Biomedical and Life Sciences
- Business and Financial Services
- Food and Beverage Manufacturing
- Information Technology and Communications
- Transportation and Logistics

2. **Industries are intermixed and spread throughout the corridor.** A spatial analysis of businesses by sector found that there is no specific pattern of similar businesses locating near one another in the industrial area. This is the result of Hayward's current and previous land use regulations, which allows a diverse mix of industrial uses to locate throughout the industrial corridor.

3. **The Advanced Industries sector connects Hayward's businesses and offers major opportunities for economic development.** The most significant finding of the study is that a super cluster, known as the "Advanced Industries" sector, runs throughout the City's industrial corridor. Advanced Industries include over 50 different industries that involve heavy investment in technology innovation. These businesses employ skilled technical workers that develop and apply new technologies to enhance productivity. Nationwide advanced industries:

"The most significant finding of the study is that a super cluster, known as the "Advanced Industries" sector, runs throughout the City's industrial corridor."

- ✓ Demonstrate greater investment in research and development per employee;
- ✓ Employ a higher percentage of STEM (science, technology, engineering, and mathematics) workers than all other sectors; and
- ✓ Conduct more business-to-business (B2B) purchasing than other industries.

These industries have a multiplier effect on the economy. For every new advanced industry job, 2.2 jobs are created; 0.8 jobs are created locally and 1.4 outside the region.

- 4. The Advanced Industries sector offers significant economic opportunities for workers of all education levels.** While, in general, advanced industry workers have higher education levels than those in other industries, this sector offers significant economic opportunity for workers with lower educational levels. In fact, advanced industries jobs offer wage premiums at all levels of education. According to the Brookings Institute, the national average for an advanced industry worker with an associate's degree is \$60,000 per year. In comparison, their peers in non-advanced industries earn \$38,000 per year.

ES-3 Conclusions and Recommendations

“Future changes to the Industrial Technology and Innovation Corridor are expected to include building and landscaping improvements, infill development, and the redevelopment of underutilized properties. The Corridor is expected to grow as an economic and employment center and evolve to achieve a healthy balance of traditional manufacturing and information and technology-based uses.”

– **City of Hayward General Plan 2040¹**

This study produced the information needed to develop strategic policies and programs that fulfill the General Plan's vision for the industrial corridor and shape the activities established in the Economic Development Strategic Plan. The following details recommendations to apply the study's findings.

1. Explore Land Use and Zoning Policies to Attract Advanced Industries

Creating an environment that attracts advanced industry firms requires the development of types and sizes of facilities these operations seek. It is recommend the City support land use policies that encourage redevelopment and development of new “Class A” industrial spaces. These spaces include industrial facilities for light manufacturing and small to mid-sized “flex” space buildings used by laboratories and small urban collaboration/research operations.

Supporting increases in the supply of new facilities will help mitigate two barriers to entry into Hayward's industrial corridor: 1) the lack of modern buildings and spaces and 2) the time and materials costs associated with upgrading existing buildings to meet operation demands.

2. Develop the Infrastructure and Amenities that Attract Advanced Industries

Advanced industries use cutting-edge equipment, technology and processes to produce value-added goods and services. It is recommended that the City invest in the infrastructure and amenities these firms seek during site selection.

Infrastructure, defined as the physical and organizational structures and facilities these firms need to operate includes, but is not limited to:

¹ City of Hayward, General Plan 2040, July 2014, pg. 3-22

- Broadband internet services (fiber);
- A Fire Department capable of addressing fire and hazardous materials incidents;
- Multimodal transportation options that connect workers to the industrial corridor; and
- Wet and dry utilities including water, sewer, power, and gas.

Amenities are defined as the non-operational-related features that are conducive to adding to the attractiveness and value of the industrial corridor. These include place-making elements and the retail, service and accessibility options that support the needs of advanced industries' workforce. Specifically, amenities may include:

- Business serving retail and services
- Lodging and regional conference facilities
- Restaurants
- Childcare services
- Open space and trails
- Gateway markers, landscaping and place-making elements

3. Foster Industry Partnerships to Grow Major Industry Sectors

Collaboration among local businesses produces a sense of community and place, which supports business retention, expansion and attraction. It is recommended that the City apply this study's industrial business database and dedicate resources to encourage interaction between businesses. Key activities would include:

- Conducting outreach to targeted industry sectors to engage and develop relationships with new and existing businesses;
- Working closely with these business representatives to identify needs and goals; and
- Facilitating events or workshops to bring business leaders together to explore collaborative opportunities, transfer knowledge and craft solutions to common issues.

1. INTRODUCTION

The Economic Development Department undertook an initiative to develop a baseline profile of businesses in Hayward’s Industrial Technology and Innovation Corridor (Industrial Corridor). Specifically, this research effort set out to achieve the following objectives:

1. Establish the first comprehensive profile of the businesses located in Hayward’s industrial zoned area;
2. Create a database to identify major employers and track establishment and employment trends, and
3. Apply the database using a graphic information system (GIS) to assess the existence of industry clusters, which are defined as groups of similar businesses located near one another.

This study represents the completion of multiple work tasks outlined in the Economic Development Strategic Plan FY 2014-2018 (EDSP). The EDSP directs staff to establish baseline measures and retain the Top 25 industrial employers (EDSP Performance Measure IS1.1) and overall employment levels of industrial businesses (EDSP Performance Measure IS1.5).

The industrial baseline information is also pertinent to long-term strategic approaches outlined in the General Plan. For example, the General Plan’s Land Use and Community Character Implementation Programs include development of an Industrial Technology and Innovation Corridor Plan and Marketing Strategy.²

The data and information gathered in this study will drive economic development program activities from branding and marketing to business attraction, retention, and expansion. Understanding the types of businesses that are in Hayward, the number of workers they employ, how these businesses are performing, and how their operation contributes to the City’s economic vitality and character will help direct limited resources to targeted sectors.

“Data-driven decision making will help maximize the impact of the City’s business attraction, retention and expansion efforts.”

This baseline data will also enable the City to be proactive and nimble in responding to economic shocks and business community needs. For example, this data can identify specific businesses and sectors that are growing, which may trigger more focused outreach to assist in potential site expansion projects or facilitate connections to local workforce developers and educators. Conversely, this data will help identify downsizing or struggling businesses or sectors, which may trigger retention efforts to determine if and how the City may assist in stabilizing the operation.

² General Plan 2040, “Part 4 – Administration and Implementation”

The remainder of this report documents the systematic approach taken to develop this baseline profile and the resulting analysis. It is organized as follows:

- **Chapter 2** provides an overview of the methodology and data sources used in the analysis.
- **Chapter 3** identifies the top tax generators and employers and presents profiles of major industry sectors.
- **Chapter 4** presents key findings and recommendations.

2. METHODOLOGY

2.1 Technical Approach Overview

To complete this baseline study, staff developed and executed a comprehensive work plan. Key tasks included:

1. Establishing study goals and objectives;
2. Identifying required information and potential data sources;
3. Using the North American Industry Classification System (NAICS) to develop definitions of industry sectors;
4. Selecting and procuring data;
5. Sorting and aggregating data to conduct a sector analysis;
6. Conducting data quality assessment and quality control for major employers;
7. Creating GIS maps to identify location patterns of employment and similar businesses; and
8. Producing this final report to present key findings and recommendations.

The research effort began on January 9, 2015 and was completed on March 5, 2015. Economic Development staff completed research, data compilation, quality control and analysis. Revenue staff supported data quality control by cross-checking business license information. Information Technology staff led geospatial mapping tasks.

2.2 Study Scope, Data Sources and Limitations

2.2.1 Study Scope & Definitions

This study focuses solely on profiling major industry sectors and evaluating location patterns of similar business in the industrial corridor. The study does not examine the existence of what economic developers consider industry clusters.

An industry *cluster* is different from the general definition of an industry *sector*. An industry sector is defined as a group of companies that conduct similar activities and/or produce similar goods. For example, the foods products industry sector includes all businesses that produce consumable foods for human or animal consumption. While the foods product sector may include producers of milk and ice cream, the two firms may not necessarily interact.

On the other hand, an industry cluster is defined as geographical concentrations of similar, related or complimentary businesses that draw productive advantage from their mutual proximity and connections.³ Industry clusters feature avenues for business-to-business (B2B) transactions, communication and dialogue that share infrastructure, labor markets, capital inputs and services.

³ Porter, Michael E. "Clusters and the New Economics of Competition." Vol. 76. No. 6. Boston: Harvard Business Review, 1998.

Specifically, an industry cluster consists of a business community that shares the entire supply chain from capital inputs to end products, including the supporting services.

Geographic concentrations of similar businesses may represent the formation of an industry cluster as businesses tend to locate near their suppliers and customers to reduce costs and increase competitive advantages. However, data is not publicly available to determine if and how much one Hayward firm buys machinery, professional services or other production inputs from another Hayward firm. Note that clusters typically exist at a regional rather than a city level because raw materials and other production inputs are not typically produced in such close proximity.

2.2.2 Data Sources

ReferenceUSAGov

The primary data source for this study is the ReferenceUSAGovTM database, which is developed and maintained by Infogroup Incorporated (Infogroup). The database contains detailed information on over 14 million U.S. businesses including the name, type of business, address, point of contact, the business' North American Industry Classification System (NAICS) code and employment statistics (See Section 2.3 for more on NAICS).

Infogroup employs 600 workers that call businesses to verify information throughout the year. Data is also compiled from public sources including:

- Yellow Pages and Business White Pages telephone directories
- Company annual reports
- Security and Exchange Commission filings
- Business and trade publications
- Newsletters and newspapers
- US Postal Service

The Economic Development Department obtained the ReferenceUSA data on January 21, 2015 following InfoGroup's 2014 year-end data verification and update cycle. The business database consisted of nearly 15,000 business records for the City of Hayward. The data excluded home-based businesses as they were outside this study's scope.

MuniServices' Sales Tax Analysis and Reporting Service

To identify the top sales tax generators, this study relies on the Sales Tax Analysis and Reporting Service (STARS) report provided by MuniServices. MuniServices provides comprehensive revenue data and analyses to help municipalities preserve, enhance and manage their revenue base. Data used were from the STARS report for the third quarter of 2014.

2.2.3 Data Limitations

While the ReferenceUSAGov database is considered an industry standard for information on businesses, it should be noted that the data set does have limitations. Employment data and the NAICS code assigned to the business may not be completely accurate or up-to-date.

Employment statistics for individual business locations are one of the most difficult pieces of data to obtain. This information is typically considered proprietary as companies do not publicize workforce changes in order to shield themselves from potential competition or public scrutiny. As a result, employment data is considered a general estimate.

It should also be noted that the industry code Infogroup assigns to businesses may not reflect the businesses primary activity. For example, a company that manufactures and sells plastic epoxy may also manufacture plastic medical instruments. This company could fall in both the advance materials and the biotechnical/biomedical industry sectors. As a result, a business may appear in lists of multiple industry sectors.

Despite these limitations, the data presented herein is considered the most recent and accurate information available. It combines industry standard and independently verified data. To ensure data quality to the extent possible, staff undertook an intensive quality assessment and quality control initiative. With support from the Revenue Department, staff crosschecked ReferenceUSAGov information with data reported on recent City of Hayward Business License applications (where available). Staff also attempted to verify information for the top 25 employers of each industry sector and top 50 employers in the industrial corridor through phone interviews with business representatives. Not all records were independently verified due to the unwillingness of businesses to provide information and constraints on time and resources.

2.2.4 Data Confidentiality & Suppression

This study suppresses data on individual businesses. Data suppression refers to methods or restrictions applied to the data sets to limit the disclosure of sensitive or confidential information. This approach is consistent with labor market and industry reports published by the U.S. Census Bureau, California Employment Development Department (EDD), Bureau of Labor Statistics and other public agencies.

Data are suppressed in public reports for two key reasons:

1. **Protecting the privacy of individual businesses** - Information on a company's workforce or revenue can easily be used by the private agents for marketing and investment activities. Data suppression or reassurances of anonymity was often a condition set by most firms who agreed to verify employment statistics.
2. **Improve data quality** – Aggregating data to the industry sector level reduces the number of estimates with unacceptable levels of statistical reliability.

2.2.5 Future Updates

This study is considered a “living document.” It is the intent of Economic Development staff to update the data on an ongoing basis. Staff will continue to integrate new information as it becomes available from third-party vendors, direct outreach to individual businesses, as part of expansion and retention efforts, and from data reported on city business license renewals. Outreach with businesses will also be an avenue to collect information on B2B transactions.

“This study is a living document.
Data will be improved and updated
on an ongoing basis.”

2.3 Defining Industry Sectors

In order to determine if similar businesses are locating in close proximity in the industrial corridor, this study developed definitions of the types of businesses that comprise an industry sector. This section describes the methodology used and the sectors profiled.

2.3.1 North American Industry Classification System

The ReferenceUSAGov database assigns each business a North American Industry Classification System (NAICS) code. NAICS is the standard used by Federal agencies in classifying business establishments for the purpose of collecting, analyzing and publishing statistical data related to the U.S. economy.

NAICS uses a 2- through 6-digit hierarchical classification system, offering five levels of detail. Each digit in the code is part of a series of progressively narrower categories. The more digits in the code, the more detailed the industry description. An example of the NAICS code hierarchy is provided in Exhibit 2-1 below. In this case, NAICS 31 describes all manufacturing while NAICS 31111 describes dog and cat food manufacturing.

Exhibit 2-1: Example North American Industry Classification System (NAICS) Hierarchy

NAICS Code	Description
31	Manufacturing
311	Food Manufacturing
3111	Animal Food Manufacturing
31111	Dog and Cat Food Manufacturing
311119	Other Animal Food Manufacturing

2.3.2 Industry Sector Definitions

This study applies industry cluster definitions established by the U.S. Economic Development Administration (EDA) to aggregate individual businesses into groups.⁴ While businesses are categorized by industry using the NAICS hierarchy, an industry sector can cut across multiple NAICS codes. By using the EDA's taxonomy, this study creates groupings of businesses that have different NAICS codes but are involved in the same sector. Exhibit 2-2 provides a portion of the over 40 NAICS codes EDA used to define the biomedical, biotechnical and life sciences sector. This sector includes businesses from pharmaceutical manufacturing to health care services.

Exhibit 2-2: Sampling of Biomedical, Biotechnical and Life Sciences Sector NAICS Codes

NAICS Code	BIOMEDICAL/BIOTECHNICAL (LIFE SCIENCES)
3254	Pharmaceutical and medicine manufacturing
333314	Optical instrument and lens manufacturing
334510	Electromedical and electrotherapeutic apparatus manufacturing
334516	Analytical laboratory instrument manufacturing
334517	Irradiation apparatus manufacturing
3391	Medical equipment and supplies manufacturing
42345	Medical, dental, and hospital equipment and supplies merchant wholesalers
446	Health and personal care stores
5417	Scientific research and development services
562112	Hazardous waste collection
562211	Hazardous waste treatment and disposal
621	Ambulatory health care services (except 6211, 6212, 6213)

Source: U.S. Economic Development Administration

Note that a business can specialize in several activities, which may place it into multiple industry sector groupings. For example, a firm may be involved in research and development of pharmaceuticals, basic chemicals manufacturing and pharmaceutical drug manufacturing. As a result, that business could be included in both the biotechnology and advanced materials industry sectors.

⁴ U.S. Department of Commerce, Economic Development Administration, "Innovation in American Regions" http://www.statsamerica.org/innovation/industry_clusters.html Last Accessed 2/18/2015

2.3.3 Profiled Industry Sectors

For baseline profile development, the study focused on the following major industry sectors:

1. Advanced Materials
2. Biomedical, Biotechnical and Life Sciences
3. Business and Financial Services
4. Food and Beverage Manufacturing
5. Information Technology and Telecommunications
6. Transportation and Logistics

This study also creates a profile for an **Advanced Industries** sector. This sector is comprised of over 50 different industries that involve heavy investment in technology innovation and employ skilled technical workers who develop and apply new technologies to enhance productivity. This sector is gaining national focus due to recent studies about its importance and impact on the American economy and workforce. Additional information on advanced industries, as well as descriptions for all of the profiled sectors, is provided in Chapter 3.

3. INDUSTRIAL TECHNOLOGY AND INNOVATION CORRIDOR PROFILE

This chapter presents a baseline profile of businesses in the Industrial Technology and Innovation Corridor (Industrial Corridor). According to the General Plan, the Corridor is the large crescent-shaped area of industrial zoned land located along the City's western and southwestern boundaries (See Exhibit 3-1).⁵ Also included are the pockets of mixed industrial zoned land within the central part of the city. These areas are older industrial properties typically located near railroad tracks and surrounded by neighborhoods. Overall, the study area consists of roughly nine square miles of land that contain 1,854 parcels.

The General Plan outlines the following allowed uses in the industrial corridor:

- Professional office uses
- Corporate Campus
- Research and Development
- Warehousing and Logistics
- Manufacturing (Traditional, Advanced, Specialized and High-Technology)
- Bio-technology and high-technology uses

Supporting uses in the corridor include:

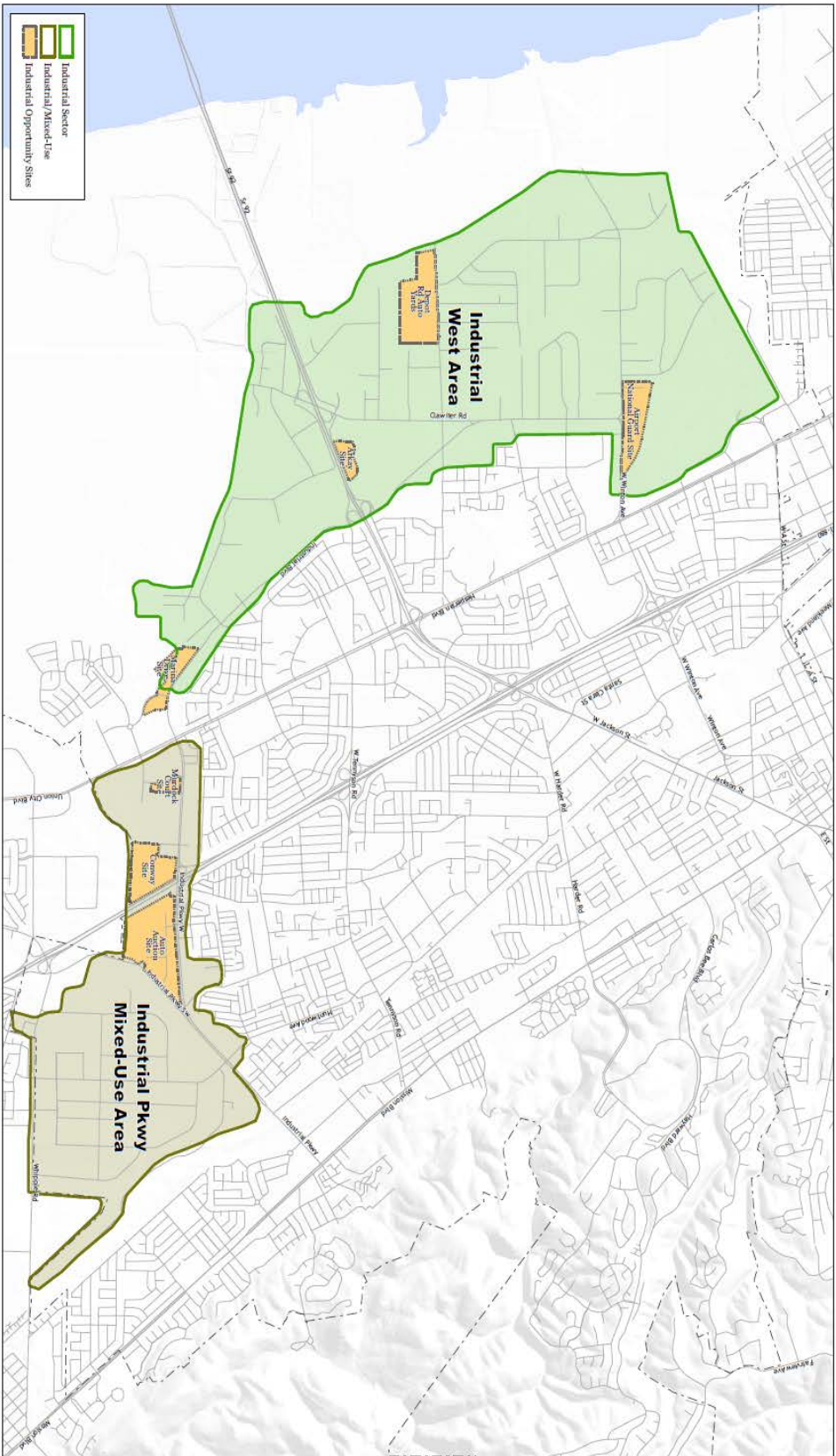
- Retail, detailing and service uses
- Automotive service and repair stations
- Lodging

This remainder of this chapter is organized as follows:

- **Section 3.1** examines employment concentrations and sales tax revenue generators in the industrial area.
- **Section 3.2** presents an economic profile of selected industry sectors.
- **Section 3.3** introduces the Advanced Industries sector concept and evaluates its existence in Hayward.

⁵ City of Hayward, "General Plan 2040" (July 2014), pg. 3-22

Exhibit 3-1: Industrial Technology and Innovation Corridor Study Area



Source: Economic Development Strategic Plan (FY 2014 – FY 2018)

3.1 Corridor Economic Profile

3.1.1 Major Industrial Employers

Hayward's industrial corridor consists of a diverse base of businesses. The table below identifies the Top 50 major employers. These firms represent a range of industries sectors including foods and beverage manufacturing, advanced materials and pharmaceutical manufacturing, and machinery manufacturing.

Exhibit 3-2: Industrial Corridor Major Employers

Company Name	NAICS	Description
AC Transit	488210	Interurban & Rural Bus Transportation
Amedica Biotech Inc	339112	Surgical & Medical Instrument Manufacturing
Axis Construction	236115	New Single-Family Hsng Constr (Exc For-Sale Bldrs)
Baxter Bio Pharma	339112	Surgical & Medical Instrument Manufacturing
Bay Point Technology Corp	423610	Electrical Apparatus/Wiring Supls/Rel Equip Whlsrs
Berkeley Farms LLC	311520	Ice Cream & Frozen Dessert Manufacturing
Best Express Foods	311812	Commercial Bakeries
Cal-Steam	423720	Plumbing & Htg Equip/Supls (Hydronics) Mrchnt Whls
Coast Aluminum & Architectural	331523	Nonferrous Metal Die-Casting Foundries
Columbus Foods	445110	Supermarkets/Other Grocery (Exc Convenience) Strs
Con-Way Freight	484230	Specialized Freight (Exc Used Gds) Trckng Lng-Dist
Core-Mark International Inc	424410	General Line Grocery Merchant Wholesalers
Davis Instruments	333111	Farm Machinery & Equipment Manufacturing
Delphon Industries LLC	334413	Semiconductors & Related Devices Manufacturing
Du Pont EKC Technology Inc	325998	All Other Misc Chemical Product & Preparation Mfg
Durham School Svc	485210	Interurban & Rural Bus Transportation
Fedex Freight	484110	General Freight Trucking, Local
Fremont Bank Operations Ctr	522110	Commercial Banking
Freund Baking Co	311999	All Other Miscellaneous Food Manufacturing
Gallo Sales Co	312130	Wineries
GILLIG LLC	336111	Automobile Manufacturing
Glazier Steel Inc	332312	Fabricated Structural Metal Manufacturing
Heat & Control Inc	333241	Food Product Machinery Manufacturing
Illumina	541711	Research & Development In Biotechnology
Impax Laboratories Inc	325412	Pharmaceutical Preparation Manufacturing
Induspec	322220	Paper Bag & Coated & Treated Paper Manufacturing

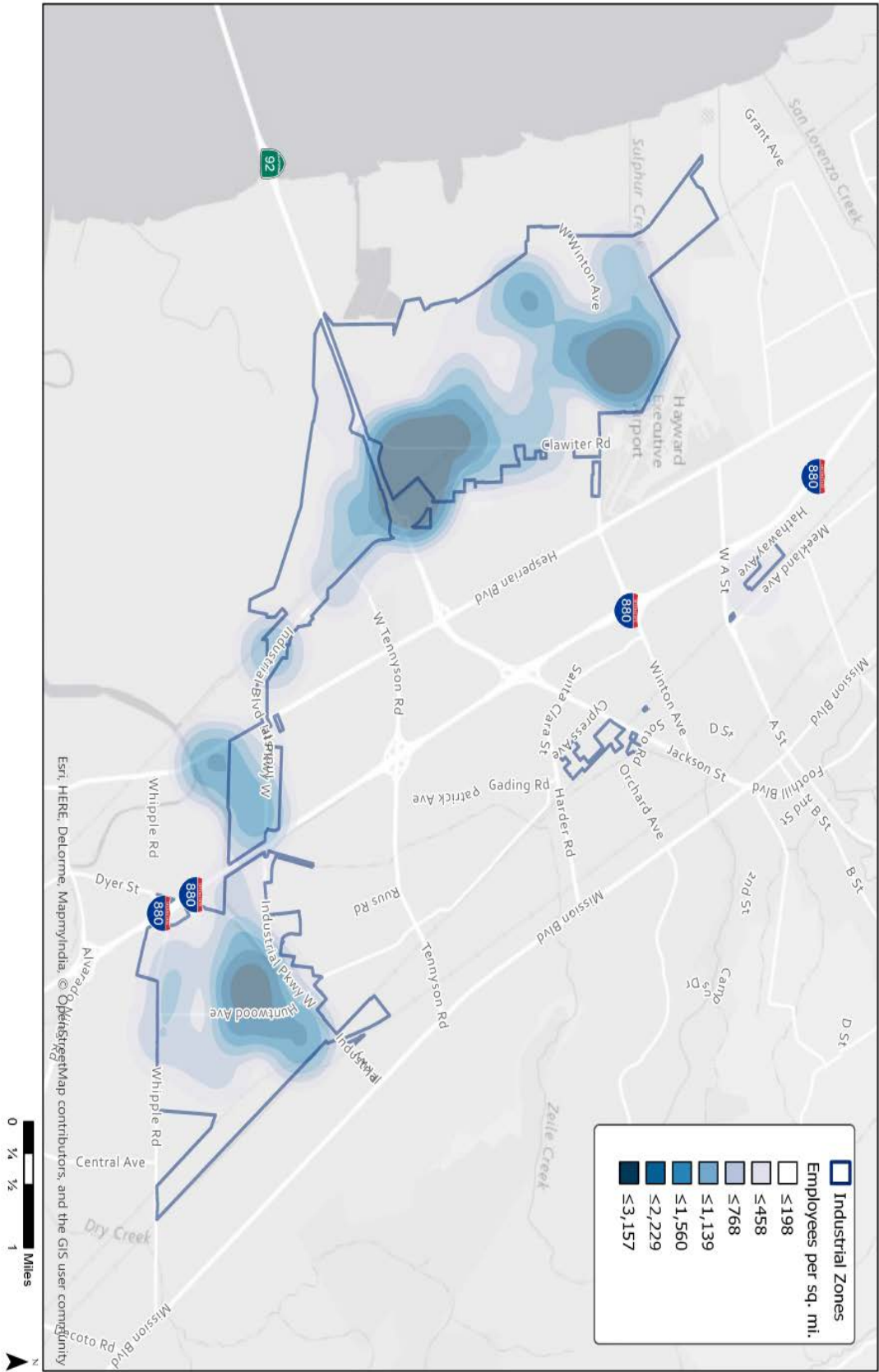
Company Name	NAICS	Description
Inland Marine/Inland Metals	238220	Plumbing Htg & Air-Conditioning Contractors
Interactive Data	443142	Electronic Stores
Keeco LLC	313310	Textile & Fabric Finishing Mills
Life Chiropractic College West	621310	Offices Of Chiropractors
Macy's Logistics & Operations	454111	Electronic Shopping
Manheim San Francisco Bay	425120	Automobile auctions, wholesale
Marelich Mechanical	238210	Electrical Contr & Other Wiring Installation Contr
MDC Vacuum Products LLC	332919	Other Metal Valve & Pipe Fitting Manufacturing
Montague Co	333318	Other Commercial & Service Industry Machinery Mfg
Morgan Technical Ceramics	327420	Gypsum Product Manufacturing
Pacific Cheese Co	311999	All Other Miscellaneous Food Manufacturing
Pacific Gas & Electric Co	211111	Crude Petroleum & Natural Gas Extraction
Pentagon Technologies	333318	Other Commercial & Service Industry Machinery Mfg
Pepsi Bottling Group	312111	Soft Drink Manufacturing
Plastikon Industries Inc	326199	All Other Plastics Product Manufacturing
Shasta Beverages Inc	312111	Soft Drink Manufacturing
Siemens Building Tech	541618	Other Management Consulting Services
SNP Pharmacy	446110	Pharmacies & Drug Stores
Solta Medical Inc	339112	Surgical & Medical Instrument Manufacturing
Streivor	333413	Industrial & Coml Fan/Blower/Air Prfctn Equip Mfg
Sugar Bowl Bakery	424490	Other Grocery & Related Products Merchant Whlsrs
Sukhi's Gourmet Indian Food	445299	All Other Specialty Food Stores
Ultra Clean Holdings Inc	334413	Semiconductors & Related Devices Manufacturing
Windsor Foods	311412	Frozen Specialty Food Manufacturing

Source: ReferenceUSAGov, January 2015

3.1.2 Industrial Employment Concentrations

The Economic Development Strategic Plan (EDSP) directs staff to establish baseline measures, retain the Top 25 industrial employers (EDSP Performance Measure IS1.1), and monitor the overall employment levels of industrial businesses (EDSP Performance Measure IS1.5). The exhibit below depicts the 2015 baseline condition of employment at the 50 largest industrial employers.

Exhibit 3-3: 2015 Baseline Employment Concentrations of Top 50 Industrial Businesses



3.1.3 Major Industrial Sales Tax Revenue Generators

The exhibit below identifies the top 25 industrial sales tax revenue generators during 12 consecutive calendar months ending in the third quarter of 2014.⁶ This list was developed using data provided by MuniServices, the City's revenue enhancement consultant.

**Exhibit 3-4: Top 25 Industrial Sales Tax Generators
(Benchmark Year Ending 3rd Quarter 2014)**

BUSINESS NAME	ECONOMIC SEGMENT
Alameda Electrical Dists	Bldg.Matls-Whsle
All Tex	Light Industry
Bechtel Power Corporation	Leasing
Big Joe California	Heavy Industry
Cal Wholesale Material Supply	Bldg.Matls-Whsle
California Hydronics	Heavy Industry
Cal-Steam	Bldg.Matls-Whsle
Communications Supply	Electronic Equipment
Diamond W Floor Covering	Bldg.Matls-Retail
Ferguson Enterprises	Bldg.Matls-Whsle
Gillig Corporation	Misc. Vehicle Sales
Guest Supply	Light Industry
Hd Supply Waterworks	Heavy Industry
Heat & Control	Heavy Industry
Illumina	Chemical Products
Linde Group	Chemical Products
Pearson Dental Supply	Light Industry
R F Macdonald Company	Heavy Industry
Regency Enterprises	Bldg.Matls-Whsle
Thermage	Light Industry
Toyota Material Handling	Heavy Industry
Unisource Solutions	Office Equipment
United Cleaners Supply	Business Services
Western State Design	Heavy Industry
Western States Tool & Supply	Heavy Industry

Source: MuniServices, February 2015

⁶ "Sales Tax Analysis and Reporting Service Preliminary Report - Third Quarter, 2014," MuniServices.

3.2 Profiles of Selected Industry Sectors

For each of the following sectors, this study provides a map depicting establishment locations and identifies major employers in the following sectors:

1. **Advanced Materials**
2. **Biomedical, Biotechnical and Life Sciences**
3. **Business and Financial Services**
4. **Food and Beverage Manufacturing**
5. **Information Technology and Telecommunications**
6. **Transportation and Logistics**

As discussed in Section 2.2, this study suppresses sensitive business data such as location employment or sales tax revenue statistics. Data for individual businesses are not published to protect the privacy of individual businesses. The suppression of data is consistent with public agency protocols for publishing labor market and industry reports. This data will be used internally to track trends and guide business attraction, expansion and retention activities.

3.2.1 Advanced Materials

Materials, the building blocks of physical products, generally fall within five major groups: metals, polymers, ceramics, glasses, and composites. Advanced materials refer to all new materials and modifications to traditional materials to obtain superior performance in their targeted application. The development of advanced materials is associated with the generation of new knowledge or intellectual property. Advanced materials may also lead to the design of entirely new products.

“Advanced materials are associated with the generation of new knowledge, intellectual property and the design of entirely new products.”

In Hayward there are approximately 370 businesses in the advanced materials sector, which employ an estimated 6,500 workers. These businesses specialize in:

- Basic chemical manufacturing
- Resin, rubber or artificial synthetic fibers or filaments manufacturing
- Pharmaceutical and medicine
- Paint, coating and adhesives
- Soap, cleaning compound and toilet preparation materials
- Plastic and plastic products
- Rubber products
- Alumina or aluminum production or processing
- Ferroalloy manufacturing
- Electroplating, plating, polishing, anodizing and coloring
- Steel and fabricated metal product manufacturing
- Metalworking machinery manufacturing
- Metal stamping and sheet metal work
- Electroplating, plating, polishing, anodizing and coloring
- Semiconductor and electronic components manufacturing
- Material testing laboratories
- Research and development Services

Exhibit 3-5 and 3-6 below illustrate the locations of advanced materials establishments and identify major employers. As illustrated in the map, firms in this sector are distributed throughout the industrial corridor.

Exhibit 3-5: Advanced Materials Sector Establishments

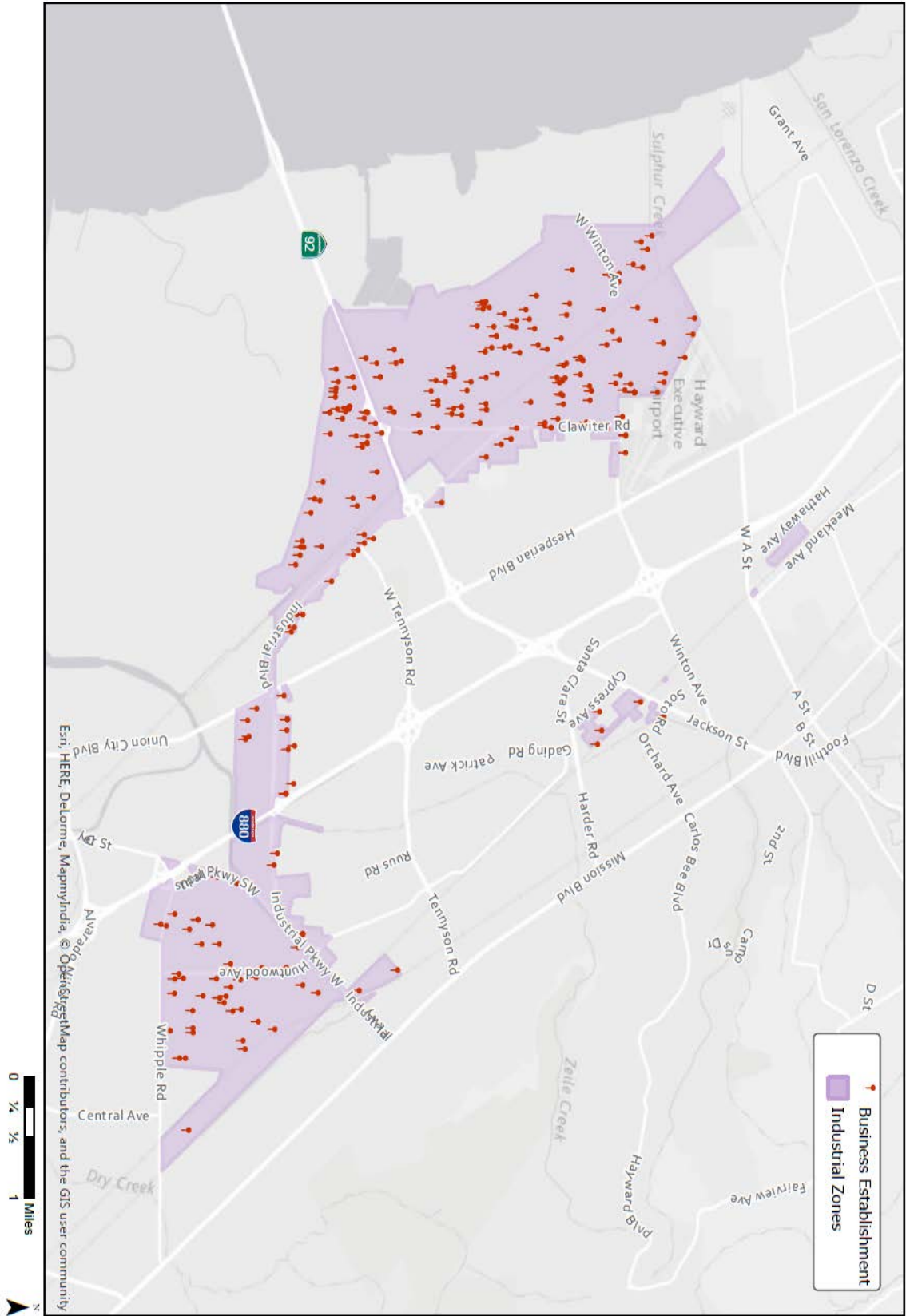


Exhibit 3-6: Advanced Materials Sector Major Employers

Company Name	NAICS	Description
Amedica Biotech Inc.	339112	Surgical & Medical Instrument Manufacturing
Baxter Bio Pharma	339112	Surgical & Medical Instrument Manufacturing
Bay Foam Inc.	326199	All Other Plastics Product Manufacturing
Coast Aluminum & Architectural	331523	Nonferrous Metal Die-Casting Foundries
Delphon Industries LLC	334413	Semiconductors & Related Devices Manufacturing
Dow Chemical Co	325211	Plastics Material & Resin Manufacturing
Forensic Analytical Consulting	541711	Research & Development In Biotechnology
Grand Central Station	334290	Other Communications Equipment Manufacturing
Illumina	541711	Research & Development In Biotechnology
Impax Laboratories Inc.	325412	Pharmaceutical Preparation Manufacturing
IMT Precision Inc.	332710	Machine Shops
Intarcia Therapeutics Inc.	541711	Research & Development In Biotechnology
Microlease	334515	Electricity & Signal Testing Instruments
Millipore Corp	325414	Biological Product (Except Diagnostic) Mfg
Mission Tool & Mfg Co	333514	Special Die & Tool, Die Set, Jig & Fixture Mfg
Morgan Technical Ceramics	327420	Gypsum Product Manufacturing
Moss Precision Inc	332710	Machine Shops
Pacific Die Cut Industries	333514	Special Die & Tool, Die Set, Jig & Fixture Mfg
Plastikon Industries Inc.	326199	All Other Plastics Product Manufacturing
Prozyme	541711	Research & Development In Biotechnology
Semano Inc	332813	Electroplating Plating Polishing Anodizing
Solta Medical Inc	339112	Surgical & Medical Instrument Manufacturing
Thermionics Corp	326199	All Other Plastics Product Manufacturing
Therm-X Of California	334512	Automatic Environmental Control Manufacturing
Ultra Clean Holdings Inc	334413	Semiconductors & Related Devices Manufacturing

Source: ReferenceUSAGov, January 2015

3.2.2 Biotechnical, Biomedical and Life Sciences

The biotechnical, biomedical and life sciences sector is defined by innovation and change. At its base, this sector uses cutting-edge technologies, advanced materials, and natural elements – cells, genes, proteins, enzymes and antibodies – to develop the knowledge, products and processes that improve the human condition and environment.

“The biotechnical, biomedical and life sciences sector develops the knowledge, products and processes that improve the human condition and environment.”

In Hayward, there are over 400 firms that employ an estimated 5,200 workers in this sector. The majority of these firms fall into three sub-sectors:

1. Scientific research and development;
2. Professional, scientific, technical and healthcare services; and
3. Manufacturing.

Manufacturing spans a range of products including: pharmaceuticals, medicinal and botanicals, surgical and medical instruments and specialized equipment.

The exhibits below illustrate locations of these establishments in the industrial corridor and identify major employers. Exhibit 3-7 indicates these establishments are located throughout the industrial corridor. However, there are more firms in the northern portion and a pocket of firms located in the central portion south of State Route 92. This area features business parks located along Point Eden Way, Research Place and Eden Landing Road.

Exhibit 3-7: Biotechnical, Biomedical and Life Sciences Sector Establishments

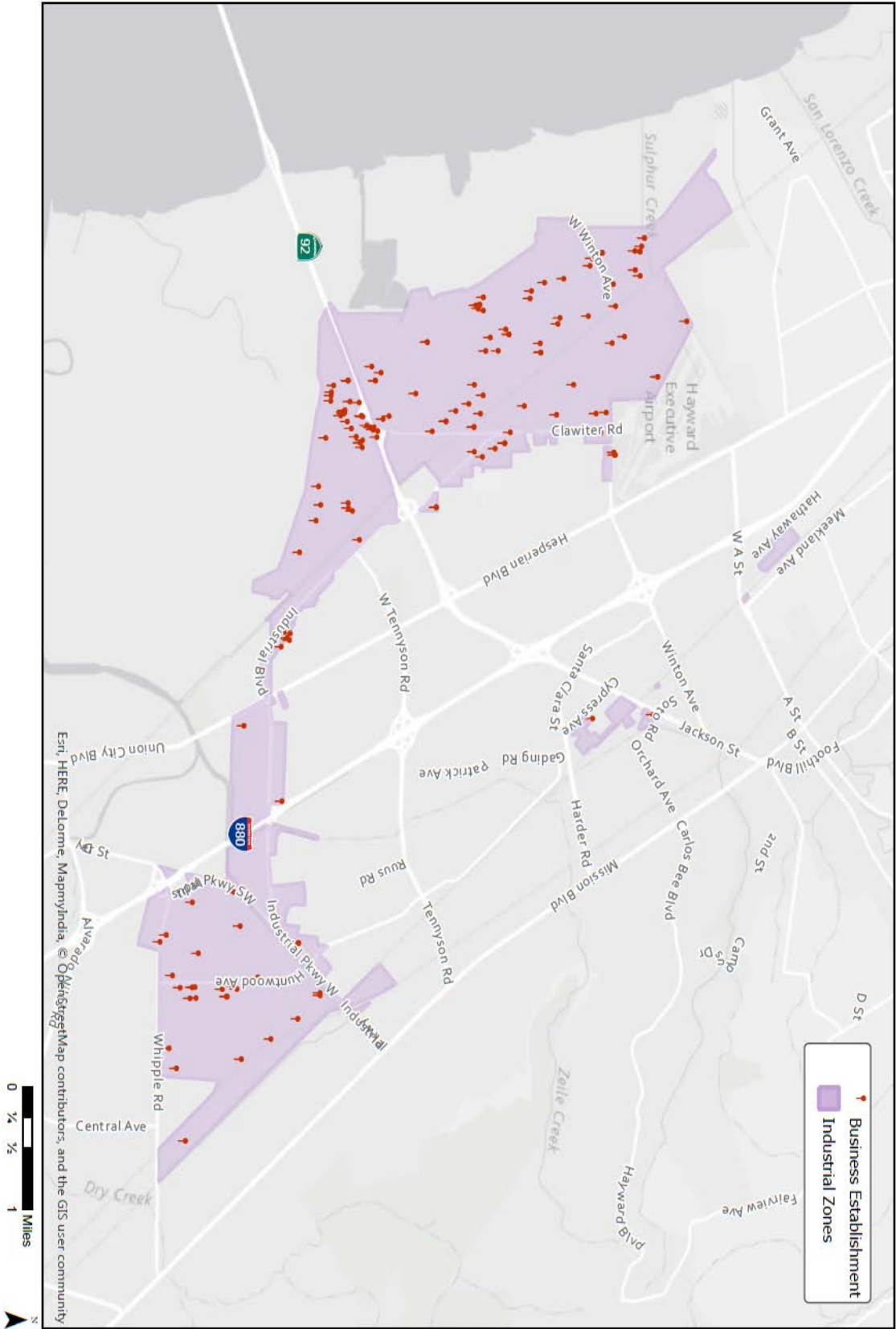


Exhibit 3-8: Biotechnical, Biomedical and Life Sciences Sector Major Employers

Company Name	NAICS	Description
Amedica Biotech Inc	339112	Surgical & Medical Instrument Manufacturing
Baxter Bio Pharma	339112	Surgical & Medical Instrument Manufacturing
Bay Point Health Care Ctr	621999	All Other Misc Ambulatory Health Care Services
Coram Healthcare Corp-Northern	621493	Freestanding Ambulatory Surgical & Emergency Ctrs
DaVita South Hayward Dialysis	621493	Freestanding Ambulatory Surgical & Emergency Ctrs
Forensic Analytical Consulting	541711	Research & Development In Biotechnology
Gateway Care & Rehab Ctr	621999	All Other Misc Ambulatory Health Care Services
Hantel Technologies	339112	Surgical & Medical Instrument Manufacturing
Hayward Dialysis Ctr	621493	Freestanding Ambulatory Surgical & Emergency Ctrs
Illumina	541711	Research & Development In Biotechnology
Impax Laboratories Inc.	325412	Pharmaceutical Preparation Manufacturing
Intarcia Therapeutics	541711	Research & Development In Biotechnology
Mendel Biotechnology	325411	Medicinal & Botanical Manufacturing
Millipore Corp	325414	Biological Product (Except Diagnostic) Mfg
Natural Formulas	446191	Food (Health) Supplement Stores
Prince Of Peace	325412	Pharmaceutical Preparation Manufacturing
Prozyme	541711	Research & Development In Biotechnology
Rural/Metro Ambulance	621910	Ambulance Services
Shaklee Distributor	446191	Food (Health) Supplement Stores
Size Wise LLC	423450	Medical, Dental/Hospital Equip/Supply Merchant Wholesaler
SNP Pharmacy	446110	Pharmacies & Drug Stores
Solta Medical Inc	339112	Surgical & Medical Instrument Manufacturing
Stericycle	562211	Hazardous Waste Treatment & Disposal
Sun Deep Cosmetics	446120	Cosmetics, Beauty Supplies & Perfume Stores
Winton Wellness Ctr	621999	All Other Misc Ambulatory Health Care Services

Source: ReferenceUSAGov, January 2015

3.2.3 Business and Financial Services

Business and Financial services is a broad term that describes firms that support commercial and retail customers but do not produce a tangible commodity. The establishments in this sector provide the following services:

- Banking, credit and loans
- Financial investment
- Insurance and bonding
- Real estate
- Legal
- Accounting, tax preparation, bookkeeping and payroll
- Specialized design
- Computer systems design and support
- Management, scientific and technical consulting
- Advertising and marketing

According to the California Employment Development Department, the strongest annual job growth in the Bay Area occurred in the professional and business services sector from 2013 to 2014.⁷ The ReferenceUSAGov data shows that there are approximately 1,224 business and financial services businesses that in Hayward. These firms employ an estimated 5,052 workers.

“Annual job growth in the business and financial services sector outpaced all other Bay Area sectors in 2014.”

Exhibit 3-9 below illustrates locations of Hayward’s business and financial service sector establishments, which are distributed throughout the industrial corridor. Exhibit 3-10 identifies the sector’s major employers.

⁷ State of California Employment Development Department, Labor Market Division, Monthly Data Release, January 23, 2015. [http://www.calmis.ca.gov/file/lfmonth/oak\\$pd.pdf](http://www.calmis.ca.gov/file/lfmonth/oak$pd.pdf) Last Accessed 2/26/15

Table 3-9: Business and Financial Services Sector Establishments

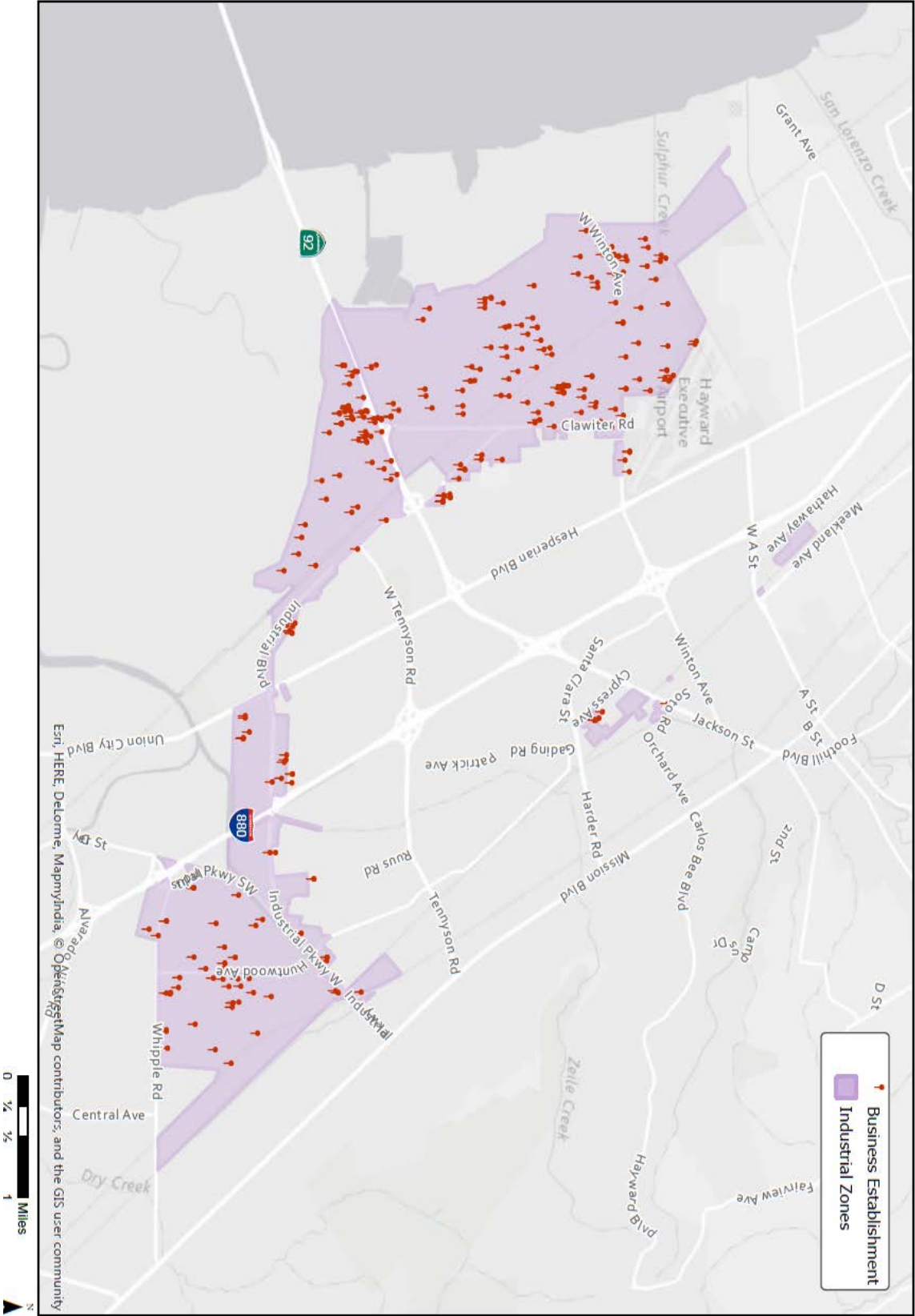


Exhibit 3-10: Business and Financial Services Sector Major Employers

Company Name	NAICS	Description
AAA Hayward	524210	Insurance Agencies & Brokerages
Admail Express Inc	541860	Direct Mail Advertising
Alameda County Housing Auth	531311	Residential Property Managers
Anamet Inc	541380	Testing Laboratories
Aqua-Duct Plumbing-Petroleum	531311	Residential Property Managers
ATA Retail Svc Inc	541613	Marketing Consulting Services
Bankers Life & Casualty Co	524210	Insurance Agencies & Brokerages
Belmont Remarketing Technology	523920	Portfolio Management
Bianchi USA (Marketing Office)	541613	Marketing Consulting Services
Business Services Network	541860	Direct Mail Advertising
Controlled Contamination Svc	541611	Administrative & General Mgmt Consulting Services
DBA Encon Electronics (Access Distributors Inc)	541870	Advertising Material Distribution Services
FBA Inc	541330	Engineering Services
Forensic Analytical	541380	Testing Laboratories
Frye Claims Consultation & Admin.	524291	Claims Adjusting
Gold Berry Distributors, Inc.	541310	Architectural Services
HSQ Technology Inc	541512	Computer Systems Design Services
I Q Personal	541612	Human Resources Consulting Services
Lea & Braze Engineering Inc	541330	Engineering Services
Mendel Biotechnology	541690	Other Scientific & Technical Consulting Services
Prologix-WEST LLC	541870	Advertising Material Distribution Services
Ricman Manufacturing	541330	Engineering Services
Rivermills Outfitters	541490	Other Specialized Design Services
Siemens Building Tech	541618	Other Management Consulting Services
Way To Be Design	541410	Interior Design Services

Source: ReferenceUSAGov, January 2015

3.2.4 Food and Beverage Manufacturing

Industries in the food and beverage manufacturing sector transform livestock and agricultural goods into products for intermediate or final consumption. The sector is distinguished by the raw materials (generally of animal or vegetable origin) processed into food products. The products manufactured in these

“The food and beverage manufacturing sector transforms livestock and agricultural goods into products for final consumption.”

establishments are typically sold to wholesalers or retailers for distribution to consumers. This sector also includes:

1. Establishments engaged in baking or producing candy on the premises, but not for immediate consumption;
2. Manufacturers of beverages;
3. Firms that import, process, package or distribute specialty goods, seafood and wine.

According to the ReferenceUSAGov database, the food and beverage manufacturing sector in Hayward consists of 106 businesses and employs an estimated 3,550 workers. The exhibits below illustrate the spatial distribution and identify major employers in the food and beverage manufacturing businesses in the industrial corridor. Exhibit 3-11 illustrates these establishments are spread throughout the corridor.

Table 3-11: Food and Beverage Manufacturing Sector Establishments

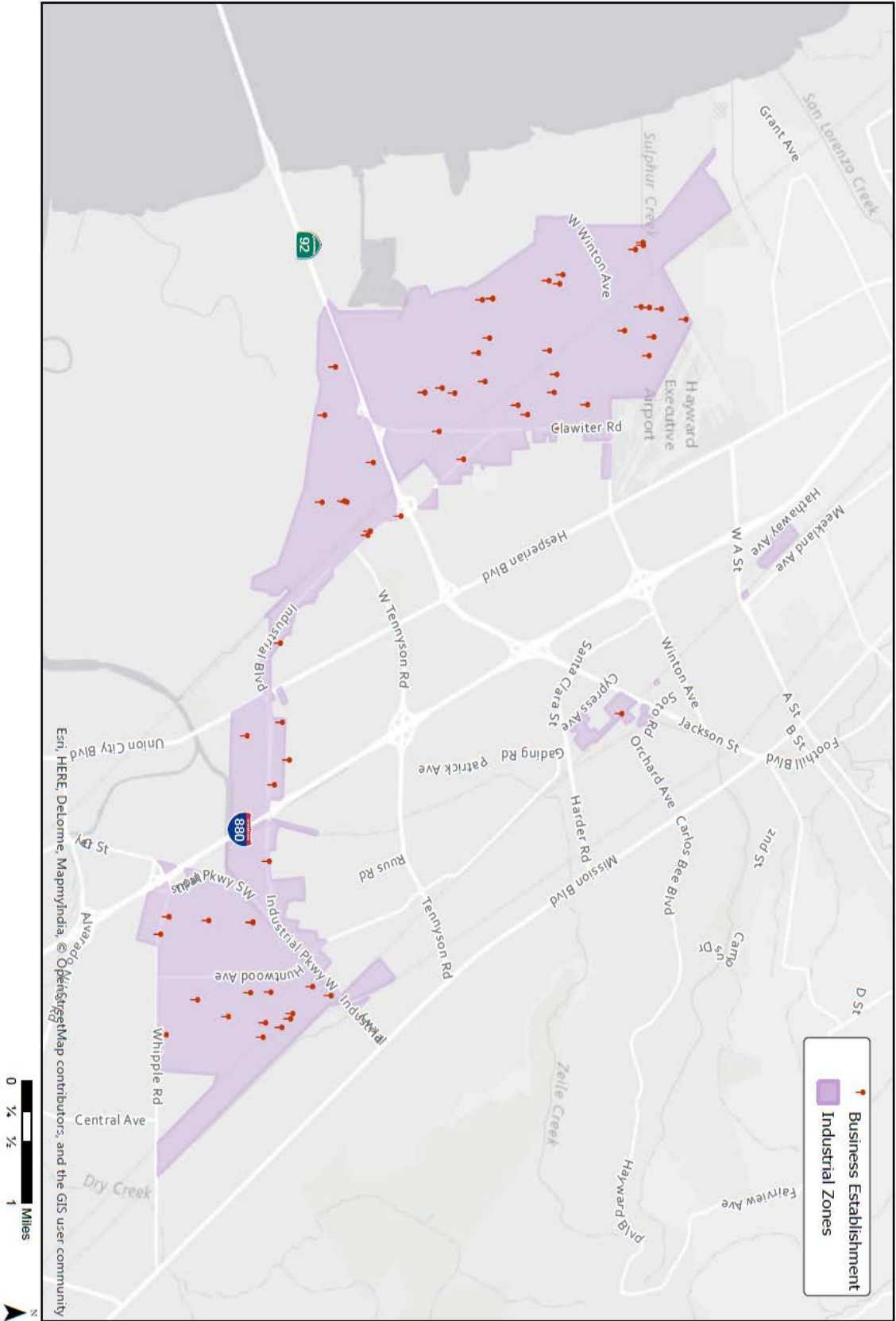


Exhibit 3-11: Food and Beverage Manufacturing Sector Major Employers

Company Name	NAICS	Description
Andersen Bakery Inc	311811	Retail Bakeries
Annabelle Candy Co Inc	311352	Confectionery Mfg From Purchased Chocolate
Armanino Foods-Distinction Inc	311412	Frozen Specialty Food Manufacturing
Azuma Foods Intl Inc USA	311710	Seafood Product Preparation & Packaging
Berkeley Farms LLC	311520	Ice Cream & Frozen Dessert Manufacturing
Best Express Foods	311812	Commercial Bakeries
Buffalo Bill's Brew Pub	312120	Breweries
Chefs' Warehouse	311999	All Other Miscellaneous Food Manufacturing
Columbus Foods	311999	All Other Miscellaneous Food Manufacturing
Freund Baking Co	311999	All Other Miscellaneous Food Manufacturing
Gallo Sales Co	312130	Wineries
Gourmet Foods Inc	311999	All Other Miscellaneous Food Manufacturing
Harvest Food Products Co Inc	311412	Frozen Specialty Food Manufacturing
Joe Pucci & Sons Seafoods	311710	Seafood Product Preparation & Packaging
Pacific Cheese Co	311999	All Other Miscellaneous Food Manufacturing
Panera Bread	311811	Retail Bakeries
Pepsi Bottling Group	312111	Soft Drink Manufacturing
Produce World	311942	Spice & Extract Manufacturing
Quick-N-Ezee Indian Foods (Sukhi's Gourmet Indian)	311999	All Other Miscellaneous Food Manufacturing
San Francisco Pasta Co	311824	Dry Pasta Dough/Flour Mixes Mfg-Purchased Flour
Shasta Beverages Inc	312111	Soft Drink Manufacturing
Sugar Bowl Bakery	311811	Retail Bakeries
United Food International	311999	All Other Miscellaneous Food Manufacturing
Windsor Foods	311412	Frozen Specialty Food Manufacturing
Wing Nien Food	311999	All Other Miscellaneous Food Manufacturing

Source: ReferenceUSAGov, January 2015

3.2.5 Information Technology and Communications

Companies across all industries and market segments that effectively compete nationally and globally strive to generate, transmit and understand information quickly and efficiently. The equipment, software and services these firms use to meet those objectives are provided by firms in the Information Technology and Communications (IT) industry sector.

“The Information Technology sector produces the equipment, software and services all industries need to effectively compete in today’s global marketplace.”

Businesses in Hayward that fall within this sector specialize in the following activities:

- Computer and peripheral equipment manufacturing
- Electrical contracting
- Communications equipment manufacturing
- Semiconductor or related component manufacturing
- Automatic environmental control manufacturing
- Electrical equipment and component manufacturing
- Telecommunications
- Computer systems design and related services
- IT management consulting services
- Scientific research and development services

According to the ReferenceUSA database, there are approximately 535 IT sector establishments in the industrial corridor. Exhibit 3-12 illustrates the location of all IT establishments. Exhibit 3-13 identifies the sector’s major employers.

Exhibit 3-12: Information Technology and Communications Sector Establishments

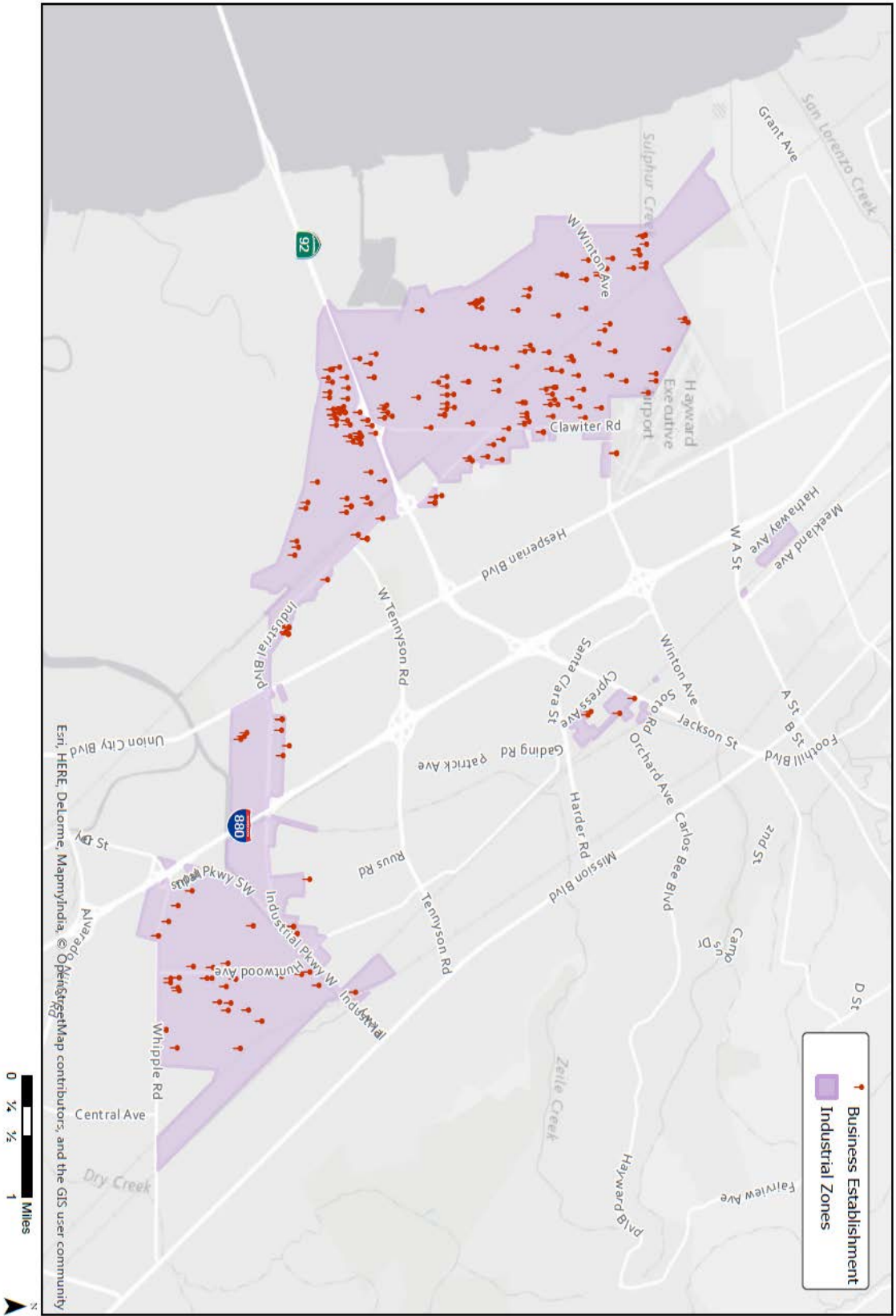


Exhibit 3-13: Information Technology and Communications Sector Major Employers

Company Name	NAICS	Description
Advance Carbon Products Inc	335991	Carbon & Graphite Product Manufacturing
Applied Photon Technology LLC	334419	Other Electronic Component Manufacturing
Cognex Corp	334111	Electronic Computer Manufacturing
Delphon Industries LLC	334413	Semiconductors & Related Devices Manufacturing
Grand Central Station	334290	Other Communications Equipment Manufacturing
Hayward Electric Co	238210	Electrical & Other Wiring Installation Construction
HSQ Technology Inc	541512	Computer Systems Design Services
Illumina	541711	Research & Development In Biotechnology
Intarcia Therapeutics Inc	541711	Research & Development In Biotechnology
Jupiter Systems	334111	Electronic Computer Manufacturing
KBL Associates	334512	Automatic Environmental Control Manufacturing
Kleinfelder	541711	Research & Development In Biotechnology
Marelich Mechanical	238210	Electrical Contractor & Other Wiring Installation Contractor
Microlease	334515	Electricity & Signal Testing Instruments
Pacific Gas & Electric Co	238210	Electrical Contractor& Other Wiring Installation Contractor
Pentagon Technologies	333318	Other Commercial & Service Industry Machinery Manufacturer
Prozyme	541711	Research & Development In Biotechnology
Siemens Building Tech	541618	Other Management Consulting Services
Solcom Inc	517919	All Other Telecommunications
Sound On Stage	334310	Audio & Video Equipment Manufacturing
Synergy Co.	334513	Industrial Process Variable Instruments
Therm-X Of California	334512	Automatic Environmental Control Manufacturing
Ultra Clean Holdings Inc	334413	Semiconductors & Related Devices Manufacturing
Ultrasil Corp	334413	Semiconductors & Related Devices Manufacturing
Wohler Technologies Inc	334310	Audio & Video Equipment Manufacturing

Source: ReferenceUSAGov, January 2015

3.2.6 Transportation and Logistics

The Transportation and Logistics sector involves the planning, management and movement of people, raw materials and goods by all modes and the related support services dealing with infrastructure, logistics, equipment, and facilities. In general, this sector includes three types of companies:

“Transportation and Logistics involves the planning, management and movement of people, raw materials and goods.”

1. Logistics service providers, such as transportation carriers, warehouses, forwarders, third party logistics companies, brokers and specialized consulting and IT operators;
2. Distributors and kitting companies; and
3. Logistics operations of industrial firms, such as the distribution operations of retailers or parts suppliers.

Hayward’s access to multiple highway and rail routes, proximity to the Port of Oakland, and inventory of over 36 million square feet of industrial space offers transportation and logistics businesses a competitive advantage. As a result, the industrial corridor is home to over 500 transportation and logistics businesses that employ an estimated 4,270 workers. A large portion of these establishments are single owner-operator trucking and towing businesses.

Exhibit 3-14 below illustrates establishment locations and Exhibit 3-15 identifies the largest employers in the transportation and logistics sector. The map shows that these establishments distributed throughout the industrial corridor.

Exhibit 3-14 Transportation and Logistics Sector Establishments

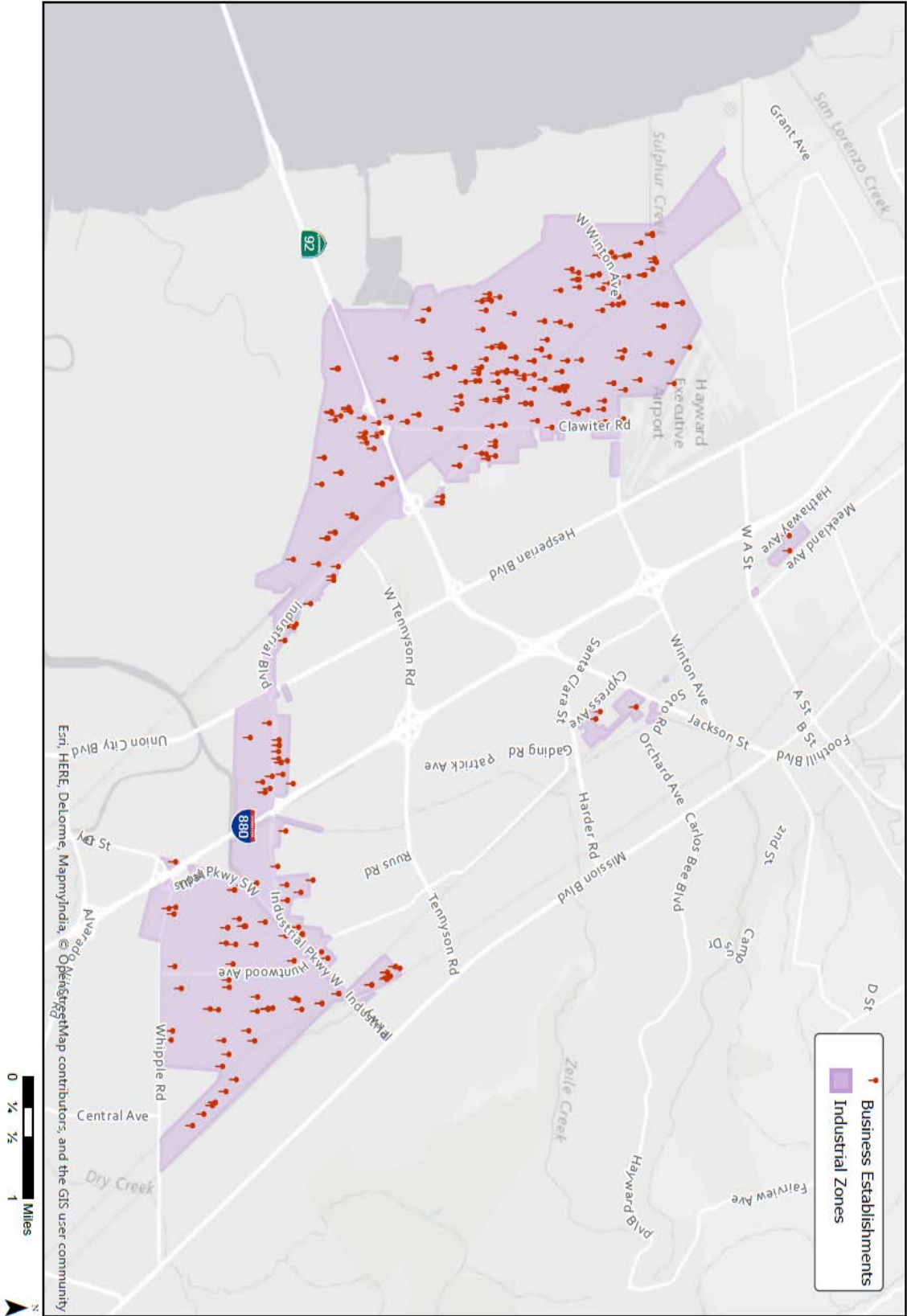


Exhibit 3-15: Transportation and Logistics Sector Major Employers

Company Name	NAICS	Description
AC Transit	488210	Support Activities For Rail Transportation
Angel Worldwide Transportation	485510	Charter Bus Industry
Brook Furniture Rental	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
Buffalo Distributions Svc	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
Central Freight Lines Inc	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
CEVA Logistics	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
Con-Way Freight	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
Daylight Transport LLC	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
Dynamex Inc	484110	General Freight Trucking, Local
Fedex Freight	484110	General Freight Trucking, Local
Golden Gate Air Freight	481112	Scheduled Freight Air Transportation
Hawaiian Express Svc Inc	488510	Freight Transportation Arrangement
Kuehne & Nagel	493110	General Warehousing & Storage
MAG Trucking	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
National Tank Services	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
Orion Logistics Inc	493130	Farm Product Warehousing & Storage
Orozco Transportation	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
Pilot Air Freight Corp.	481112	Scheduled Freight Air Transportation
RJR Transportation	488210	Support Activities For Rail Transportation
Road Star Trucking Inc	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
Servex Inc	493110	General Warehousing & Storage
T C Transportation Inc	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance
The MiGroup	484110	General Freight Trucking, Local
Tricor America Inc	481112	Scheduled Freight Air Transportation
YRC Freight	484230	Specialized Freight (Exc Used Gds) Trucking Long Distance

Source: ReferenceUSAGov, January 2015

3.3 Advanced Industries

This section defines the “Advanced Industries” sector and explores its existence in Hayward. This sector is comprised of over 50 different industries that involve heavy investment in technology innovation and employ skilled technical workers that develop and apply new technologies to enhance productivity. The advanced industries concept is gaining national focus due to recent studies about its importance and impact on the American economy and workforce.

“Advanced industries are the nation’s crown jewel industries because they prime the economy with income, knowledge and technology. In doing, so they generate employment, value and progress across the entire economy.” – The Brookings Institution.

In February 2015, the Brookings Institution (Brookings) published a study entitled, “America’s Advanced Industries – What They Are, Where They Are and Why They Matter.”⁸ This research asserts that advanced industries are an anchor for the U.S. economy and led post-recession employment recovery. The report states that, “In sum, advanced industries are the nation’s crown jewel industries because they prime the economy with income, knowledge and technology. In doing, so they generate employment, value and progress across the entire economy.”⁹

A discussion of the sector’s composition and economic impacts are provided detailed below. This discussion is followed by an evaluation of this sector’s prevalence in Hayward.

3.3.1 Defining Advanced Industries

Exhibit 3-16 identifies the 50 different industries that comprise the Advanced Industries sector. These businesses include manufacturing, energy and service companies. Brookings selected this group of industries because they invest more in research and development (R&D) and employ a disproportionate share of “STEM” workers than other sectors. STEM is the acronym of science, technology, engineering, and mathematics. Specifically, advanced industries spend more than \$450 per worker on research and development, which equates to the 80th percentile of spending activity of industries nationwide. Advanced industries also maintain a workforce where at least 21 percent of workers have STEM-knowledge intensive occupations (the U.S. average is 20 percent).

⁸ Brookings Institution, “America’s Advanced Industries – What They Are, Where They Are and Why They Matter” (February 2015)

<http://www.brookings.edu/research/reports2/2015/02/03-advanced-industries#/M10420> Last Accessed 2/19/15

⁹ Ibid. pg. 15

Exhibit 3-16: Brookings Institution Advanced Industries Definition¹⁰

The 50 Industries That Constitute the Advanced Industries Sector		
MANUFACTURING		ENERGY
Aerospace Products and Parts	Motor Vehicles	Electric Power Generation, Trans., and Distribution
Agr., Construction, and Mining Machinery	Navigation, Measurement, and Control Instruments	Metal Ore Mining
Aluminum Production and Processing	Other Chemical Products	Oil and Gas Extraction
Audio and Video Equipment	Other Electrical Equipment and Components	SERVICES
Basic Chemicals	Other General Purpose Machinery	Architecture and Engineering
Clay Products	Other Miscellaneous Manufacturing	Cable and Other Subscription Programming
Commercial and Service Industry Machinery	Other Nonmetallic Mineral Products	Computer Systems Design
Communications Equipment	Other Transportation Equipment	Data Processing and Hosting
Computers and Peripheral Equipment	Pesticides, Fertilizers, and Other Agr. Chemicals	Medical and Diagnostic Laboratories
Electric Lighting Equipment	Petroleum and Coal Products	Mgmt., Scientific, and Technical Consulting
Electrical Equipment	Pharmaceuticals and Medicine	Other Information Services
Engines, Turbines, and Power Trans. Equipment	Railroad Rolling Stock	Other Telecommunications
Foundries	Resins and Synthetic Rubbers, Fibers, and Filaments	Satellite Telecommunications
Household Appliances	Semiconductors and Other Electronic Components	Scientific Research and Development
Industrial Machinery	Ship and Boat Building	Software Publishers
Iron, Steel, and Ferroalloys	Medical Equipment and Supplies	Wireless Telecommunications Carriers
Motor Vehicle Bodies and Trailers	Reproducing Magnetic and Optical Media	
Motor Vehicle Parts		

Source: Brookings Institution, 2015

3.3.2 Economic Impact of Advanced Industries

Advanced Industries play a major role in economic development. The following summarizes key Brookings study findings in terms the sector's economic impacts and implications for workers:

- 1. Advanced Industries Generate a Large Share of GDP** - In 2013, over 12.3 million or nine percent of workers in the country worked in an advance industry business. These workers generated \$2.7 trillion in value-added products. This amounted to 17 percent of all U.S. gross domestic product (GDP) in 2013, which was more than any other sector including healthcare, finance or real estate.
- 2. Advance Industries Support Other Industry Sectors** – Advanced industry firms extensively support supply chains and other economic activity including purchasing an average of \$236,000 in goods and services from other businesses per worker annually compared to \$67,000 in purchasing in other sectors.

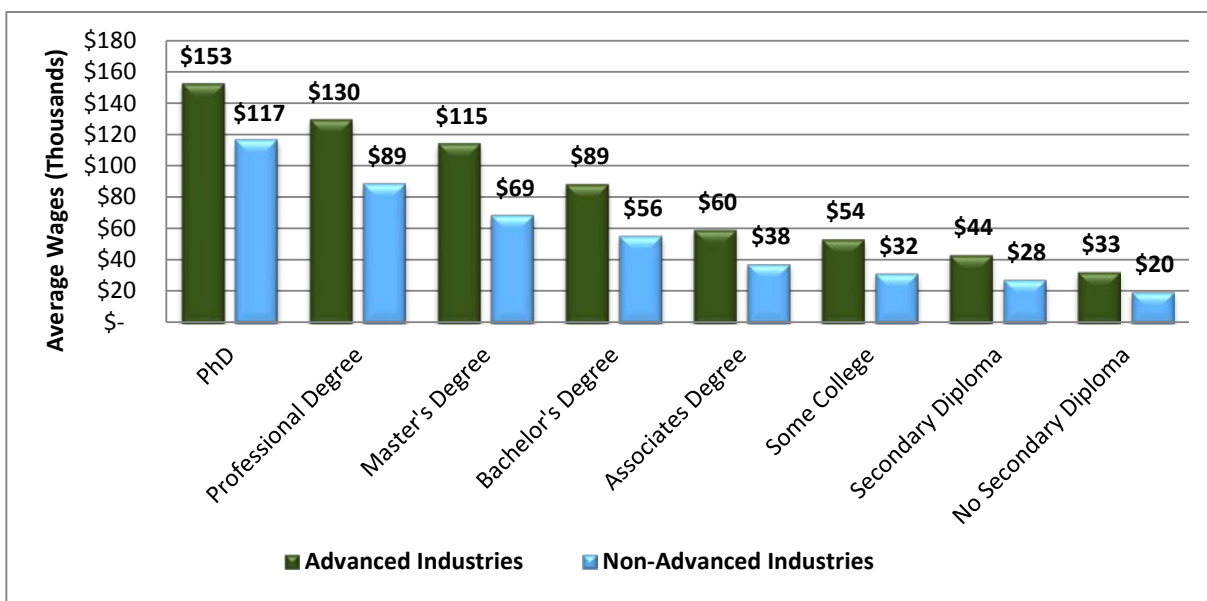
¹⁰ Brookings Institution, 2015, pg. 39

3. **Advance Industry Jobs Create Additional Jobs** - Advanced industry growth has a “multiplier” effect on the economy. For every new advanced industry job, 2.2 jobs are created; 0.8 jobs are created locally and 1.4 outside the region.
4. **Advanced Industries Pay Higher Wages** - As a result of the volume and value of the goods and services produced by the advanced industries sector, these employers pay higher wages than the rest of the economy. In 2013, the average advanced industries worker earned \$90,000 in total compensation, which includes wages and benefits.
5. **Advanced Industries Offer Workers with Lower Education Levels Economic Opportunities** – While, in general, advanced industry workers have higher education levels than those in other sectors, this sector offers significant economic opportunity for workers with lower educational levels.

While the correlation between higher education levels and higher wages remains clear, advance industries offer greater wages at every level of education compared to other industries. As shown in the exhibit below, on average a worker with an associates degree earns \$60,000 in the advanced industry sector compared to \$38,000 earned by peers outside the sector. In fact, an advanced industry worker with an associate degree can earn more than those with bachelor’s degrees in other industries.

“Advanced industries offer greater wages at every level of education compared to other industries nationwide.”

Exhibit 3-17: Comparison of Average Annual Wage by Education Level



Source: Reproduced using data from the Brookings Institution

Note that nationwide only half of the workers in the advanced industries sector hold less than a bachelor's degree. The study found that nine percent of advanced industry workers earned an associate degree. However, 47 percent possess no college degree. This group includes those that have attended some college and/or received a trade or technical certificate.

3.3.3 Hayward's Advanced Industries Sector

As shown in the exhibit below, the Brookings analysis found that the San Francisco-Oakland-Hayward metropolitan area ranks fifth in the nation for advanced industry share of total employment. Employment in the advance industries in the Bay area is concentrated in services and manufacturing sectors.

“The San Francisco-Oakland-Hayward metropolitan area ranks fifth in the nation for advanced industry share of total employment.”

Exhibit 3-18: Metropolitan Area Share of Advance Industry Employment

Rank (Intensity)	Metro Area	Advanced Industry Share of Total Area Employment (Intensity) (2013)	Advanced Industry Employ- ment (2013)	Share in Manufac- turing	Share in Services	Share in Energy
1	San Jose-Sunnyvale-Santa Clara, CA	30.0%	291,700	46.1%	53.8%	0.1%
2	Seattle-Tacoma-Bellevue, WA	18.0%	295,000	44.8%	54.8%	0.4%
3	Wichita, KS	15.5%	46,800	84.6%	12.8%	2.5%
4	Detroit-Warren-Dearborn, MI	14.8%	279,400	49.4%	48.7%	1.9%
5	San Francisco-Oakland-Hayward, CA	14.0%	297,200	23.2%	76.4%	0.4%
6	Washington-Arlington-Alexandria, DC-VA-MD-WV	13.7%	503,500	6.0%	92.6%	1.4%
7	Palm Bay-Melbourne-Titusville, FL	13.4%	26,800	62.5%	36.4%	1.1%
8	Boston-Cambridge-Newton, MA-NH	13.3%	338,900	30.7%	68.0%	1.3%
9	Houston-The Woodlands-Sugar Land, TX	12.8%	361,000	38.3%	42.3%	19.4%
10	San Diego-Carlsbad, CA	12.3%	176,300	37.2%	61.5%	1.3%
11	Austin-Round Rock, TX	12.1%	106,300	35.0%	62.6%	2.4%
12	Provo-Orem, UT	12.0%	25,100	32.5%	66.9%	0.6%
13	Raleigh, NC	11.7%	64,400	26.6%	72.2%	1.2%
14	Ogden-Clearfield, UT	11.3%	26,500	63.8%	35.4%	0.8%
15	Salt Lake City, UT	11.1%	71,800	40.7%	56.0%	3.4%
	United States	8.7%	12,284,000	44.4%	50.4%	5.2%

Source: Brookings Institution, 2015

This study identified over 1,000 Hayward businesses that fall within the advanced industries sector definition. Exhibit 3-19 below illustrates locations of these establishments. Exhibit 3-20 identifies the largest employers.

Exhibit 3-19: Advanced Industries Sector Establishments

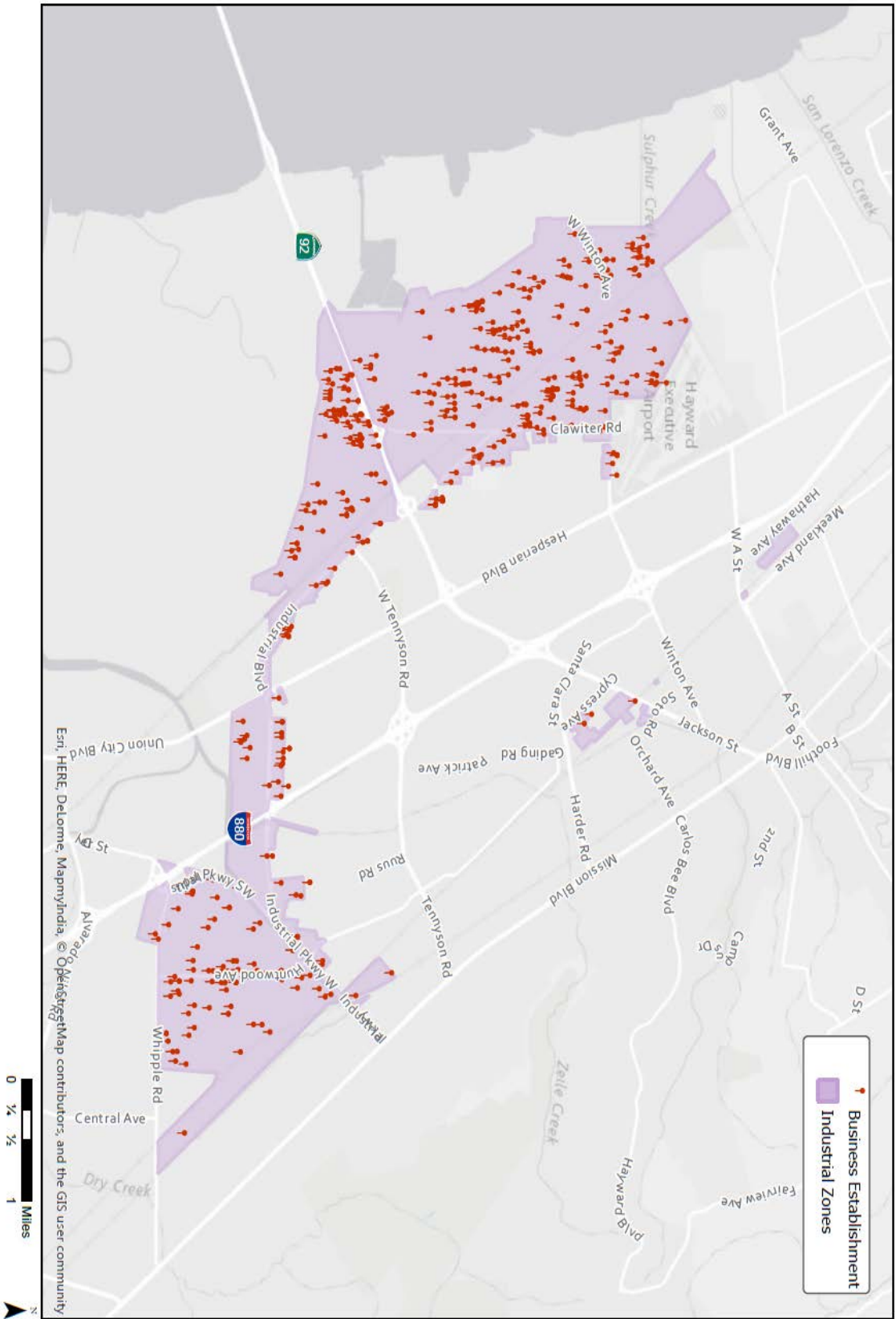


Exhibit 3-20: Advanced Industries Sector Major Employers

Company Name	NAICS	Description
Amedica Biotech Inc	339112	Surgical & Medical Instrument Manufacturing
ATA Retail Svc Inc	541613	Marketing Consulting Services
Baxter Bio Pharma	339112	Surgical & Medical Instrument Manufacturing
California Hydronics Corp	333911	Pump & Pumping Equipment Manufacturing
Coast Aluminum & Architectural	331523	Nonferrous Metal Die-Casting Foundries
Controlled Contamination Svc	541611	Administrative & General Mgmt Consulting Services
Davis Instruments	333111	Farm Machinery & Equipment Manufacturing
Delphon Industries LLC	334413	Semiconductors & Related Devices Manufacturing
DISH Network	515210	Cable & Other Subscription Programming
Du Pont EKC Technology Inc	325998	All Other Misc Chemical Product & Preparation Mfg
Forensic Analytical Consltng	541711	Research & Development In Biotechnology
GILLIG LLC	336111	Automobile Manufacturing
Heat & Control Inc	333241	Food Product Machinery Manufacturing
Illumina	541711	Research & Development In Biotechnology
Impax Laboratories Inc	325412	Pharmaceutical Preparation Manufacturing
Mendel Biotechnology	325411	Medicinal & Botanical Manufacturing
Microlease	334515	Electricity & Signal Testing Instruments
Millipore Corp	325414	Biological Product (Except Diagnostic) Mfg
Montague Co	333318	Other Commercial & Service Industry Machinery Mfg
Pacific Gas & Electric Co	211111	Crude Petroleum & Natural Gas Extraction
Pentagon Technologies	333318	Other Commercial & Service Industry Machinery Mfg
Plastikon Industries Inc	325211	Plastics Material & Resin Manufacturing
Siemens Building Tech	541618	Other Management Consulting Services
Solta Medical Inc	339112	Surgical & Medical Instrument Manufacturing
Ultra Clean Holdings Inc	334413	Semiconductors & Related Devices Manufacturing

Source: ReferenceUSAGov, January 2015

4. CONCLUSION & RECOMMENDATIONS

By using the most recent data available and the U.S. Economic Development Administration's methodology for grouping businesses into major industry sectors, this study provides a baseline profile of Hayward's Industrial Technology and Innovation Corridor. The following chapter summarizes key findings and outlines recommendations on how to apply this information to shape and further the City's economic development program.

4.1 Key Findings

In addition to the database of business establishments and employment data, this study produced the following findings:

1. **The City's industrial corridor is home to a mix of industrial businesses.** In general, the corridor consists of six major industry sectors:
 - Advanced Materials
 - Biotechnical, Biomedical and Life Sciences
 - Business and Financial Services
 - Food and Beverage Manufacturing
 - Information Technology and Communications
 - Transportation and Logistics
2. **Businesses in each sector are located throughout the industrial corridor.** There is no clear geographic cluster of similar businesses. This distribution is the result of Hayward's current and previous land use regulations, which allows a diverse mix of industrial uses to locate throughout the industrial corridor.
3. **Advanced Industries support workforce and business development.** Advanced industries employ and continue training of STEM workers. They also conduct more B2B purchasing than other industries nationwide. This investment in people and resources produces a higher-skilled labor force and supports growth of other businesses.
4. **Advanced Industries are employment generators.** These industries have a multiplier effect on the economy. For every new advanced industry job, 2.2 jobs are created; 0.8 jobs are created locally and 1.4 outside the region.
5. **The Advanced Industries sector offers significant economic opportunities for workers of all education levels.** While in general advanced industry works have higher education levels than those in other sectors, this sector offers significant economic opportunity for workers with lower educational levels. The national average for an advanced industry workers with an associate degree is \$60,000 compared to \$38,000 for workers in other sectors.

4.2 Recommendations

“Future changes to the Industrial Technology and Innovation Corridor are expected to include building and landscaping improvements, infill development, and the redevelopment of underutilized properties. The Corridor is expected to grow as an economic and employment center and evolve to achieve a healthy balance of traditional manufacturing and information and technology-based uses.”

– City of Hayward General Plan 2040¹¹

This study produced the information needed to develop strategic policies and programs that fulfill the General Plan’s vision for the industrial corridor and shape the activities established in the Economic Development Strategic Plan. The following details recommendations to apply the study’s findings.

4.2.1 Explore Land Use and Zoning Policies to Attract Advanced Industries

Creating an environment that attracts advanced industry firms requires the development of the type and size of facilities these operations seek. It is recommend the City support land use policies that encourage redevelopment and development of new “Class A” industrial spaces. These spaces include industrial facilities for light manufacturing and small to mid-sized “flex” space buildings used by laboratories and small urban collaboration/research operations.

Supporting increases in the supply of new facilities will help mitigate two barriers to entry into Hayward’s industrial corridor: 1) the lack of modern buildings and spaces, and 2) the time and materials cost associated with upgrading existing buildings to meet operation demands.

4.2.2 Develop the Infrastructure and Amenities that Attract Advanced Industries

Advanced industries use cutting-edge equipment, technology and processes to produce value-added goods and services. It is recommended that City invest in the infrastructure and amenities these firms seek during site selection.

Infrastructure, defined as the physical and organizational structures and facilities these firms need to operate, includes, but is not limited to:

- Broadband internet services (fiber);
- A Fire Department capable of addressing fire and hazardous material incidents;
- Multimodal transportation options that connect workers to the industrial corridor; and
- Wet and dry utilities including water, sewer, power, and gas.

Amenities are defined as the non-operational related features that are conducive to adding to the attractiveness and value of the industrial corridor. These include place-making elements and the retail,

¹¹ City of Hayward, General Plan 2040, July 2014, pg. 3-22

service and accessibility options that support the needs of advanced industries' workforce. Specifically, amenities may include:

- Business servicing retail and services
- Lodging and regional conference facilities
- Restaurants
- Childcare services
- Open space and trails
- Gateway markers, landscaping and place-making elements

4.2.3 Foster Industry Partnerships to Grow Major Industry Sectors

Collaboration among local businesses produces a sense of community and place, which supports business retention, expansion and attraction. It is recommended that the City apply this study's industrial business database and dedicate resources to encourage interaction between businesses. Key activities would include:

- Conducting outreach to targeted industry sectors to engage and develop relationships with new and existing businesses;
- Working closely with these business representatives to identify needs and goals; and
- Facilitating events or workshops to bring business leaders together to explore collaborative opportunities, transfer knowledge and craft solutions to common issues.

CONCLUSION

This report establishes a baseline profile of the Industrial Technology and Innovation Corridor to guide economic development activities and fulfill the General Plan's vision. It found a diverse base of industries, many of which are considered "Advanced Industries." Advanced Industries offer opportunities for Hayward's workforce and economy.

To achieve results, this information must drive the development of policies, programs, and partnerships that support business expansion, attraction and retention in this important sector.

Hayward Industrial District Regulations Update

February 28, 2017

SCOPE OF WORK

Phase 1: Project Kick-off, Background Research, and Outreach

This phase will involve background research to become familiar with Hayward's Industrial Technology and Innovation Corridor and targeted outreach to identify project challenges and opportunities.

Task 1.1: Project Kick-Off Meeting and Industrial Corridor Tour. The Consultant Team will plan and facilitate a kick-off meeting with City staff from the Development Services Department, Hayward Fire Department, Public Works – Engineering and Utilities, and Economic Development Division to discuss project goals and expectations; and identify issues, challenges, and opportunities associated with the project. The Consultant Team will tour the industrial areas with staff.

Task 1.1 Meeting

- Kick-off meeting and industrial area tour

Task 1.1 Deliverable

- Agenda, kick-off meeting notes, and photographs from tour

Task 1.2: Public Outreach Program. The Consultant Team will further develop and refine the public engagement strategy in an effort to educate, inform, and seek input on the zoning update. Community engagement will focus on the directly affected stakeholders including property owners, businesses, interest groups, civic decision-makers, and the community at-large. This effort will be designed to be effective in building a collaborative interest and obtaining consensus in the project given the diverse group of stakeholders that may have conflicting needs and expectations. Our goal is to design the public outreach program to engage the public in an interactive way, educate them on the purpose of this project, and create an effective strategy.

Task 1.2 Deliverable

- Public Outreach Program

Subtask 1.2a: Stakeholder Interviews. Prepare for and participate in two days of stakeholder interviews with brokers, realtors, real estate developers, design firms, contractors, property owners and business representatives that have experience working within Hayward's industrial areas and other industrial sub-markets of the Bay Area. The purpose of these meetings will be to listen to the issues, observations, and ideas of key persons regarding the strengths and weaknesses of the industrial area regulations, project challenges and opportunities, and permit process, and opportunities to improve these regulations and processes. Issues identified by stakeholders will be classified and sorted to identify common themes and shared concerns.

City staff will be responsible for identifying and coordinating interviews with stakeholders. Conducting interviews in small groups allows up to 35 stakeholders to participate in this process.

Task 1.2a Meetings

- Stakeholder Interviews

Task 1.2a Deliverable

- Stakeholder Interview Summary Report

Subtask 1.2b: Online Community Engagement. RRM will create and manage a project-specific website, consistent with the City's established branding guide and website format, that will link directly to the City's website. The project scope and schedule, frequently asked questions, upcoming public participation opportunities, and completed products will be placed on the project website as they are developed. The site will also host a comment feature and email list-serve sign-up so community members can be notified about upcoming meetings and new document availability.

If desired, the website will include an online survey. Although this is not proposed as a statistically-valid survey, it will provide a way to effectively gather data on a range of topics, such as preferences for locating businesses, ease of understanding and acquiring zoning and building permits, compatibility issues, and desires for certain amenities (e.g., lunch spots, gyms, child care services).

This task includes content updates and interactive features, such as the online survey described above. Topics, questions, and overall content will be submitted to, and approved by, the City prior to incorporation into the website.

Task 1.2b Deliverables

- Project website and content
- Survey result summary memo

Subtask 1.2c: Public Workshops. Public workshops at two key points during the project. Workshop #1 will be held early in the update process to present and discuss the major issues, highlight General Plan direction, distill key choices, and present the “big ideas” for consideration. Workshop #2 will be held when the draft regulations are formulated to get feedback on the draft regulations. Public workshops may be combined or replaced with City Council/Planning Commission Study Sessions that are open to the public.

Task 1.2c Meetings

- Two (2) Public Workshops

Task 1.2c Deliverables

- Meeting materials
- Workshop summary memo

Subtask 1.2d: Key Group and Decision-maker Briefings. It can be challenging to get industrial business tenants and owners, as well as the general public, to participate in community workshops. It is also imperative that there be periodic “check-ins” with decision-makers (who will ultimately adopt the regulations). The Consultant Team will provide staff with a “toolkit” of materials, based on workshop materials and project information developed for other aspects of the project, to conduct project briefings throughout the project. Staff will organize and conduct the briefings.

Task 1.2d Deliverables

- Project materials to assist staff with project briefings

Task 1.3: Technical Background Research. The Consultant Team will conduct background research and land use analysis to gain an understanding of the Industrial Technology and Innovation Corridor’s physical and regulatory strengths and weaknesses, including a comprehensive review of existing City policies and standards affecting industrial areas and an inventory of existing industrial businesses. Additionally, the Consultant Team will gather relevant industrial, technology, and business park zoning regulations from other cities (such as Emeryville, Berkeley, Oakland, Newark, Fremont and Union City) focusing on examples of lessons relevant to Hayward. This background research will provide the team with an understanding of the existing regulatory and industrial business landscape. Along with the outcomes of the community outreach process, our evaluation of this background research will culminate in an Industrial District Regulations Research and Recommendations Report with the following key components:

1. Existing Conditions – regulatory and policy framework, setting, and inventory of existing businesses.

2. Issues – what are the trends, unintended consequences, and incentives for various use types and what are the functional design needs of targeted industries?
3. Effectiveness – how do the purposes of the district and goals expressed in the General Plan align with outcomes, such as tenant mix, code complaints, and environmental impacts?
4. Options – recommendations for a zoning framework including standards and subdistricts to encourage business clusters, innovation districts, and aesthetically pleasing high quality design.
5. Impacts – consideration for impacts related to sea level rise, traffic and transportation, air quality, hazards and hazardous materials, and greenhouse gas emissions.

Prepare a draft Industrial District Regulations Research and Recommendations Report; revise, based on staff comments.

Task 1.3 Deliverable

- Industrial District Regulations Research and Recommendations Report

Task 1.4: Council Economic Development Committee Meeting. The Consultant Team will facilitate a meeting with the City Council Economic Development Committee to present and receive feedback on the key findings from the Technical Background Research, Regulatory Analysis and Initial Industrial Regulations Recommendations. The meeting will include an interactive discussion to brainstorm ideas to address challenges and opportunities related to recommendations.

Task 1.4 Meeting

- One (1) Council Economic Development Committee Meeting

Task 1.4 Deliverables

- Meeting materials
- Meeting summary memo

Phase 2: Updated Zoning Regulations

This phase involves preparation of comprehensive update to the City's Industrial District regulations based on the information gathered in Phase 1. It is envisioned that staff will work closely with the consultant team to develop the draft updated zoning regulations.

Task 2.1: Prepare Updated Industrial Zoning Regulations. Based on the comments received on the Industrial District Regulations Research and Recommendations Report, and using the existing industrial zoning sections of the Municipal Code (Section 1.1600: Industrial District; Section 1.1700: Business Park District; and Section 1.1800: Light Manufacturing, Planning/Research and Development District) and other general provisions, specific use

standards, and definitions related to the industrial uses as foundation, RRM will prepare a comprehensive update of the Industrial District Regulations.

- **Vision and Guiding Principles:** This section will include an overview of the City's Vision for the Industrial Technology and Innovation Corridor and a description of the Guiding Principles that will be used as a framework for developing the Industrial Regulations.
- **Industrial Sub-Districts or Overlay Zones and Map:** New sub-districts or overlay zones for the Industrial Technology and Innovation Corridor will be developed as needed to recognize different characteristics throughout the Corridor and encourage business clusters and the establishment of innovation districts. Areas adjacent to Industrial areas that should be rezoned to establish buffers between incompatible uses may also be identified.
- **Use Regulations:** Use regulations will be updated to allow a mix of employee-intensive uses (including office, corporate campuses, research and development, bio-sciences, "new economy" uses, and specialized manufacturing) and supporting uses (such as restaurants, cafes, exercise facilities, business services, business hotels, and on-site childcare services for employees) within the Industrial Technology and Innovation District based on the technical review and recommendations. A clear and concise land use classification system will be developed for each zoning district that clearly identifies uses that are allowed by right, uses subject to certain performance standards, and uses permitted with the approval of a discretionary Administrative Use Permit or Conditional Use Permit. Permit review requirements for each use will be evaluated to identify opportunities for allowing uses with a lower level of processing, such as more uses by right or through administrative approvals instead of a Conditional Use Permit. Use regulations will be presented in a table format according to permit type for ease of use, with cross-references to applicable standards in other sections. Incompatible uses will be precluded.
- **Development and Design Standards:** Development and design standards for each zoning district will be updated to be consistent with the General Plan (e.g., building envelope standards, height limitations, setback requirements, site coverage requirements, etc.) and implement recommendations from the Industrial District Regulations Research and Recommendations Report. This includes, but is not limited to, the following:
 - Graphically illustrated development and design standards to comply with the industrial design strategies listed in Policy LU-6.7 of the Hayward 2040 General Plan and achieve high quality design, including welcoming frontages and smooth transitions into neighboring context. Development and design standards will address topics such as:
 - Building design and articulation, including four-sided architecture

- Frontage and parking lot landscaping and shading
- Storage, loading, shipping, and receiving area design, location, and screening
- Mechanical equipment location and screening
- Coordinated signage
- Lighting and illumination
- Pedestrian walkways and connectivity
- Buffer treatments to address compatibility
- Opportunities for Green Infrastructure
- Landscaping standards proportional to the size and scope of the project (such as requirements that vary for projects involving minor tenant improvements, building additions, and new construction)
- Updated parking regulations and requirements for uses within the industrial zones
- Performance standards to address issues that are associated with specific uses and to ensure predictable results
- Provisions to address flooding risks associated with rising sea levels
- Clear permit requirements and approval processes for land uses that involve the use, storage, and/or transportation of hazardous materials

The Industrial District Regulations will be organized and formatted to be easy to use and understand, clearly written to avoid ambiguity and jargon, illustrated to convey expectations and clarify intent, and include cross references to other applicable sections of the Zoning Ordinance and other applicable sections of the Municipal Code.

Task 2.1 Deliverables

- Draft Industrial District Regulations and Map

Task 2.2: Internal Coordination Meetings. As the updated regulations are being prepared during Task 2.1, the Consultant Team will meet and coordinate with City staff including but not limited to Economic Development, Development Services, Fire Department and Public Works staff.

Task 2.2 Meetings

- Internal Coordination Meetings (up to 2 in-person conference calls, as needed)

Task 2.2 Deliverables

- Meeting Materials

- Meeting Summary Memo

Task 2.3: Council Economic Development Committee Meeting. The Consultant Team will facilitate a meeting with the City Council Economic Development Committee to present and discuss the Draft Regulations.

Task 2.3 Meeting

- One (1) Council Economic Development Committee Meeting

Task 2.3 Deliverables

- Meeting materials
- Meeting summary memo

Task 2.4: Planning Commission/City Council Study Sessions. The Consultant Team will attend up to two Planning Commission/City Council sessions conducted by City staff to understand the comments provided by the Planning Commission, City Council, and members of the public.

Task 2.4 Meetings

- Planning Commission/City Council Study Sessions (2)

Task 2.4 Deliverable

- Study session comment summary memo

Task 2.5: Public Review Draft Industrial Regulations. The Consultant Team will revise the Draft Industrial Regulations based on comments and direction received from staff, public outreach, Council Economic Development Committee and study sessions with the Planning Commission and Council Study Sessions.

Task 2.5 Deliverable

- Public Review Draft Industrial District Regulations and Map

Phase 3: Environmental Review

This phase will involve the preparation of an Addendum to the General Plan EIR for the proposed project. The scope assumes that the Industrial District Regulations will be an implementation tool of and will be consistent with the recently adopted General Plan. Still, this scope conservatively assumes preparation of an Addendum to the General Plan EIR. In accordance with Section 15164 of the CEQA Guidelines, a lead agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of

the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred. The scope for the EIR Addendum assumes the Industrial District Regulations Update will result in some changes or additions to the EIR, but will not change buildout characteristics in a manner that results in new significant impacts or an increase in the severity of a previously identified impact.

Task 3.1 Environmental Review Scoping. Following preparation of the draft regulations, Lexington Planning will meet with the Consultant team and City staff to confirm the environmental review strategy and timeline. Lexington Planning will review the draft regulations and the 2040 General Plan Environmental Impact Report (EIR) and identify any inconsistencies or additional analyses required. If no changes are necessary, then a negative declaration may be the appropriate CEQA documentation and the budget estimate could be reduced.

If at any time, the need for a Supplemental or Subsequent EIR is potentially triggered due to a significant impact that was not discussed in the previous EIR or any other reason, our team will consult with City staff immediately. If a Supplemental or Subsequent EIR is ultimately determined to be necessary, the contingency scope, cost, and schedule for preparation of a Supplemental or Subsequent EIR included in Attachment I to this Scope of Work will be utilized.

Task 3.1 Deliverable

- Memo confirming environmental review strategy

Task 3.2 Environmental Review Documentation. California Environmental Quality Act (CEQA) compliance documentation will be prepared to address potential environmental impacts of the industrial district regulations. Lexington Planning will prepare an Administrative Draft Addendum to the EIR that covers the following topics:

- **CEQA Framework:** This section will introduce the Industrial District Regulations and - supported by substantial evidence - describe why a subsequent EIR is not needed.
- **Project Information:** Based on project description information provided by RRM, Lexington Planning will prepare an overview of the project and its relationship to the General Plan.
- **Environmental Analysis:** Lexington Planning will evaluate each of the topic areas analyzed in the 2040 General Plan EIR, with assistance from the consultant team, to determine whether the project could result in adverse impacts not previously analyzed in the 2040 General Plan EIR. Although all topics will be analyzed, the primary focus is likely to be on: Air Quality, Greenhouse Gas Emissions, Noise, Hazards and Hazardous Materials, Geology and Soils, Hydrology and Water Quality, and Traffic and Transportation. This scope of work assumes that the technical studies completed for the 2040 General Plan EIR will be used as a basis for analysis of each topic area; no additional

technical studies are included as part of this scope of work. Additional technical analyses are included as part of this scope of work.

Based on comments provided by the City, Lexington Planning will prepare the EIR Addendum. The Addendum is not required to be circulated for public review but can be included with public hearing documents when the regulations undergo review by decision makers. The Addendum would be considered, along with the previous EIR, before decision-makers consider adopting the regulations. This scope of work assumes that City staff will prepare any public noticing for the Addendum.

Task 3.2 Deliverable

- EIR Addendum

(Alternative) Task 3.2 Environmental Review Documentation. See Attachment 1 to this Scope of Services for additional information. A Subsequent or Supplemental EIR to the General Plan EIR may be warranted if major revisions to the General Plan EIR are slated as part of the project. Topic areas may include one or more of the following: Air Quality, Greenhouse Gas Emissions, Noise, Hazards and Hazardous Materials, Geology and Soils, Hydrology and Water Quality, and/or Traffic and Transportation. Attachment 1 to this Scope of Work includes a contingency scope, cost and schedule for preparation of a Supplemental/Subsequent EIR.

Phase 4: Industrial District Regulations Approval

Phase 4 involves the public hearing process to approve and finalize the comprehensive update to the Industrial District Regulations.

Task 4.1: Public Hearings. The Consultant Team will attend one Planning Commission hearing and one City Council hearing for the approval of the Industrial Regulations and certification of the environmental document. City staff will prepare and present the staff report at the hearings, and the Consultant Team will be available to answer potential questions.

Task 4.1 Meetings

- One (1) Planning Commission hearing
- One (1) City Council hearing

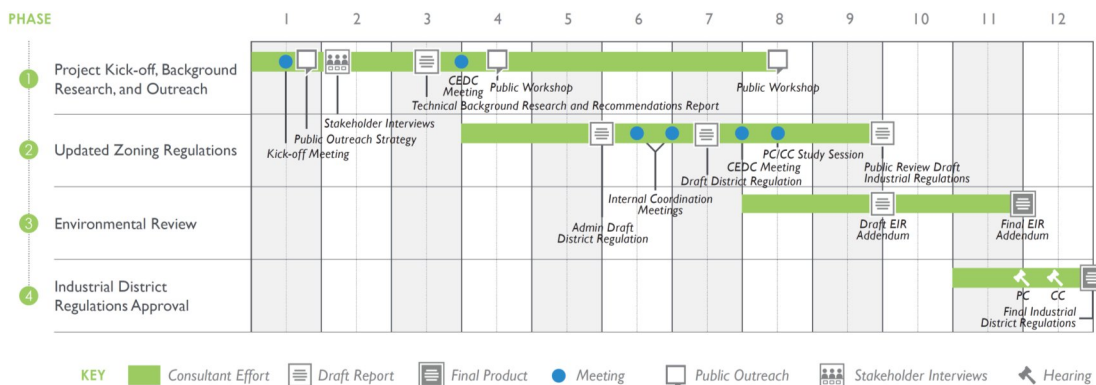
Task 4.2: Final Industrial District Regulations. The Consultant Team will prepare the final set of Industrial District regulations based on the final approval by the City Council.

Task 4.2 Deliverable

- Final Industrial Regulations

Project Timeline

A proposed schedule is presented below, with key milestones and meetings indicated throughout. We have proposed a 12-month timeframe with work commencing in April 2017 and concluding in April 2018. This schedule is preliminary; we are happy to work with you to refine the scope and schedule to best fit the City's needs.



Budget

The table on the following page explains the project budget. The budget includes all personnel, meeting, direct costs, and delivery of products identified in the Scope of Work.

Our budget is based on the following assumptions:

- A. City Codes and Related Documents. The City will provide readable/editable (e.g. MSWord) files of the current zoning regulations and any un-codified ordinances related to the Industrial Districts. Costs of scanning or digitizing existing regulations are not included in the project budget.
- B. Land Use Diagram and Existing Zoning. The City can provide digital data for a base map, existing land use (generalized), existing zoning, and the General Plan Land Use in compatible GIS format.
- C. Meeting Attendance. The project budget includes attendance at meetings specifically identified in the Scope of Work. The costs of additional meeting attendance would be on a time and materials basis if requested; such costs are not included within the guaranteed maximum fee. City staff is responsible for meeting/event logistics, notification, microphones, refreshments, and advertisement.
- D. Consolidated Comments and Direction. City staff will provide a single set of consolidated non-contradictory comments on the drafts of all documents.
- E. Printing. We will provide the City with digital files of documents in an editable electronic format and Adobe PDF formats. Graphics will also be provided as jpg. The City will be responsible for printing and any mailing of hard copies of reports, and other material.
- F. Travel Expenses, Mailing Costs, and Other Direct Costs. The budget includes direct costs related to the project, including travel expenses, mailing costs, in-house printing costs, and other similar reimbursable expenses. Such items will be itemized on billing statements.

Attachment 1

Hayward Industrial District Regulations Update

March 2, 2017

SCOPE OF WORK

Alternative Task 3.2 Environmental Review Documentation (Supplemental EIR). If substantial changes are proposed by the Industrial District Regulations, which would require revisions to the General Plan and/or General Plan EIR, Lexington Planning would coordinate preparation of a Supplemental EIR (in lieu of the EIR Addendum in Task 3.2). Depending on the nature of these changes, this task may include coordination of additional sub-consultants to prepare technical studies for relevant topics, which may include, but not be limited to: Air Quality, Greenhouse Gas Emissions, Noise, Hazards and Hazardous Materials, and/or Traffic and Transportation. The Supplemental EIR would focus only on those topics for which substantial changes are proposed in the project, where circumstances have changed, or where new information not previously known reveals potential significant effects or alters potential mitigation measures.

A rough budget is provided to prepare one or more technical studies; a detailed budget would be provided once the specific technical studies required are determined. This scope of work assumes that City staff will prepare any public noticing for the Supplemental EIR, and would prepare any necessary General Plan amendments. Lexington Planning will attend two public hearings on the Supplemental EIR.

Task 3.2b Deliverable

- Supplemental EIR

TIMELINE

A proposed schedule is presented below, with key milestones and meetings indicated throughout. We have proposed a 12-month timeframe with work commencing in April 2017 and concluding in April 2018. If a Supplemental EIR is necessary, an additional 6 months may be required, bringing the total project timeframe to 18 months. Therefore, assuming work commences April 2017, project conclusion would occur October 2018.

BUDGET

The total budget for Alternative Task 3.2, including all personnel, meeting, direct costs, and delivery of products identified in the Scope of Work, is \$55,940. This includes preparation of the Supplemental EIR, technical studies as determined necessary, and attendance at two public hearings. The nature and scope of necessary technical studies are unknown at this time. Budget details for each technical study will be provided once the specific technical studies required are determined.

Hayward Industrial District Regulations Update Detailed Fee Schedule

PHASE 1: PROJECT KICK-OFF, BACKGROUND RESEARCH, & OUTREACH			Fee (T&M/NTE)
1.1	Project Kick-Off Meeting and Industrial Corridor Tour	\$	4,910
1.2	Public Outreach Strategy and Initial Outreach	\$	1,840
1.2a	Targeted Industrial Outreach	\$	12,290
1.2b	Online Community Engagement	\$	14,560
1.2c	Public Workshop(s)	\$	11,380
1.3	Technical Background Research	\$	36,840
1.4	Council Economic Development Committee Meeting	\$	2,640
			\$ 84,460

PHASE 2: UPDATED ZONING REGULATIONS			Fee (T&M/NTE)
2.1	Prepare Updated Industrial Zoning Regulations	\$	30,720
2.2	Internal Coordination Meetings	\$	4,290
2.3	Council Economic Development Committee Meeting	\$	2,640
2.4	Planning Commission/City Council Study Sessions	\$	5,160
2.5	Public Review Draft Industrial Regulations	\$	6,340
			\$ 49,150

PHASE 3: ENVIRONMENTAL REVIEW			Fee (T&M/NTE)
3.1	Environmental Review Scoping	\$	4,140
3.2	Environmental Review Documentation	\$	7,620
			\$ 11,760

PHASE 4: INDUSTRIAL DISTRICT REGULATIONS APPROVAL			Fee (T&M/NTE)
4.1	Public Hearings	\$	5,820
4.2	Final Industrial District Regulations	\$	7,330
			\$ 13,150

Project Subtotal		\$	158,520
Reimbursable Expenses		\$	2,425
Subconsultant Markup (10%)		\$	3,567
ESTIMATED PROJECT TOTAL		\$	164,512

RRM	JAMI WILLIAMS	RRM	MARTHA MILLER	RRM	MATT OTTOSON	RRM	MIKAELA VOURNAS	RRM	SCOTT MARTIN	LP	JEAN EISEBERG
Principal-in-Charge		Project Manager		Associate Planner		Assistant Planner		Consulting Architect		Lexington Planning Consultant	
175 \$ per hour		165 \$ per hour		95 \$ per hour		75 \$ per hour		135 \$ per hour		lump sum	
8	\$1,400	16	\$2,640	0	\$0	0	\$0	0	\$0	\$870	
0	\$0	4	\$660	0	\$0	8	\$600	0	\$0	\$580	
0	\$0	32	\$5,280	0	\$0	20	\$1,500	0	\$0	\$5,510	
0	\$0	24	\$3,960	56	\$5,320	24	\$1,800	0	\$0	\$3,480	
0	\$0	24	\$3,960	16	\$1,520	40	\$3,000	0	\$0	\$2,900	
16	\$2,800	80	\$13,200	24	\$2,280	64	\$4,800	16	\$2,160	\$11,600	
0	\$0	16	\$2,640	0	\$0	0	\$0	0	\$0	\$0	

8	\$1,400	120	\$19,800	32	\$3,040	72	\$5,400	8	\$1,080	\$0	
0	\$0	16	\$2,640	8	\$760	8	\$600	0	\$0	\$290	
0	\$0	16	\$2,640	0	\$0	0	\$0	0	\$0	\$0	
0	\$0	24	\$3,960	0	\$0	16	\$1,200	0	\$0	\$0	
0	\$0	16	\$2,640	8	\$760	32	\$2,400	4	\$540	\$0	

0	\$0	4	\$660	0	\$0	0	\$0	0	\$0	\$3,480	
0	\$0	4	\$660	0	\$0	0	\$0	0	\$0	\$6,960	

0	\$0	28	\$4,620	0	\$0	16	\$1,200	0	\$0	\$0	
0	\$0	24	\$3,960	8	\$760	24	\$1,800	6	\$810	\$0	

Fee Footnote

Estimated fees for tasks shown as "Time and Materials - Not to Exceed" (T&M/NTE) are provided for informational purposes only. Amounts billed for these tasks, which will reflect actual hours, will not be exceeded without prior approval by the client.

Reimbursable Expenses

Incidental expenses incurred by RRM Design Group or any subconsultant it may hire to perform services for this project are reimbursed by the client at actual cost plus 10% to cover its overhead and administrative expenses.

Adjustment to Hourly Billing Rates

RRM reserves the right to adjust hourly rates on an annual basis.



COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

MEETING MINUTES – March 2, 2015

CALL TO ORDER: Mayor Halliday called the regular meeting to order at 4:02 p.m.

ATTENDANCE:

Committee Member	Present 3/2/15	All Meetings Year to Date		Meetings Mandated By Resolution	
		Present	Absent	Present	Absent
Michael Ly	✓	6	0	5	0
Didacus-Jeff Joseph Ramos	✓	6	0	5	0
Navneet Ratti	✓	5	1	4	1
Anjanette Scott	✓	5	1	4	1
Mayor Halliday (Chair)	✓	6	0	5	0
Council Member Jones	✓	6	0	5	0
Council Member Mendall	✓	6	0	5	0

OTHERS IN ATTENDANCE:

Fran David, City Manager; Micah Hinkle, Economic Development Manager; Paul Nguyen, Economic Development Specialist; Ramona Thomas, Economic Development Specialist; Frank Holland, Community & Media Relations Officer; Hayward Chamber of Commerce President Kim Huggett; and Suzanne Philis, Senior Secretary

PUBLIC COMMENTS

None

1. STATUS OF ECONOMIC DEVELOPMENT STRATEGIC PLAN UPDATE

Economic Development Manager Hinkle introduced the item noting Community & Media Relations Officer Holland would address Marketing & Branding, Economic Development Specialist Thomas, Retail, and Economic Development Specialist Nguyen, the Industrial Corridor.

Community & Media Relations Officer Holland explained that after compiling questionnaire responses,

feedback from stakeholder workshops and one-on-one interviews, and an online survey that received 1750 responses, the brand assessment and marketing platform were complete. He said the findings revealed commonalities in what participants associated with Hayward including its strategic location and that it was still a place of opportunity. Respondents also noted there were “unexpected gems” such as the Japanese Gardens and beautiful hiking trails, and signature restaurants like Buffalo Bill’s. Feedback regarding negative associations with Hayward showed that most were based on perception rather than actual experience, he said.

Mr. Holland explained that the goal was to position Hayward as a leader of mid-sized cities nationwide by promoting the city as a partner for businesses with emphasis on the Economic Development team’s new Business Concierge program that assists businesses either expanding or relocating here. Next steps include using baseline data and information to tell Hayward’s story, taking this information on a roadshow to potential businesses, and providing regular economic updates on the City’s website in the form of newsletters, success stories, and video clips.

Member Scott asked if Economic Development team members would meet with potential businesses once data was gathered and the marketing message clear. Mr. Holland said absolutely, and Economic Development Manager Hinkle added team members were already meeting with businesses, but would more aggressively pursue and target new businesses once marketing materials were finalized.

Member Ratti agreed with the positive findings but questioned how negative perceptions of Hayward could be changed. Community & Media Relations Officer Holland explained that changing perceptions was the purpose of rebranding efforts and explained that a strong marketing program could help refocus perceptions on the positive.

Member Ramos congratulated Mr. Holland on a recent TV news feature and mentioned the City’s mural tours were also a big attraction.

Mayor Halliday mentioned new visual elements had already been introduced and she asked Mr. Holland to forward members the selected logos. She said it was important to focus on the positive and favored working with other local agencies to showcase everything Hayward had to offer.

Regarding the retail goals of the Strategic Plan, ED Manager Hinkle said staff was focusing on busting myths with facts rather than anecdotal information and outlining why Hayward had some of the best opportunities for business.

Economic Development Specialist Thomas provided snapshots for major retail corridors that included anchor tenants and surrounding demographic information. She noted that the only Class A retail in Hayward was located on Hesperian at A Street. She said future efforts would focus on keeping workers, driving to Hayward from other communities, here to dine and shop.

Economic Development Manager Hinkle pointed out that because retail vacancies were so scarce, efforts would have to focus on redeveloping existing space. He pointed out that the older areas of retail in Hayward were performing well and only two blocks on B Street were underperforming.

ED Specialist Thomas commented that new residential projects will raise income levels and demand for goods and services. That demand, she said, would help attract new retail.

Mayor Halliday questioned the income levels reflected on the Tennyson corridor snapshot and ED

Specialist Thomas explained the demographic radius included some housing in Union City.

Council Member Mendall was surprised that Tennyson was the highest performing retail corridor and said he needed to adjust his thinking to match the numbers. He also requested that the South Mission Corridor be renamed to Fairway Park. He questioned why fast food restaurants were labeled as anchor tenants.

Council Member Mendall requested aggregate sales tax numbers generated for each corridor. Regarding the overall 2.5% vacancy rate for retail, he commented that it was a false statement to say retail was difficult to fill and developers should know that newer shopping centers filled immediately.

Council Member Jones expressed a desire to see distance-to-transit included on the corridor snapshots and asked who was being targeted with the information. ED Manager Hinkle explained for right now the information was for ED team members to outline opportunities. Council Member Jones emphasized the need for more Class A retail space and also noted restaurant space was consistently snapped up.

Member Scott asked how Hayward's \$2 price per retail square foot compared to neighboring cities. ED Manager Hinkle explained that Hayward was targeting \$2.50 per square foot, but still needed to develop a target market and one challenge was how spread out retail was throughout the City.

Council Member Mendall said he thought having retail around the perimeter of the City was an advantage to pull people in from surrounding communities. ED Manager Hinkle said existing retail centers were limited in size and draw, but noted the biggest opportunity site was in south Hayward along 880 due to its high visibility, traffic counts and size of parcels.

Member Scott asked where the City could locate retail to keep students and workers in town to do their dining and shopping. ED Manager Hinkle said potential retailers should take advantage of the larger parcels in South Hayward especially with a grocery store anchor.

Member Ramos suggested mixed-use developments to locate residents right above their needed retail.

Member Ly asked if older retail spaces should be torn down and who would do it. ED Manager Hinkle said property owners would have to be proactive about replacing old buildings and he noted with new mixed-use projects coming into downtown, demographics would improve and associated costs would be balanced.

Member Ly commented that Hayward needed five more restaurants like Buffalo Bill's and asked if staff would wait or target potential establishments. ED Manager Hinkle said staff would target potential restaurants, but needed to identify locations first. He emphasized that staff would also target quality operators for food options not already available in Hayward.

Mayor Halliday mentioned that in its day, the Community Improvement Committee had shopping center owners as members who would talk about the future direction Hayward should take. She suggested outreaching to current shopping center owners in order to gauge development interest. She commented that downtown Hayward was frustrating because the buildings were old, the owners were not making improvements, and the City didn't have any tools to require them to fill vacancies.

City Manager David confirmed that unless a building had safety issues, the City didn't have any tools or financial incentives to compel owners to make improvements.

Moving on to the Industrial Corridor, Economic Development Specialist Nguyen gave a presentation that outlined baseline employment numbers by business sector in the industrial area.

Member Ramos commented that certain industries generate higher paying jobs and said Hayward should aim for those. He also said the City should work to create entry points for potential workers and incubator space for potential start-ups.

Council Member Mendall said to attract businesses that fall under the Advanced Industries sector the City needed to adapt zoning policies to support those uses and invest in high-speed internet fiber to create a foundation for innovation.

Council Member Jones commented that the data in the presentation gave context to the industrial zone and agreed that the City needed to support the infrastructure that would bring industries to Hayward. He said the City needed to be ready by creating the environment and having the amenities that tech industry employees wanted. He noted that the Advanced Industries provided high paying jobs without requiring advanced degrees.

Member Ly pointed out that he only knew five other food manufacturers out of the 106 identified in the report and suggested reaching out to the different sectors to find out what they needed as a group.

Member Ramos asked Member Ly how he met the other manufacturers and Member Ly said at networking events such as the Chamber of Commerce's monthly meetings. Members discussed how CEOs could be galvanized to serve as executive champions by industry sector.

Member Scott asked about supply chains for the different industries and Member Ly said for food manufacturing, he bought local if he could, but frequently had to go outside of the City for competitive pricing and service. ED Specialist Nguyen said suppliers were usually regional. Member Ly emphasized that the more involved he became with the community, the more he wanted to give to the community.

Economic Development Manager Hinkle said now that staff had identified top employers by sector, the ED Team could spread the word and create business-to-business connections.

Council Member Mendall asked about staff's Next Steps. ED Manager Hinkle explained that staff would present the same report to Council and then use the information to determine zoning decisions, adjust regulations, and impact decisions moving forward. He also mentioned that next steps would tie in with the marketing materials previously mentioned by Media Relations Officer Holland.

Mayor Halliday asked if any progress had been made with the high-speed fiber infrastructure. ED Manager Hinkle said the situation was ever-changing and progress was slow. City Manager David said the City will have to make investments to make it happen and where and how much was the question. ED Manager Hinkle pointed out that now the City knows where to target its efforts.

Mayor Halliday suggested looking at financing tools at the State and Federal level.

2. 2014 SHOP HAYWARD CAMPAIGN

Economic Development Specialist Thomas gave a presentation outlining participation by both shoppers and businesses



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Resolution 15-041, “Resolution Awarding Contract to Ghilotti Construction Company, for the Construction of New Highland 1530 Water Reservoir Project, Project No. 07184”

WORK SESSION

10. Industrial Corridor/Baseline Industrial Profile

Staff report submitted by Economic Development Manager Hinkle and Economic Development Specialist Nguyen, dated March 17, 2015, was filed.

Economic Development Manager Hinkle announced the report and introduced Economic Development Specialist Nguyen who provided a synopsis of the report.

There was general Council consensus that developing the infrastructure and amenities will attract advanced industries and fostering partnerships will grow industry sectors. Council members offered the following suggestions: encourage development of new “Class A” industrial spaces; collaborate with colleges, schools, Eden Area Regional Occupational Program (ROP), and employment programs to foster partnerships; expand the shuttle service study to include Chabot College and Southland Mall; integrate the industrial technology and innovation corridor with branding efforts and create a “crescent”; utilize close amenities such as the airport; add police safety to the infrastructure; expand multimodal transportation access, craft policy decisions that retain current businesses and support expansion efforts.

LEGISLATIVE BUSINESS

11. FY 2015 Mid-Year Budget Review & General Fund Ten-Year Plan Update

Staff report submitted by Director of Finance Vesely and Financial Analyst Barton, dated March 17, 2015, was filed.

Finance Director Vesely provided a synopsis of the report.

Discussion ensued among Council members and City staff related to: the role of the Council Budget and Finance Committee during the mid-year budget review; Enterprise Funds; Ending Fund Balance; Measure C Funds and service level enhancement; debt service for Water Fund; Property Tax; retirement (CalPERS) related to Hayward Police Officers’ Association (HPOA); Economic Development Fund; Fire Station #7 and Health Firehouse Clinic; adjustments to the “Triple Flip” component; using savings in interest to pay the debt service at the end of the 20-year term; use of reserves; General Fund revenues and expenditures gap; reimbursement for Police Department

mutual aid; Retiree Medical (OPEB); threshold for Property Transfer Tax; revenue projections and recession; Utility Users Tax; and budget calendar.

There being no public comments, Mayor Halliday opened and closed the public hearing at 9:58 p.m.

Council Member Lamnin offered a motion to amend the City of Hayward Operating and Capital Improvement Budgets for Fiscal Year 2015 with the exception of the additional eight non-Measure C positions. Ms. Lamnin expressed concern that the positions were not considered during the regular budget process.

Council Member Zermeño seconded the motion.

Discussion ensued regarding the proposed staffing changes.

Council Member Zermeño withdrew his second and the motion died for lack of a second.

Council Member Mendall offered a motion per staff recommendation. Council Member Peixoto seconded the motion.

Council Member Márquez supported the motion and acknowledged Council Member Lamnin's concern. Ms. Márquez encouraged that moving forward there be a Work Session or that proposed list of positions be presented to the Council Budget and Finance Committee prior to presentation to the Council.

Mayor Halliday concurred with comments made by Council Member Márquez and acknowledged Council Member Lamnin's concern.

It was moved by Council Member Mendall, seconded by Council Member Peixoto, and carried with Council Member Lamnin voting no, to adopt the following:

Resolution 15-042, "Resolution Amending Resolution 14-097, as Amended, the Budget Resolution for the City of Hayward Operating Budget for Fiscal Year 2015, Relating to an Appropriation of Funds"

INFORMATION ITEMS

12. Supplemental information regarding Community Benefits Districts

A written report was provided.

CITY MANAGER'S COMMENTS

City Manager David spoke about three events: City of Hayward Job Fair on March 7, 2015; Hayward Honors Women on March 26, 2015 at City Hall; and a Student Poetry Contest on "What My New Library Will Mean to Me" organized by the Friends of the Library.



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COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Zermeño announced the César E. Chávez Day of Service & Learning celebration on March 21, 2015, starting at Cesar Chavez Middle School at 8:30 a.m., and continues at the Hayward Public Library at 11:30 a.m.

Mayor Halliday shared that Council Member Márquez was replacing Mayor Halliday as the City's representative to the Alameda County Mosquito Abatement District Board of Trustees. Mayor Halliday reported that a dead bird with West Nile virus was found in Fremont and urged everyone to report dead birds or any unusual activity to the Alameda County Mosquito Abatement District and to eliminate any standing water from properties.

ADJOURNMENT

Mayor Halliday adjourned the meeting at 10:19 p.m.

APPROVED:

Barbara Halliday
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward



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**MINUTES OF THE REGULAR MEETING OF THE
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MEETING

A regular meeting of the Hayward Planning Commission was called to order at 7:00 p.m. by Chair McDermott.

ROLL CALL

Present: COMMISSIONERS: Schott, Loché, Enders, Faria, Lavelle, Parso
CHAIRPERSON: McDermott
Absent: COMMISSIONER: None

Commissioner Parso led in the Pledge of Allegiance.

Staff Members Present: Hinkle, Lawson, Madhukansh-Singh, Nguyen, Rizk

General Public Present: None.

ELECTION OF VICE CHAIR

Chair McDermott made a motion to elect Commissioner Parso as Vice Chair. Commissioner Loché seconded the motion.

AYES: Commissioners Schott, Loché, Enders, Faria, Lavelle
Chair McDermott
NOES: None
ABSENT: None
ABSTAIN: Parso

PUBLIC COMMENTS

There were none.

WORK SESSION

1. Industrial Corridor/ Baseline Establish

Development Services Director Rizk introduced Economic Development Manager Hinkle.

Economic Development Manager Hinkle shared that the Industrial Corridor/Baseline Industrial Profile included foundational data and he emphasized the need for identifying the diversity of businesses located within Hayward's industrial districts and the goods and products that these



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companies produced. He stated that it was important to determine what concerns businesses located in Hayward have and what could be done to enable them to grow and expand.

Economic Development Manager Hinkle introduced Economic Development Specialist Nguyen who presented the staff report and the findings of the study.

Chair McDermott thanked staff for the comprehensive report.

Commissioner Lavelle stated that the report was educational and was pleased to learn that there was an array of businesses operating in Hayward. She understood the importance of connecting these businesses to each other.

Economic Development Specialist Nguyen clarified for Commissioner Lavelle that the Top 50 Industrial Businesses in Hayward mentioned in the staff report were based on employment size, adding that the Top 50 could also be identified by sales tax revenue.

Commissioner Lavelle noted that other entities located outside the Industrial Corridor that were also large employers in the City consisted of the Hayward Unified School District, the City of Hayward and other government employers.

Commissioner Lavelle agreed with the recommendations made under ES-3 listing the need for amenities such as retail, lodging, restaurants, childcare services, and suggested that transit be considered an amenity. She stated that there should be a way to connect the BART station with businesses in the area, noting that Union City has a bus company that fills this need for its city. Commissioner Lavelle mentioned that the Hayward Shoreline and the walking trails along Highway 92 were underutilized amenities in the city and suggested that open space and trails be identified as additional amenities and resources available to businesses operating in Hayward.

Commissioner Parso was pleased with the staff report and appreciated staff thoroughly discussing the methodology used in the study and also for sharing data sources. In regards to business continuity after a major disaster, he raised the question of what plans were in place to keep businesses operating in the city after an earthquake. As an example, he shared that after Hurricane Katrina, New Orleans experienced a loss of 60% of their tax revenue as companies folded up and never returned. He would like to see a long term plan that will address the following after a disaster: debris removal, no parking accommodations to allow the electric company to get electricity up and running, and to bring telecommunications back online. He suggested connecting the various trails throughout the city including the foothills route and bay trail, and connecting this with the industrial area and other residential areas to have a trail that will be at least 22.6 miles long as this could help bring a marathon to Hayward. Commissioner Parso commented that marathons may attract residents that work in advanced industries and in the high-tech sector. He noted that the city should expand wireless internet service.



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Commissioner Loché thanked staff for the in-depth report. Being mindful of the rapid changes in the business sector, Commissioner Loché asked staff if the information presented in the staff report was something that could easily be updated in the future to allow continued use of this data. Economic Development Specialist Nguyen responded that the database was considered a living database and shared that there were several avenues for updating the database which included routine updates by the Economic Development team and getting refreshed data from the vendor Infogroup.

Commissioner Schott spoke about the benefits of transit options being closely situated to businesses, exemplifying that some of his employees utilize public transit for commuting to and from work. He shared the impacts on wireless connections throughout the city with the closure of the Warren Hall building at the California State University East Bay (CSUEB). He suggested staff look into adding compact information systems to the database. Commissioner Schott shared that the business community in Hayward was at an advantage due to the vast availability of local resources, the central location of the city for distribution purposes, and the proximity to freeways. He mentioned the need to attract higher income workers, managers and business owners to relocate and live in Hayward. Commissioner Schott suggested connecting businesses operating in Hayward with CSUEB students to create internship opportunities. He supported that childcare services be available in business parks as this will be a desirable option for young working parents who want to keep their children close to where they work.

Economic Development Manager Hinkle noted for Commissioner Schott that his suggestions were already incorporated in the Economic Development Strategic Plan, which was approved by the City Council.

Commissioner Schott noted that the city recently approved two concrete recycling companies, emphasizing that it was a big opportunity to market that Hayward has a lot of existing flat land and that demolishing existing property was a cost-effective alternative to finding new flat land. He was pleased that the staff report highlighted the industrial corridor as the economic driver in the city. Commissioner Schott stated that if the city could bring a healthier industrial base with newer buildings, this would translate to higher property taxes. He pointed out that it would be difficult for a high end restaurant to flourish in the industrial corridor.

Commissioner Enders stated that the report was a great foundation for the future. In response to Commissioner Enders' question, Economic Development Manager Hinkle spoke about the marketing and branding initiative of the Economic Development Strategic Plan where focus will be directed towards how great Hayward is for businesses. He stated that attention will be given to placing gateway markers indicating the entry and exit points in and out of the city. He noted that another opportunity would be connecting those employed in Hayward with amenities such as the bay trail. He added that there may be opportunities to redevelop some properties in the city and utilize this space as a retail hub. Mr. Hinkle stressed the importance of having a partnership with the business community in identifying what the needs of various businesses may be. He commented



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that although there seems to be growth in the business community, the challenge was that the labor market had tightened and that it was hard for businesses to find a qualified workforce.

Commissioner Enders suggested highlighting the labor force in the community. She stated that the staff report address what attracts employers and what attracts employees to the area. She recommended that staff engage in conversations with the Hayward Area Recreation and Park District (HARD) to get trails, open space, picnic tables, and other types of recreation that the employees seek.

Commissioner Faria shared that the report prepared by staff was very valuable in that it contained information that could be leveraged to attract businesses to Hayward that would support residents and workers, and highlighted that the City now had the economic capability to support businesses that may not have operated in the city in the past. She stressed the importance of the city addressing the need for high speed internet that would support businesses in Hayward. She requested that the Economic Development team make presentations at Planning Commission meetings regularly to keep the Commissioners informed so that decisions made by the Planning Commission are consistent with economic development priorities.

Economic Development Manager Hinkle noted for Chair McDermott that there will be an annual report on the Economic Development Strategic Plan that will be presented to the City Council and Planning Commission. He shared that Community and Media Relations Officer Holland was involved with the marketing and branding plan, as well as the website re-launch.

Chair McDermott stated that as was indicated in the staff report, there were some businesses in the industrial corridor that posed a potential hazardous materials risk to residents. She asked if the Fire Department would have to increase their resources and/or undergo more training in order to be able to work with the businesses in the industrial corridor dealing with hazardous materials. Economic Development Manager Hinkle indicated for Chair McDermott that the questions pertaining to hazardous materials could best be answered by the Fire Chief; however, he commented that there was an extensive process for when hazardous materials were brought into the community. This process entailed evaluating hazardous materials according to CUPA standards, and ensuring that hazardous materials were categorized, handled and stored safely by businesses. He added that the process also included annual inspections for Fire Department staff. Mr. Hinkle stated that as businesses working with hazardous materials grow, the Fire Department will work proactively to ensure that businesses were compliant with requirements.

Chair McDermott emphasized that it was important to continue to work with educators in our community so that they can prepare students and connect them with employment opportunities locally.

Commissioner Schott stated the dire need that the business community had for broadband high speed internet as it could be crucial for tasks like operating a call center. He commented on the



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traffic challenges at West Winton Avenue and Hesperian Boulevard and urged that this be addressed as more businesses develop in this area.

Economic Development Manager Hinkle described for Commissioner Schott that the former Kaiser site was a catalyst site in the city that could serve as a business development opportunity and mentioned that this site would be further evaluated through the Economic Development Strategic Plan. Mr. Hinkle noted for Commissioner Schott that staff was engaged in conversations with Gillig, a longstanding business in Hayward that was looking to expand and unfortunately there was not enough space to accommodate the expansion of this business. Mr. Hinkle shared that the parts and distribution center will be maintained in the city.

Commissioner Schott expressed the importance of retaining businesses in the community, commenting that most companies exit the city due to expired leases. He stressed that commercial rental space was cheap in Hayward. He shared that being able to receive two Housing and Urban Development (HUD) loans was extremely beneficial to his company as it enabled him to expand operations and hire more workers. He urged that as such opportunities become available, that they be communicated to local businesses.

Economic Development Manager Hinkle underscored that the three elements of Economic Development were retention, expansion and recruitment.

Commissioner Lavelle shared that businesses in the advanced industries sector could potentially serve as a great employer in the city as these types of businesses sometimes required a workforce with less education.

Director Rizk commented that the industrial corridor was an underappreciated area of the city, especially given that 45,000 individuals were employed within this area. He noted that Hayward was fortunate in that there were a variety of businesses operating in the city. He stated that the industrial area zoning regulations may be outdated as they were developed with an emphasis on traditional manufacturing and warehousing. He added that staff will modify the regulations to make them current and applicable towards the advanced industries sector. He mentioned incorporating performance based zoning elements, and referenced as an example allowing a child care center, if there was a hazardous mitigation plan in place for a property. Mr. Rizk noted that it would be plausible to have a Fire Department-approved mitigation plan or a hazardous materials mitigation management plan that would not require businesses to undergo a Conditional Use Permit process. He emphasized that the goal was to attract and make it easier for desired industries to start business operations in Hayward. Mr. Rizk stated that he will try to arrange for Community and Media Relations Officer Holland to make a presentation to the Planning Commission on the City's marketing and branding campaign. He shared that as was addressed in the General Plan, Economic Development staff was working on workforce development which included connecting with local academic institutions, students and young professionals to encourage them to pursue working in advanced industries. He added that fiber optic data capacity was a high priority on the City



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Manager's and City Council's list, emphasizing that this was a critical infrastructure amenity for the industrial business community. He commented that staff would also explore attracting certain businesses to the city by incentivizing, such as via a break on sales tax for the first couple of years.

COMMISSION REPORTS

2. Oral Report on Planning and Zoning Matters

Director Rizk noted the following topics scheduled for future meetings: the April 23, 2015 meeting would include a formal site plan review of the New Library and Community Center; the May 14, 2015 meeting would include a text change to create a zoning compliance permit; the May 28, 2015 meeting would include a public hearing on Sign Regulations.

3. Commissioners' Announcements, Referrals

Commissioner Schott shared that the Hayward Education Foundation was a successful event.

APPROVAL OF MINUTES

4. Approval of the Minutes of the Planning Commission Meeting on February 19, 2015
The Planning Commission meeting minutes of February 19, 2015 were approved with Commissioner Loché abstaining.

ADJOURNMENT

Chair McDermott adjourned the meeting at 8:23 pm.

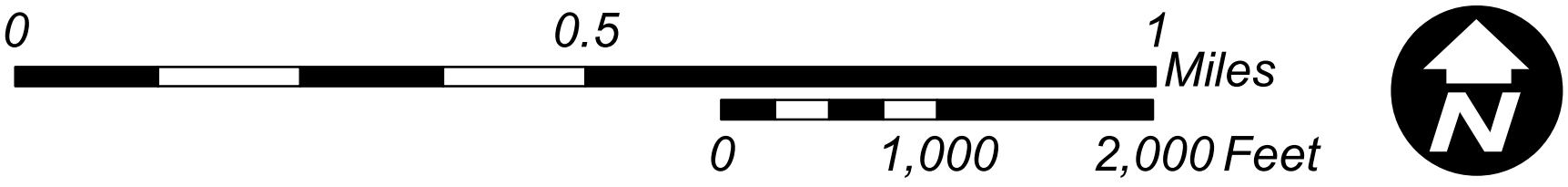
APPROVED:

Heather Enders, Secretary
Planning Commission
ATTEST:

Avinta Madhukansh-Singh, Senior Secretary
Office of the City Clerk

City of Hayward General Plan

ATTACHMENT IX



Residential

REDR

Rural Estate Density, 0.2-1.0 units/net acre

SDR

Suburban Density, 1.0-4.3 units/net acre

LDR

Low Density, 4.3-8.7 units/net acre

MHP

Mobile Home Park, 8.7-12.0 units/net acre

LMDR

Limited Medium Density, 8.7-12.0 units/net acre

MDR

Medium Density, 8.7-17.4 units/net acre

HDR

High Density, 17.4-34.8 units/net acre

SMU

Sustainable Mixed Use, 17.4-100 units/net acre

Commercial

ROC

Retail and Office

GC

General Commercial

CHDR

Commercial/ High Density Residential

Central City

CC-HDR

High Density Residential

CC-ROC

Retail and Office Commercial

Industrial

IC

Industrial Corridor

MI

Mixed Industrial

Open Space

PR

Parks and Recreation

LOS

Limited Open Space

BL

Baylands

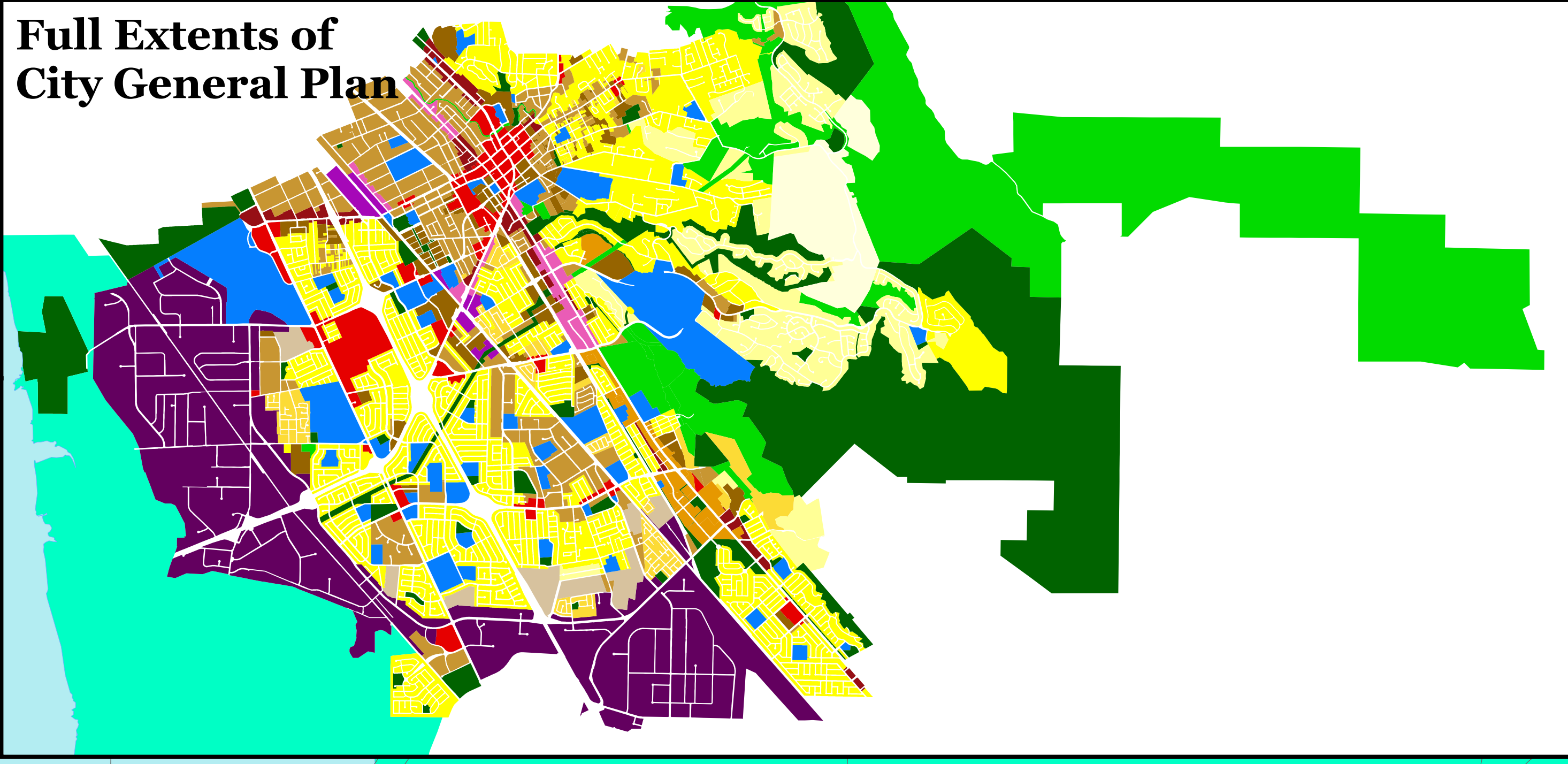
Public and Quasi-Public

PQP

Public and Quasi-Public

Other

Urban Limit Line



February, 2012





CITY OF HAYWARD

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

File #: WS 17-012

DATE: April 11, 2017

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Tennyson Corridor Strategic Initiative - Vision and Concept

RECOMMENDATION

That Council reviews this report and provides direction to staff in regard to Council's vision and concept for the Tennyson Corridor Strategic Initiative.

ATTACHMENTS

Attachment I Staff Report



DATE: April 11, 2017

TO: Mayor and Council

FROM: City Manager

SUBJECT: Tennyson Corridor Strategic Initiative – Vision and concept

RECOMMENDATION

That Council reviews this report and provides direction to staff in regard to Council's vision and concept for the Tennyson Corridor Strategic Initiative.

SUMMARY

Staff seeks further guidance and direction from Council about the vision for the Tennyson Corridor Strategic Initiative as Council conceived it during the Council Retreat and going forward.

BACKGROUND

The City Council, in November 2016, engaged in a facilitated Council Retreat to identify core strategic initiatives for focused implementation in the coming years. The outcome of the retreat was the establishment by Council of three core Strategic Initiatives: Complete Communities, Complete Streets, and Tennyson Corridor. These three Strategic Initiatives are intended to support and build upon, not replace, the overarching Council Priorities of a Safe, Clean, Green and Thriving community.

Many elements of the first two initiatives, [Complete Communities](#)¹ and [Complete Streets](#)², had been previously discussed and articulated in great detail by Council in various forms and contexts over the past several years. Several components of these two initiatives are already well-developed in major plan documents such as the General Plan 2040, resulting in a clearer articulation of the vision at the time these two Strategic Initiatives were established. Additionally, more definition of these two Strategic Initiatives in their newly established context was added by Council in back-to-back work sessions on February 28, 2017.

The third strategic initiative, Tennyson Corridor, at this time is relatively less defined when compared to the first two. While there has been significant Council discussion about certain project-specific elements related to this initiative, including the [SoHay](#)³ and [La Vista](#)⁴ developments and the proposed

¹ Council work session, "Complete Communities," February 28, 2017. <http://bit.ly/Hayward-complete-communities>

² Council work session, "Complete Streets," February 28, 2017. <http://bit.ly/Hayward-complete-streets>

³ Council work session, "SoHay Conceptual Plan," November 15, 2016. <http://bit.ly/Hayward-SoHay>

⁴ Council work session, "La Vista Conceptual Plan," January 12, 2016. <http://bit.ly/Hayward-la-vista>

[South Hayward Family Center](#)⁵ project, more guidance and direction is needed about Council’s desired approach for the newly established Tennyson Corridor Strategic Initiative overall.

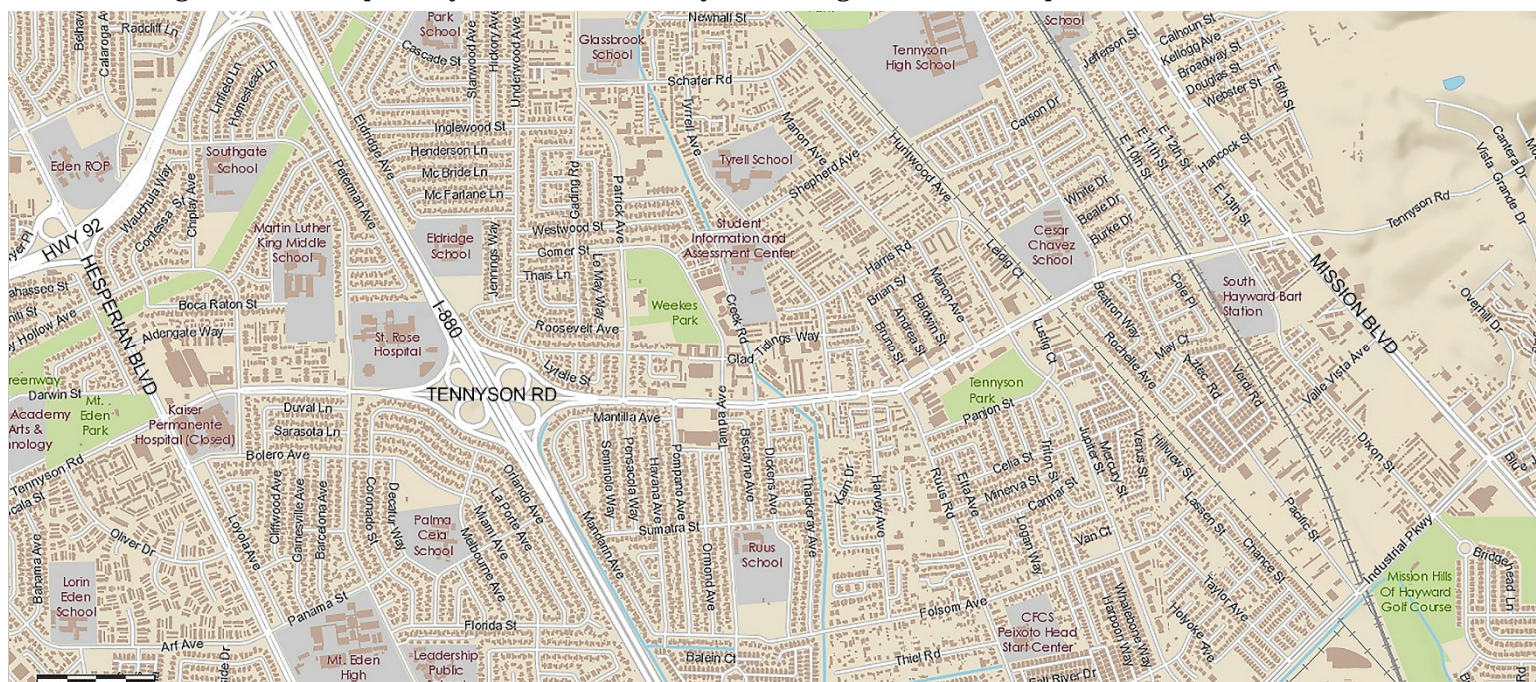
DISCUSSION

The Tennyson Corridor Strategic Initiative was discussed by Council during the Council Retreat in November 2016. Staff requests that Council provide staff direction on the geographic area that would encompass the “Tennyson Corridor” strategic initiative, input on potential catalyst sites, if Council chooses to pursue those or others over the next two years, and the Council’s overall vision for the “Tennyson Corridor” strategic initiative.

1. Geographic Area

The term “Tennyson Corridor” in itself evokes many different ideas and questions about its meaning, beginning with what geographic area “Tennyson Corridor” is meant to encompass.

Figure 1. Area map. Tennyson Road and vicinity (click image to view full map online)



The term “Tennyson Corridor” implies a geographic area centered around the Tennyson Road transportation and commercial corridor. But how far beyond the road itself does “Tennyson Corridor” extend as a concept and strategic initiative area? Does it include only the properties contiguous with the road itself? All properties in a one-quarter mile radius of Tennyson Road? Half-mile radius? Some other measure such as zip codes, census tracts, neighborhoods, or the service areas of key businesses, schools, parks, transportation hubs, and other community resources? Perhaps some combination of some or all the above?

Also, it may be generally assumed that “Tennyson Corridor” primarily refers to the section of Tennyson Road between Interstate 880 to the west and South Hayward BART and Mission Boulevard to the east, but does it also include the section of West Tennyson Road between Interstate 880 and Hesperian

⁵ Council work session, “South Hayward Family Center,” December 13, 2016. <http://bit.ly/Hayward-SHFC-2016-12-13>

Boulevard? Does “Tennyson Corridor” further extend to Tennyson Road’s western terminus at Industrial Boulevard? At the eastern terminus, does it include the new Tennyson Road extension above Mission Boulevard?

Staff seeks guidance from Council on the above questions regarding how Council wishes to define the Tennyson Corridor geographic area for the purposes of this Strategic Initiative.

2. Catalyst / Opportunity Sites

Council has previously discussed various specific project proposals and developments on sites in the Tennyson Corridor vicinity that include the SoHay and La Vista developments, the Firehouse Clinic, and the South Hayward Family Center project, among others. These projects are significant in scope and impact and are intended to be transformative for the Hayward community, especially for neighborhoods in the immediate area of these sites.

Given the transformative potential of significant sites, Council may wish to identify “catalyst” or “opportunity” sites for further exploration and discussion as part of the Tennyson Corridor Strategic Initiative. A cursory inventory of existing significant community assets, opportunity areas, and sites with catalyst potential in the immediate vicinity of Tennyson Road include from west to east:

- Mt. Eden Park
- Existing retail sites at the Tennyson/Hesperian intersection
- Former Kaiser Hospital site
- St. Rose Hospital
- Interstate 880 overcrossing
- Weekes Park and community facilities
- Tennyson Rd. central retail corridor between Pompano Ave. and Huntwood Rd.
- Glad Tidings and its associated properties and services
- Hayward Police Department Southern District substation
- South Hayward Family Center project area incl. Tennyson Park
- Fire Station #7 and Firehouse Clinic
- Cesar Chavez Middle School
- South Hayward BART station
- SoHay project area
- Existing retail sites at the Tennyson/Mission intersection
- Tennyson Rd. eastern extension and La Vista Park project area

The above list is neither meant to be definitive nor comprehensive, and is only presented as a means to initiate a conversation with Council about potential opportunity sites in the Tennyson Corridor area.

In addition to the sites listed above, there are multiple residential neighborhoods contiguous to and extending north and south of Tennyson Road. The number of households within this area, depending on how the “Tennyson Corridor” area is geographically defined, is potentially in the thousands.

Households in this general vicinity are likely to be within the service areas of most if not all the sites listed above. A number of households in this vicinity likely have fair-to-good access to needed services; other households are underserved in various ways which warrants further exploration and response.

3. Concept Plan Development

This report and presentation are only intended to begin a conversation with Council and the community about the meaning of “Tennyson Corridor” and the outcomes that are desired from the newly established Tennyson Corridor Strategic Initiative. Staff acknowledges that various conversations about specific projects and community needs within this vibrant and culturally rich area of Hayward have taken place over the years; however, to date, no overarching Concept Plan has been developed that incorporates all elements of housing, transportation, economic development, employment, retail and commercial services, social services, health and wellness, parklands and open spaces, education, and all the other aspects that come together to create Complete Communities and Complete Streets in a particular neighborhood or area. It may be that this initial report and conversation with Council will be the first step toward ultimately creating a Concept Plan that defines Council’s vision for the Tennyson Corridor Strategic Initiative and sets forth concrete action steps for bringing the vision to reality.

NEXT STEPS

This report and presentation are intended to obtain further clarity of the Council’s vision for the Tennyson Corridor Strategic Initiative. Once Council provides further input on the Council’s vision and recommended focus of this Strategic Initiative, staff will return in June with a two-year action plan for each of the three Strategic Initiatives, for Council discussion and ultimate adoption and inclusion in the FY 2018 budget.

Staff seeks general guidance and direction from Council regarding the overarching concept and vision for the Tennyson Corridor Strategic Initiative, and seeks Council input in response to the following initial questions:

1. How is the geographic area, “Tennyson Corridor,” to be defined for the purposes of the Strategic Initiative focus over the next two years?
2. Should specific “catalyst” or “opportunity” sites be identified for further exploration and discussion? If so, are there some sites or areas that should be prioritized over the next two years?
3. Is the development of a Concept Plan the desired method for articulating and advancing the concept and vision for this Strategic Initiative?
4. What are the key considerations and outcomes that Council desires to prioritize in the development of the Tennyson Corridor Strategic Initiative over the next two-years?

Prepared by: Sean Reinhart, Director of Library & Community Services

Recommended by: Maria Hurtado, Assistant City Manager
Sean Reinhart, Director of Library & Community Services

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', written in a cursive style.

Kelly McAdoo, City Manager



CITY OF HAYWARD

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

File #: PH 17-019

DATE: April 11, 2017

TO: Mayor and City Council

FROM: Director of Human Resources

SUBJECT

Adoption of a Resolution of Intention to Introduce an Ordinance Approving an Amendment to the Contract between the City of Hayward and the California Public Employees Retirement System (PERS) for Miscellaneous Members in HAME, Local 21, and the Unpresented Employee Group

RECOMMENDATION

That the City Council adopts the Resolution of Intention to approve an amendment to the City of Hayward's contract with CalPERS and introduction of an Ordinance to approve the contract amendment and authorize staff to execute the contract.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution Authorizing Intention to Approve Amendment to the Contract between the City and CalPERS
Attachment III	Ordinance Authorizing an Amendment to the Contract between the City and CalPERS
Attachment IV	Exhibit to the Ordinance - Sample Amendment to CalPERS Contract



DATE: April 11, 2017

TO: Mayor and City Council

FROM: Director of Human Resources

SUBJECT Adoption of a Resolution of Intention to Introduce an Ordinance Approving an Amendment to the Contract between the City of Hayward and the California Public Employees Retirement System ("CalPERS") for Miscellaneous Members in Hayward Association of Management Employees ("HAME"), International Federation of Professional and Technical Engineers-Local 21 ("Local 21"), and the Unrepresented Employee Group

RECOMMENDATION

That the City Council adopts the Resolution of Intention to approve an amendment to the City of Hayward's contract with CalPERS and introduction of an Ordinance to approve the contract amendment and authorize staff to execute the contract.

BACKGROUND

On May 27, 2017, the City Council adopted Ordinance 16-13 approving the amendment to the City of Hayward's CalPERS miscellaneous contract for Classic and Public Employees' Pension Reform Act ("PEPRA") members, which authorized a 2% employee cost-share in accordance with Government Code Section 20516.

Under the terms of the current Memoranda of Understanding and the Unrepresented Salary and Benefits Resolution, HAME, Local 21, and Unrepresented members will continue to pay the current employee contribution of 8% for classic members and 6.25% for PEPRA members in addition to a total of 3% of the employer's share, which has been phased in by one percent per year beginning in FY 2016. Beginning in FY 2018, these employees will contribute a total of 11% for classic members and a total of 9.25% for PEPRA members.

Please note that under the terms of their negotiated agreement, SEIU elected to not contribute to medical insurance and instead opted to make an additional contribution of 4.5% toward the employer share of PERS. To expedite processing of this negotiated term, SEIU further agreed that the additional contributions would be made pursuant to Government Code Section 20516 (f), which allows the contributions to be effective without a contract amendment. Therefore, the City is not required to do a contract amendment for SEIU members.

DISCUSSION

The City contracts with CalPERS for retirement benefits. The existing CalPERS contract for Miscellaneous members (non-safety) requires Classic members (hired prior to January 1, 2013) to pay 8% of their salaries for the employees' share of retirement costs. PEPRAs members (hired on or after January 1, 2013 and receiving overall lower retirement benefits than Classic members) are required to contribute at least 50% of the normal cost of PERS benefits, which is currently 12.50%. Therefore, PEPRAs employees contribute 6.25% of their salaries for the employees' share of retirement costs. The City currently contributes 26.388% for FY 2017, which is projected to increase in FY 2018 to 27.4% for the employer share.

Currently, employees are contributing 2% effective FY 2017. The proposed contract amendment will increase that amount an additional 1%, for a total of 3% in FY 2018. This employee contribution toward the employer rate shall be credited to each member's account as a normal contribution effective the first pay period following 30 days of the adoption of the final Ordinance. This action by the Council to amend the CalPERS agreement to reflect the negotiated contributions will allow the FY 2018 deductions to commence.

FISCAL IMPACT

As CalPERS rates continue to increase, it is noteworthy that all the City's bargaining groups cost share and contribute to the employer's share of the PERS rate. The City of Hayward successfully negotiated contracts that are consistent with the City's philosophy that the cost of employee benefits must be shared to preserve the benefit levels and manage the City's expenses, allowing the City to preserve critical services to the community. This includes employee contributions toward the cost of their retirement benefits. The table below shows the rate that each bargaining unit is contributing, including the proposed contract amendments:

Table 1: Percentage of CalPERS employer share paid by employee.

Bargining Group	Total CalPERS Cost Share Contribution (FY18)
HAME	3.0%
Local 21	3.0%
Unrepresented	3.0%
SEIU	4.5%
HPOA Classic	6.0%
HPOA PEPRAs	3.0%
Local 1909 Classic	6.0%
Local 1909 PEPRAs	5.25%

The approximate total cost of the negotiated salary and benefit packages for the Miscellaneous Groups is \$5 million dollars. The additional contributions toward the employer share of CalPERS costs offset the cost of the salary and benefit packages by approximately \$2.7 million during the contract terms (FY 2016 to FY 2018).

NEXT STEPS

Human Resources staff will work with the bargaining units and Finance Department staff to complete the contract amendment process. The final reading of the Ordinance will be presented during a Public Hearing on May 23, 2017. If approved, the Ordinance will take effect on June 22, 2017. The contract amendment will be effective June 26, 2017.

Prepared by: Ali Adams, Human Resources Analyst II

Recommended by: Nina S. Collins, Director of Human Resources

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', is positioned above a horizontal line.

Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-

Introduced by Council Member _____

RESOLUTION AUTHORIZING INTENTION TO APPROVE AN
AMENDMENT TO CONTRACT BETWEEN THE BOARD OF
ADMINISTRATION, CALIFORNIA PUBLIC EMPLOYEES RETIREMENT
SYSTEM AND THE CITY OF HAYWARD

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change: To provide Section 20516 (Employees Sharing Additional Cost) of an additional 1% for local miscellaneous members in the Hayward Association of Management Employees Group, International Federation of Professional and Technical Engineers - Local 21, Unrepresented Executives, Management, Human Resources, City Attorneys and City Managers Group and Council Appointed Employees Group.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2017

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

ORDINANCE NO. 17-

AN ORDINANCE AUTHORIZING THE AMENDMENT OF THE CONTRACT BETWEEN THE CITY OF HAYWARD AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

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

Section 1. Provisions.

1. That an amendment between the City Council of the City of Hayward and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.
2. The City Manager of the City of Hayward is hereby authorized, empowered, and directed to execute said amendment for and on behalf of the City of Hayward.

Section 2. Severance. Should any part of this ordinance be declared by a final decision of a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of the City, such decision shall not affect the validity of the remainder of this ordinance, which shall continue in full force and effect, provided that the remainder of the ordinance, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the City Council.

Section 3. Effective Date. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective 30 days from and after the date of its adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the ____ day of ____, 2017, by Council Member _____.

ADOPTED at a regular meeting of the City Council of the City of Hayward, held the ____ day of ____, 2017, by the following votes of members of said City Council.

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED: _____
Mayor of the City of Hayward

DATE: _____

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Hayward

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective October 1, 1950, and witnessed August 7, 1950, and as amended effective January 16, 1952, January 1, 1956, April 1, 1959, January 1, 1960, November 1, 1962, April 1, 1965, December 1, 1969, July 1, 1973, July 16, 1973, June 1, 1978, April 23, 1979, January 12, 1981, March 9, 1981, July 11, 1986, October 10, 1988, June 21, 1991, June 19, 1992, March 8, 1996, January 1, 2001, April 1, 2001, July 1, 2001, August 26, 2002, May 23, 2008, July 4, 2011, February 24, 2014, July 27, 2015, June 27, 2016 and February 20, 2017 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 16 are hereby stricken from said contract as executed effective February 20, 2017, and hereby replaced by the following paragraphs numbered 1 through 16 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members, age 62 for new local miscellaneous members, age 50 for classic local safety members and age 57 for new local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after October 1, 1950 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.
3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Local Fire Fighters (herein referred to as local safety members);
 - b. Local Police Officers (herein referred to as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous members).

5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
 - a. **PERSONS EMPLOYED AFTER JANUARY 16, 1952 AS CROSSING GUARDS; AND**
 - b. **PERSONS EMPLOYED AFTER JANUARY 30, 1959 AS PART-TIME LIFEGUARDS AND PART-TIME LIBRARY AIDES.**
6. The percentage of final compensation to be provided for each year of credited prior and current service for classic local miscellaneous members in employment before and not on or after August 26, 2002 shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1956, the effective date of Social Security coverage, and prior to December 30, 1980, termination of Social Security, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).
7. The percentage of final compensation to be provided for each year of credited prior and current service for classic local miscellaneous members in employment on or after August 26, 2002 shall be determined in accordance with Section 21354.4 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1956, the effective date of Social Security coverage, and prior to December 30, 1980, termination of Social Security, for members whose service has been included in Federal Social Security (2.5% at age 55 Full and Modified).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).
9. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
10. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(d) of said Retirement Law (2.7% at age 57 Full).
11. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 21573 (Third Level of 1959 Survivor Benefits) for local safety members only.

- b. Sections 21624 and 21626 (Post-Retirement Survivor Allowance) for local safety members only.
- c. Section 20042 (One-Year Final Compensation) for classic members only.
- d. Section 21635 (Post-Retirement Survivor Allowance to Continue After Remarriage) for local safety members only.
- e. Section 21024 (Military Service Credit as Public Service).
- f. Section 21027 (Military Service Credit for Retired Persons).
- g. Section 21551 (Continuation of Pre-Retirement Death Benefits After Remarriage of Survivor).
- h. Section 21022 (Public Service Credit for Periods of Lay-Off) for local miscellaneous members only.
- i. Section 21547.7 (Alternate Death Benefit for Local Fire Members Credited with 20 or More Years of Service) for local miscellaneous members only.
- j. Section 20903 (Two Years Additional Service Credit).
- k. Section 20965 (Credit for Unused Sick Leave) for local fire members only.
- l. Section 21547.7 (Alternate Death Benefit for Local Fire Members Credited with 20 or More Years of Service).
- m. Section 20516 (Employees Sharing Cost of Additional Benefits):

Section 21362.2 (3% @ 50) effective January 1, 2001 and Section 20042 (One-Year Final Compensation) effective January 12, 1981 for classic local fire members. The employee cost sharing contribution is not to exceed 15.607%. The maximum employee cost sharing contribution is the normal cost plus the increase in the accrued liability due to the benefit improvement amortized over 20 years. In no event shall the employee cost sharing contribution attributable to the unfunded liability remain in effect beyond June 30 preceding the 20th anniversary of the effective date of the additional benefits. Therefore, after June 30, 2020, in any given contribution year, the maximum employee cost sharing contribution cannot exceed 5.986%.

Section 21362.2 (3% @ 50) effective July 1, 2001 and Section 20042 (One-Year Final Compensation) effective April 23, 1979 for classic local police members. The employee cost sharing contribution is not to exceed 13.882%. The maximum employee cost sharing contribution is the normal cost plus the increase in the accrued liability due to the benefit improvement amortized over 20 years. In no event shall the employee cost sharing contribution attributable to the unfunded liability remain in effect beyond June 30 preceding the 20th anniversary of the effective date of the additional benefits. Therefore, after June 30, 2021, in any given contribution year, the maximum employee cost sharing contribution cannot exceed 5.505%.

n. Section 20516 (Employees Sharing Additional Cost):

From and after February 24, 2014, 3.75% for new local fire members.

From and after July 27, 2015, 2.25% for new local police members.

From and after February 20, 2017, 5.25% for new local fire members in the International Association of Firefighters Local 1909.

From and after February 20, 2017, 3% for new local police members in the Hayward Police Officers' Association.

From and after the effective date of this amendment to contract, 3% for local miscellaneous members in the Hayward Association of Management Employees Group, International Federation of Professional and Technical Engineers Local 21, Unrepresented Executives, Management, Human Resources, City Attorneys and City Managers Group and Council Appointed Employees Group.

The portion of the employer's contribution that the member agrees to contribute from his or her compensation, over and above the member's normal contribution ("Cost Sharing Percentage"), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

12. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on June 1, 1978. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
13. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
14. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21573 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local safety members.
 - b. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members.
 - c. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - d. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
15. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

16. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF HAYWARD

BY _____
ARNITA PAIGE, CHIEF
PENSION CONTRACTS AND PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk



CITY OF HAYWARD

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

File #: LB 17-014

DATE: April 11, 2017

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Approval of a Resolution in Support of Measure A, Hayward Unified School District's Special Parcel Tax Measure

RECOMMENDATION

That the City Council approves the attached resolution in support of Measure A, Hayward Unified School District's (HUSD) special parcel tax measure.

ATTACHMENTS

Attachment I Staff Report
Attachment II Resolution



DATE: April 11, 2017

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Approval of a Resolution in Support of Measure A, Hayward Unified School District's Special Parcel Tax Measure

RECOMMENDATION

That the City Council approves the attached resolution in support of Measure A, Hayward Unified School District's (HUSD) special parcel tax measure.

BACKGROUND

In June 2012, Hayward residents approved Measure G, a special parcel tax to fund non-capital, essential school programs like college preparatory programs, technology maintenance, library services, and other programs aimed at reducing class sizes. Measure G generates \$2.2M in revenue annually through a \$58.00 per parcel tax and will expire on June 30, 2017.

DISCUSSION

Given the upcoming expiration of Measure G funding this June, the HUSD Board of Education called for an all-mail ballot special election to be held on May 2, 2017 to submit to voters for their approval, Measure A. Measure A, like its predecessor Measure G, is a special parcel tax to fund non-capital, critical education programs such as:

- Math, Reading, Writing, and Hands-on science classes and labs
- Restoring and maintaining music and art programs
- Enhancing library services, technology, and college preparatory programs

Additionally, the ballot question states that the measure will help attract and retain qualified teachers.

Measure A will levy a \$88.00 per parcel tax for a period of twelve years, expiring June 30, 2029. Staff estimates the measure will raise upwards of \$3.4M in revenue annually.¹ The

¹ Per HUSD's Measure G Parcel Tax Report for FY2016, there are 38,989 taxable parcels. (38,989*\$88= ~\$3.4M). Report can be found here: <http://haywardusd-ca.schoolloop.com/file/1296400497019/1368005006760/4771961479195969054.pdf>

measure provides for senior exemptions, independent citizen's oversight, and that all funds be used for classrooms.

Measure A meets the Council's Draft Legislative Program Policy Position 1.6D Support legislation and initiatives that boost funding for local school districts, public institutions of higher education and for low income students.

FISCAL IMPACT

This measure will not have any fiscal impact on the City of Hayward. However, the residents and property owners of Hayward will pay \$88 annually for the parcel tax.

NEXT STEPS

If Council approves the attached resolution, staff will distribute the signed resolution to HUSD.

Prepared and Recommended by: John Stefanski, Management Analyst

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-

Introduced by Council Member _____

RESOLUTION IN SUPPORT OF MEASURE A, HAYWARD UNIFIED SCHOOL DISTRICT'S SPECIAL PARCEL TAX MEASURE

WHEREAS, since 2012, Hayward's schools have relied on local voter-approved funding (Measure G) to protect critical academic programs in math, reading, writing and hands-on science; enhance library services, technology and college preparation programs; and help attract and retain qualified teachers; and,

WHEREAS, this local funding, Measure G, has helped improve the quality of education in Hayward schools by reducing class sizes, improving high school science labs, reducing the number of students directed away from their neighborhood school, reducing algebra class sizes, and keeping libraries open at ten elementary schools; and,

WHEREAS, Measure A, on the May special election ballot, renews this vital funding before it expires later this year. Without this measure, Hayward's schools will lose more than \$2 million dollars in annual funding, resulting in cuts to academic programs and teachers; and,

WHEREAS, Measure A will protect math, reading, writing and hands-on science classes and labs; and,

WHEREAS, Measure A will help attract and retain qualified teachers, keep school libraries open, retain and expand music and art programs, maintain college and career programs to teach high school students modern skills for jobs of the future, and continue to decrease combination classes in kindergarten through sixth grade; and,

WHEREAS, Measure A has strict accountability and by law, all funds must stay in Hayward schools and cannot be taken by the State, nor be used for administrator salaries; and,

WHEREAS, Measure A is a special parcel tax that will levy \$88 per parcel and will have will have an independent citizens' oversight committee, annual audits, and exemptions for senior citizens; and,

WHEREAS, Measure A's funds cannot be spent on administrator salaries.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Hayward supports Measure A and continued funding for Hayward schools.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2017

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