

# **CITY OF HAYWARD**

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)



CITY OF  
**HAYWARD**  
HEART OF THE BAY

## **Agenda**

**Tuesday, October 20, 2020**

**7:00 PM**

**Remote Participation**

**City Council**

**CITY COUNCIL MEETING**

COVID-19 Notice: Consistent with State of California Executive Order No. 29-20 dated March 17, 2020, and Alameda County Health Officer Order No. 20-10 dated April 29, 2020, the City Council will be participating in public meetings via phone/video conferencing.

*How to watch the meeting from home:*

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

*How to submit written Public Comment:*

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

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

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

*Click the link below to join the meeting:*

<https://hayward.zoom.us/j/92323399121?pwd=SjVIQ2pWWmFSR0tlQ1o5d1NsOWlCdz09>  
Passcode: \$4SXA^2S

or

Dial: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 301 715 8592 or +1 312 626 6799  
or +1 929 205 6099

Meeting ID: 923 2339 9121  
Password: 83007256

**CALL TO ORDER: Mayor Halliday**

**Pledge of Allegiance: Council Member Salinas**

**ROLL CALL**

**CLOSED SESSION ANNOUNCEMENT**

**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 20-108](#)     Approve City Council Minutes of the City Council Meeting on September 22, 2020  
  
      **Attachments:**   [Attachment I Draft Minutes 9/22/2020](#)
  
2.     [MIN 20-109](#)     Approve City Council Minutes of the Special City Council Meeting on September 29, 2020  
  
      **Attachments:**   [Attachment I Draft Minutes 9/29/2020](#)
  
3.     [MIN 20-110](#)     Approve the Minutes of the Special Joint City Council/Hayward Redevelopment Successor Agency Board Meeting on October 6, 2020  
  
      **Attachments:**   [Attachment I Draft Minutes of 10/6/2020](#)
  
4.     [CONS 20-494](#)     Adopt a Resolution Authorizing the City Manager to Enter into an Agreement with CalPERS via the California Employers' Pension Prefunding Trust (CEPPT), a Section 115 Irrevocable Trust, and Delegating Authority to Request Disbursements  
  
      **Attachments:**   [Attachment I Staff Report](#)  
                              [Attachment II Resolution](#)

5.      [CONS 20-498](#)      Adopt a Resolution Authorizing the City Manager to (1) Submit an Application to the California State Department of Housing and Community Development (HCD) for a Maximum Amount of \$5 Million for Mortgage Assistance Funding under the CalHome Program; (2) Enter into and Execute a Standard Agreement and Any Subsequent Amendments, Modifications, or Documents thereto, if Awarded; and (3) Accept and Appropriate Any Awarded Funds in an Amount Not to Exceed \$5 Million

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

6.      [CONS 20-507](#)      Adopt a Resolution Authorizing the Sole Source Purchase of Specialized Laboratory Equipment for Use at the Water and Wastewater Laboratory at the Water Pollution Control Facility

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

7.      [CONS 20-510](#)      Adopt a Resolution Authorizing the City Manager to Amend the Professional Services Agreement with HydroScience Engineers, Inc., to Increase the Contract Amount by \$75,000 for Additional Services to a Not to Exceed Amount of \$451,000 and Appropriate Funds

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

8.      [CONS 20-523](#)      Adopt a Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with Dutchover & Associates for Landscape Architect Services, Increasing the Not to Exceed Amount to \$330,000

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

**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.*

9.        [WS 20-043](#)        COVID-19 Trends and Impacts on Real Estate Market: Discuss COVID-19 Trends and Impacts on the Hayward Commercial and Multi-Family Housing Real Estate Market (Report from Deputy City Manager Ott)

**Attachments:**    [Attachment I Staff Report](#)  
                              [Attachment II Panelist Biographies](#)

**LEGISLATIVE BUSINESS**

10.       [LB 20-052](#)        Adopt a Resolution of Intention to Establish the Old Highlands Benefit Assessment District to Levy and Collect Assessments for Street Improvements; Ordering the Preparation of an Engineer's Report; and Setting a Time and Place for Prop. 218 Hearing (Report from Public Works Director Ameri)

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

**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 AND REFERRALS**

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

**COUNCIL REFERRALS**

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

**ADJOURNMENT**

**NEXT MEETING, October 27, 2020, 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.*

*CHILDCARE WILL NOT BE PROVIDED UNTIL FURTHER NOTICE DUE TO COUNTYWIDE SHELTER-IN PLACE ORDER.*



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**File #:** MIN 20-108

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**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Approve City Council Minutes of the City Council Meeting on September 22, 2020

**RECOMMENDATION**

That the City Council approves the City Council meeting minutes of September 22, 2020.

**SUMMARY**

The City Council held a meeting on September 22, 2020.

**ATTACHMENTS**

Attachment I      Draft Minutes of 09/22/2020



**SPECIAL CITY COUNCIL MEETING  
REMOTE PARTICIPATION  
Tuesday, September 22, 2020, 7:00 p.m.**

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The City Council meeting was called to order by Mayor Halliday at 7:00 p.m. The special meeting was conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order No 29-20 dated March 17, 2020, and the Alameda County Health Officer Order No. 20-10 dated April 29, 2020 regarding the COVID-19 pandemic. Members of the City Council, City Staff, and members of the public participated via the Zoom Webinar platform.

Pledge of Allegiance: Council Member Lamnin

**ROLL CALL**

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

**CLOSED SESSION ANNOUNCEMENT**

The City Council convened in closed session on September 22, 2020, at 5:00 p.m., regarding three items: 1) conference with legal counsel pursuant to Government Code 54956.9 regarding one anticipated litigation; 2) conference with legal counsel pursuant to Government Code 54956.9 regarding Stoddard-Nunez v. City of Hayward; and 3) public employment pursuant to government code 54957(b)(1) regarding performance evaluation for the City Attorney. Mayor Halliday reported there was no reportable action on any items.

**PUBLIC COMMENTS**

Ms. Serena DeCorra with Extreme Sports Productions spoke on behalf of the proposal that was sent to the City for a concept for new family entertainment and outdoor recreation center.

**CONSENT**

Consent Item 6 was removed from the Consent Calendar for a separate vote.

1. Adopt a Resolution Approving Amendment No. 5 increasing the Professional Services Agreement with CSG Consultants Inc., for Development Review Services, Extending the Date of the Agreement and Authorizing an Increase in the Amount of \$320,000 for a Total Not-To-Exceed \$1,200,000 **CONS 20-432**

Staff report submitted by Director of Public Works Ameri, dated September 22, 2020, was filed.



It was moved by Council Member Mendall, seconded by Council Member Wahab, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-150, "Resolution Authorizing the City Manager to Execute Amendment No. 5 to the Agreement with CSG Consultants, Inc., for Plan Check Review and Related Services Associated with the City of Hayward Development Review"

2. Adopt a Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Homebase to Prepare a Five-Year City of Hayward Homelessness Reduction Strategic Plan **CONS 20-474**

Staff report submitted by Deputy City Manager Ott, dated September 22, 2020, was filed.

It was moved by Council Member Mendall, seconded by Council Member Wahab, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-151, "Resolution to Authorize City Manager to Execute Professional Services Agreement with Homebase to Provide Homelessness Reduction Strategic Planning Services and Create a Five-Year Homelessness Reduction Strategic Plan"

3. Adopt a Resolution Accepting the Resignation of Ms. Isabel Pimentel from the Community Services Commission, Effective Immediately **CONS 20-460**

Staff report submitted by City Clerk Lens, dated September 22, 2020, was filed.

It was moved by Council Member Mendall, seconded by Council Member Wahab, and carried by the following roll call vote, to approve the resolution:



**SPECIAL CITY COUNCIL MEETING  
REMOTE PARTICIPATION  
Tuesday, September 22, 2020, 7:00 p.m.**

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AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-152, "Resolution Accepting the Resignation of Ms. Isabel Pimentel from the Community Services Commission"

4. Adopt a Resolution Appointing Ms. Lenora Taylor to the Community Services Commission to Fulfill the Unexpired Term of Ms. Isabel Pimentel **CONS 20-463**

Staff report submitted by City Clerk Lens, dated September 22, 2020, was filed.

It was moved by Council Member Mendall, seconded by Council Member Wahab, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-153, "Resolution Appointing Ms. Lenora Taylor to the Community Services Commission to Fulfill the Unexpired Term of Ms. Isabel Pimentel"

5. Adopt a Resolution Authorizing the Forgiveness of the Promissory Note for the City Manager After the City Received Full Repayment of the City-Issued Home Loan **CONS 20-466**

Staff report submitted by Director of Finance Claussen, dated September 22, 2020, was filed.

It was moved by Council Member Mendall, seconded by Council Member Wahab, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-154, "Resolution Recognizing the Repayment of  
the Home Loan Issued to City Manager McAdoo and Forgiving  
the Promissory Note used to Secure the Loan"

6. Motion to Renew Debate on Proposed Development of a Fuel Facility with Related Site Improvements at the Costco Business Center Located at 22330 Hathaway Avenue, Application No. 201706217 **CONS 20-476**

Staff report submitted by City Attorney Lawson, dated  
September 22, 2020, was filed.

Council Member Lamnin removed the item from the Consent Calendar to state she was not in agreement of renewing the debate and was not supportive of the proposed project.

Council Member Salinas noted there was an overwhelming amount of gas stations on A Street; had concerns about impacts on traffic as well as to businesses; noted similar concerns had been raised by the Planning Commission; and stated the proposal conflicts with the City's Climate Action Plan and the neighborhood was not in support.

Discussion ensued about the item. Mayor Halliday clarified the item on the agenda sought support or opposition to continue the debate on the matter at a future noticed meeting.

Council Member Márquez noted the staff report did not include information regarding a moratorium on fuel stations. Assistant City Attorney Brick clarified this was mentioned in the staff report as a footnote.

Mayor Halliday opened the public comment section at 7:18 p.m.

Mr. John Ellingsen, Costco Development Manager, requested an opportunity to renew the project and allow deliberation from the full Council on the merits of the project; and noted the proposal represented a significant investment including an expansion of tax base, electric vehicle charging stations, new landscaping and replacement of the parking lot lights with LED.

Mr. Mike Shafik, Hayward resident, spoke in support of the proposal stating he goes to Costco four to five times per week for his business and he can get gas at the same time.

Mayor Halliday closed the public comment section at 7:23 p.m.



**SPECIAL CITY COUNCIL MEETING  
REMOTE PARTICIPATION  
Tuesday, September 22, 2020, 7:00 p.m.**

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It was moved by Council Member Wahab, seconded by Council Member Zermeno, and carried by the following roll call vote, to continue the debate at a future noticed hearing:

AYES:	COUNCIL MEMBERS Márquez, Mendall, Wahab, Zermeno MAYOR Halliday
NOES:	COUNCIL MEMBERS Lamnin, Salinas
ABSENT:	None
ABSTAIN:	None

**LEGISLATIVE BUSINESS**

7. Temporary Limit on Third-Party Food Delivery Fees: Adoption of Emergency Ordinance Establishing a Temporary Limit of 15 Percent Limit on Fees of Food Delivery Service Providers to Support Restaurants in Hayward During the COVID-19 Pandemic **LB 20-043**

Staff report submitted by Deputy City Manager Ott, dated September 22, 2020, was filed.

Economic Development Manager Nguyen gave a synopsis of the staff report.

City staff responded to questions posed by members of the City Council regarding: the proposed termination clause and the pricing model; business and community outreach plan; food delivery providers; grocery delivery/pick-up service such as Instacart; benefits to local business owners and right to private action model and delivery fee structure.

Mayor Halliday opened the public hearing at 8:02 p.m.

Ms. Jasprit Kaur spoke in support of the proposed ordinance, noted takeout orders are currently the primary source of revenue for local businesses, and added that capping fees will ease financial burden.

Mr. Timothy Hwang spoke in support of the proposal noting the ordinance will support local restaurants as they do not make much using delivery services compared to direct orders.

Mayor Halliday closed the public comment period at 8:05 p.m.

Council Member Wahab noted the proposed ordinance was a step in supporting small businesses, wanted to expand to grocery-oriented businesses, and was supportive of a long-term cap on fees of delivery service.

Council Member Zermeno encouraged residents against using delivery services so they can visit the businesses and the employees.

Council Member Mendall found the business model dishonest, did not think the additional fee should be passed on to the businesses and supported researching a permanent restriction before the moratorium ends.

Council Member Wahab and Council Member Zermeño were amenable directing staff to consider a permanent restriction.

Mayor Halliday recommended the item be brought to the Council Economic Development Committee (CEDC) for discussion after the COVID-19 pandemic is over.

It was moved by Council Member Wahab, seconded by Council Member Zermeño, and carried by the following roll call vote, to approve the ordinance and direct staff to bring an item back to the CEDC after the pandemic for consideration of a permanent cap on third party delivery fees.

AYES:	COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab, Zermeño MAYOR Halliday
NOES:	None
ABSENT:	None
ABSTAIN:	None

Ordinance 20-16, “An Emergency Ordinance of the City Council of the City of Hayward Establishing a Temporary 15 Percent Limit on Fees of Food Delivery Service Providers to Support Restaurants in Hayward During the Covid-19 Pandemic”

8. Extend Commercial Evictions Moratorium: Adopt an Emergency Ordinance Amending Temporary Moratorium on Evictions to Extend the Moratorium for Commercial Evictions until January 31, 2021 **LB 20-045**

Staff report submitted by Deputy City Manager Ott, dated September 22, 2020, was filed.

Deputy City Manager Ott provided a synopsis of the staff report.

Discussion ensued among members of the City Council and City staff regarding provisions to address tenants who were receiving rent from subletters; ways to mitigate mediation fees; recourses to help businesses and efforts of lobbyists to assist landlords. Members of the City Council encouraged the legal team to find recourses to help those who are taken advantage of.

City staff noted tenants must demonstrate loss of income due to COVID-19 and landlords do not have recourses to evict but could file civil action to recover damages. It was also confirmed the Landlord Relief and Stabilization Act did not apply to businesses.



**SPECIAL CITY COUNCIL MEETING  
REMOTE PARTICIPATION  
Tuesday, September 22, 2020, 7:00 p.m.**

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There being no public members, Mayor Halliday opened and closed the public hearing at 8:36 p.m.

It was moved by Council Member Wahab, seconded by Council Member Zermeno, and carried by the following roll call vote, to approve the ordinance

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermeno  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Ordinance 20-17, "An Emergency Ordinance of the City Council of the City of Hayward Extending a Temporary Moratorium on Commercial Evictions in the City of Hayward for Non-Payment of Rent Caused by the Coronavirus (Covid-19) Pandemic, or for a No-Fault Reason Unless the Eviction is Necessary for the Imminent Health and Safety of the Tenant or Landlord, which was Initially Adopted in Ordinance No. 20-07 and Subsequently Extended in Ordinance No. 20-11, said Extension to Expire on January 31, 2021 unless Repealed Earlier"

9. League of California Cities Annual Policy Resolutions: Adopt a Resolution Supporting the Singular League of California Cities Policy Resolution Being Considered at the 2020 League of California Cities Annual Business Meeting **LB 20-044**

Staff report submitted by City Manager McAdoo, dated September 22, 2020, was filed.

Assistant City Manager Hurtado provided a synopsis of the staff report.

Police Chief Chaplin noted that recent protest riots and sideshows were coordinated via social media and City Manager McAdoo noted this was also intended to address child trafficking and exploitation.

Mayor Halliday opened the public comment period at 8:48 p.m.

Mr. Joe Mullin with Electronic Frontier Foundation, a nonprofit to express privacy and protect freedom of expression, encouraged the City to oppose the League's resolution noting it undermines Section 230 of the Communications Decency Act and would result in internet censorship.

Mr. Carl Gorringer, Hayward resident, noted that an amendment of the Communications Decency Act would encourage activity on unencrypted apps or the dark web and would make it difficult for existence of smaller websites and apps, and asked Council to not support the resolution.

Mayor Halliday closed the public hearing at 8:54 p.m.

Council Member Wahab noted the Council should consider potential ramifications of supporting the resolution, believed there should be preventative measures to limit criminal activity but not limit freedom of speech, and made a motion to oppose support of the League of California Cities Policy resolution.

Council Member Lamnin noted the City should encourage the League to work with the National League of Cities, favored a proposal that supports freedom of speech and safety of communities, and noted she sits on a League policy committee that will make its own recommendation.

Assistant City Manager Hurtado clarified this is not currently a League resolution; it will be considered at the next League meeting, but it had been brought forth by cities in southern California; League staff did an analysis which is included in packet, that does not include a recommendation, but offers various perspectives.

Mayor Halliday disclosed that she currently sits on the League's Resolution Committee.

Council Member Mendall noted there was a need for social media companies to take more responsibilities for the content they allow and the resolution was a step in the right direction but not clear enough, and suggested the proposal could be brought before a technology committee.

Council Member Márquez would have preferred that cities who brought it forward would have consulted with more cities and would like the resolution revisited and strengthen its intent.

Council Member Zermeño stated that he was leery about accepting a recommendation from such a small group and wish it included input from cities in other parts of the state.

Council Member Salinas shared a story of a Hayward teenager who was attacked and the incident posted on YouTube, noted Council should consider examples of situations, added he was planning on attending discussion of the resolution at the League conference and supported the motion on the floor.



**SPECIAL CITY COUNCIL MEETING  
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Tuesday, September 22, 2020, 7:00 p.m.**

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Mayor Halliday appreciated all the input and understood the mixed feelings, noted that having evidence on social media can be helpful in prosecuting crimes, and added the resolution was co-authored by the City of Cerritos which suffered substantial looting following George Floyd protests.

In response to Council Member Wahab's inquiry, City Attorney Lawson stated that the question being presented was not a legal issue but more of a policy/political consideration; and noted the Council had to make a decision about balance. Council Member Wahab noted the American Civil Liberties Union was in opposition.

It was moved by Council Member Wahab, seconded by Council Member Lamnin, and carried by the following roll call vote, to direct Mayor Halliday to oppose this Resolution at the LOCC Assembly:

AYES:	COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab, Zermeno MAYOR Halliday
NOES:	None
ABSENT:	None
ABSTAIN:	None

Resolution 20-155, "Resolution Opposing the Singular League of California Cities Policy Resolution being Considered at the 2020 League of California Cities Annual Meeting"

10. City Attorney Employment Agreement Extension: Adopt a Resolution Approving a One-Month Extension to the Employment Agreement Between the City of Hayward and the City Attorney and Authorizing the Mayor to Execute the Agreement **LB 20-046**

Staff report submitted by Assistant City Manager Hurtado, dated September 22, 2020, was filed.

Assistant City Manager Hurtado provided a synopsis of the staff report.

There being no public comment, Mayor Halliday opened and closed the public hearing at 9:23 p.m.

It was moved by Council Member Mendall, seconded by Council Member Zermeno, and carried by the following roll call vote, to approve the resolution:



AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermeño  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-156, "Resolution Approving the Extension and Modification of the City Attorney's Employment Agreement as Amended and Authorizing the Mayor to Execute the Agreement on Behalf of the Council"

11. City Clerk Employment Agreement Extension: Adopt a Resolution Approving the Extension and Modification to the Employment Agreement Between the City of Hayward and the City Clerk and Authorizing the Mayor to Execute the Agreement **LB 20-047**

Staff report submitted by Assistant City Manager Hurtado dated September 22, 2020, was filed.

Assistant City Manager Hurtado provided a synopsis of the staff report.

There being no public comment, Mayor Halliday opened and closed the public hearing at 9:26 p.m.

Council Member Márquez acknowledged City Clerk Lens for her dedication to the City and making government as accessible as possible and thanked her and her team for their great work through the challenges during the year.

It was moved by Council Member Márquez, seconded by Council Member Salinas, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermeño  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-157, "Resolution Approving the Extension and Modification of the Employment Agreement between the City of Hayward and City Clerk as Amended and Authorizing the Mayor to Execute the Agreement"



**SPECIAL CITY COUNCIL MEETING  
REMOTE PARTICIPATION  
Tuesday, September 22, 2020, 7:00 p.m.**

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**CITY MANAGER'S COMMENTS**

City Manager McAdoo made three announcements: 1) shared statistics from the September 17 food distribution to 1,493 families (779 at Chabot College, 378 at St. Clements Church and 336 at Glad Tidings Church) made possible through donations from the SEWA Foundation and Columbus Meats; 2) noted the State moved Alameda County into a Red Tier which allows for some businesses to open indoor activities and schools to apply for modified in-person instructions; and 3) added the Hayward Public Library had partnered with the Hayward Unified School District to distribute over 1,500 school supply bags.

**COUNCIL REPORTS AND ANNOUNCEMENTS**

Council Member Wahab reminded all about the September 26 Census canvass walk with gathering in front of Glad Tidings Church and the importance of completing the survey.

Council Member Márquez echoed the need to complete the 2020 Census survey and shared that Kaiser Permanente was providing updates that highlighted the importance of getting flu shots this season.

**ADJOURNMENT**

Mayor Halliday adjourned the meeting at 9:42 p.m. in memory of Mr. Rich Essi, long time organizer of the Hayward Zucchini Festival.

Mr. Rich Essi was the general manager of the Hayward Zucchini Festival for 37 years, was a respected member of the Hayward Lions Club, was a US Air Force veteran of the Vietnam War, and was a committed member of the city who always made the festival possible despite budget constraints. Mayor Halliday asked staff to work with the Essi family to dedicate a tree in his memory.

The meeting was also adjourned in honor of Supreme Court Justice Ruth Bader Ginsburg who was remembered for her contributions to the country and women's rights. Mayor Halliday asked staff to find a way to recognize and honor her in the city. Council Member Wahab suggested naming the Hayward post office after her.

**APPROVED**

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Barbara Halliday  
Mayor, City of Hayward

**ATTEST:**

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Miriam Lens  
City Clerk, City of Hayward



# CITY OF HAYWARD

Hayward City Hall  
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[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** MIN 20-109

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**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Approve City Council Minutes of the Special City Council Meeting on September 29, 2020

**RECOMMENDATION**

That the City Council approves the special City Council meeting minutes of September 29, 2020.

**SUMMARY**

The City Council held a special meeting on September 29, 2020.

**ATTACHMENTS**

Attachment I      Draft Minutes of 9/29/2020



**SPECIAL CITY COUNCIL MEETING  
REMOTE PARTICIPATION  
Tuesday, September 29, 2020, 7:00 p.m.**

The Special City Council meeting was called to order by Mayor Halliday at 7:00 p.m. The special meeting was conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order No 29-20 dated March 17, 2020, and the Alameda County Health Officer Order No. 20-10 dated April 29, 2020 regarding the COVID-19 pandemic. Members of the City Council, City Staff, and members of the public participated via the Zoom Webinar platform.

Pledge of Allegiance: Mayor Halliday

**ROLL CALL**

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

**CLOSED SESSION ANNOUNCEMENT**

The City Council convened in closed session on September 29, 2020, at 6:00 p.m., regarding two items: 1) conference with legal counsel pursuant to Government Code 54956.9 regarding one anticipated litigation; and 2) conference with legal counsel pursuant to Government Code 54956.9 regarding one anticipated litigation. City Attorney Lawson announced there was no reportable action related to Item 1 and Mayor Halliday added there was no reportable action related to Item 2.

**PUBLIC COMMENTS**

There were none.

**CONSENT**

1. Approve City Council Minutes of the City Council Meeting on September 15, 2020 **MIN 20-096**

It was moved by Council Member Wahab, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the Special City Council meeting on September 15, 2020.

2. Adopt a Resolution Authorizing the City Manager to Enter into an Exclusive Negotiating Rights Agreement with Integral Partners Funding, LLC, for the Proposed Development of Parcel Group 6: Carlos Bee Quarry **CONS 20-456**

Staff report submitted by Deputy City Manager Ott, dated September 29, 2020, was filed.

It was moved by Council Member Wahab, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermeño  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-158, “Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute an Exclusive Negotiating Rights Agreement Between the City of Hayward and Integral Partners Funding, LLC for a Proposed Development Located at Parcel Group 6: Carlos Bee Quarry”

3. Adopt Resolutions Authorizing the City Manager to Accept and Appropriate Grant Funding and Private Donations for Fire Department Programs and Supplies for the Food Distribution and COVID-19 Testing Sites **CONS 20-462**

Staff report submitted by Fire Chief Contreras, dated September 29, 2020, was filed.

It was moved by Council Member Wahab, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolutions:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermeño  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-159, “Resolution Authorizing the City Manager to Accept and Appropriate up to \$10,000 in Grant Funding from Eden Healthcare District for the Purchase of CPR Mannequins”

Resolution 20-160, “Resolution Authorizing the City Manager to Accept and Appropriate \$40,000 in Grant Funding from PG&E for the Defensible Space Resident Assistance Program”

Resolution 20-161, “Resolution Authorizing the City Manager to Accept and Appropriate up to \$100,000 in Private Donations in FY20-21 to Support the Food Distribution Site and Covid-19 Testing Site”



**SPECIAL CITY COUNCIL MEETING  
REMOTE PARTICIPATION  
Tuesday, September 29, 2020, 7:00 p.m.**

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4. Adopt a Resolution Authorizing the City Manager to Execute a Professional Services Agreement Extension for Investment Portfolio Management Services with PFM Asset Management LLC in an Amount Not-to-Exceed \$95,000 Per Year **CONS 20-465**

Staff report submitted by Director of Finance Claussen, dated September 29, 2020, was filed.

It was moved by Council Member Wahab, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-162, "Resolution Authorizing the City Manager to Execute Contract with PFM Asset Management LLC for Investment Portfolio Management Services"

5. Adopt a Resolution in Support of California Proposition 15, Tax on Commercial and Industrial Properties for Education and Local Government Funding Initiative **CONS 20-467**

Staff report submitted by City Manager McAdoo, dated September 29, 2020, was filed.

It was moved by Council Member Wahab, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-163, "Resolution Supporting Proposition 15: Schools and Communities First Initiative"

6. Adopt a Resolution Accepting Revisions to the City of Hayward Conflict of Interest Code  
**CONS 20-482**

Staff report submitted by City Clerk Lens, dated September 29, 2020, was filed.

It was moved by Council Member Wahab, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution

AYES:	COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab, Zermeño MAYOR Halliday
NOES:	None
ABSENT:	None
ABSTAIN:	None

Resolution 20-164, “Resolution Accepting the Additions and Revisions to the City of Hayward Conflict of Interest Code”

**WORK SESSION**

7. FY 2020 Preliminary Unaudited General Fund Financial Review **WS 20-039**

Staff report submitted by Director of Finance Claussen, dated September 29, 2020, was filed.

Director of Finance Claussen announced the item and introduced Deputy Director of Finance Gonzales who provided a synopsis of the staff report.

Discussion ensued among members of the City Council and City staff regarding: home sale trends in comparison to last year; revenue from cannabis; reserves and overall deficit; early financial reports on impact from the pandemic; OPEB payments; small businesses; state or federal funding/protections; and one-time impacts of South Dakota vs. Wayfair and online sales tax.

Members of the City Council had the following suggestions: prioritize paying debt; paying down the ARC (Annual Required Contribution), restore revenue during the mid-year update, provide updated financial information to the Council Budget and Finance Committee and bargaining groups, and keep track of property transfers for indicators of displacement. The City Council thanked the Finance Department for the report.

There being no public speakers, Mayor Halliday opened and closed the public hearing at 7:50 p.m.





**SPECIAL CITY COUNCIL MEETING  
REMOTE PARTICIPATION  
Tuesday, September 29, 2020, 7:00 p.m.**

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Council Member Lamnin shared she needed to leave the meeting due to a family emergency and left the meeting.

**PUBLIC HEARING**

Mayor Halliday disclosed she had to recuse from discussing and voting on Item 8 because the property was within 500 feet of her residence. Mayor Halliday left the meeting at 7:50 p.m., and Mayor Pro Tempore Salinas presided over the meeting.

8. Subaru Disposition and Development Agreement: Adopt a Resolution: (1) Approving the Government Code Section 52201 Summary Report for the Project ; and (2) Authorizing the City Manager to Negotiate and Execute a Disposition and Development Agreement with BMODDRE2, LLC for Transfer of Specified City Owned Properties and for the Development of a New Automobile Subaru Dealership **PH 20-064**

Staff report submitted by Deputy City Manager Ott, dated September 29, 2020, was filed.

Economic Development Specialist Ralston provided a synopsis of the staff report.

Discussion ensued among City Council members and City staff regarding: plans for the lot and a recommendation to get rid of the chain link fence; timeline for affordable housing; measures in place to mitigate construction impacts on the neighborhood; the project exempt from CEQA review; community benefit by way of providing affordable housing; community outreach efforts; and traffic impacts on the neighborhood and Mission Boulevard during construction.

In response to Council Member Márquez's inquiry, Mr. Devin McCafferty, project applicant, noted that their local contractor includes local employees and discussed Subaru's community contributions.

There being no speakers, Mayor Pro Tempore Salinas opened and closed the public hearing at 8:18 p.m.

Council Member Wahab reiterated comments made by members of the City Council that the peace for residents should be a priority during the project development.

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Márquez, Mendall, Wahab, Zermeno  
MAYOR PRO TEMPORE Salinas  
NOES: NONE  
ABSENT: COUNCIL MEMBER Lamnin  
MAYOR Halliday

Resolution 20-165, "Resolution Approving Government Code Section 52201 Summary Report and Authorizing the City Manager to Negotiate and Execute a Disposition and Development Agreement with BMODDRE2, LLC, for Specified Properties Located Near Mission Boulevard and Carlos Bee Boulevard for the Construction of a New Auto Dealership and Making Specified Findings in Association therewith"

Mayor Halliday returned to the meeting at 8:42 p.m.

9. Huntwood Ave and Patrick Ave Traffic Calming: Adopt a Resolution Approving Pavement Striping Improvements **PH 20-066**

The item was continued to October 6, 2020.

## **LEGISLATIVE BUSINESS**

10. 2020 Bicycle and Pedestrian Master Plan: Adopt a Resolution Accepting the Hayward 2020 Bicycle and Pedestrian Master Plan **LB 20-050**

Staff report submitted by Director of Public Works Ameri, dated September 29, 2020, was filed.

Public Works Director Ameri announced the item and introduced Senior Transportation Engineer Solla who provided a synopsis of the staff report.

Discussion ensued among members of the City Council and City staff regarding: the possibility of increasing the number of improved streets; most streets are residential and have no need for bicycle improvements and many are highways or high-volume streets; the letter from Bike East Bay Manager Husftader and any plans to designate a transportation planner within the Transportation Division who would focus solely on the project implementation and dedicated cycle track on Mission Boulevard; thoughts about expanding to a regional approach as other cities update their plans; data considered regarding fatalities and accidents; and traffic mitigation measures such as bulb-outs.

Mayor Halliday opened the public hearing at 9:02 p.m.

Ms. Susie Hufstader, Bike East Bay Advocacy Manager, provided a letter for the record and expressed support for the Bicycle and Pedestrian Master Plan.



**SPECIAL CITY COUNCIL MEETING  
REMOTE PARTICIPATION  
Tuesday, September 29, 2020, 7:00 p.m.**

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Mr. Steven Dunbar supported the Plan noting it was well done and complete.

Mayor Halliday closed the public hearing at 9:08 p.m.

Members of the City Council were in general agreement with the Bicycle and Pedestrian Master Plan and praised Public Works staff for their work.

Council Member Mendall encouraged staff to pay attention to bicycle and pedestrian issues.

Council Member Wahab echoed Bike East Bay Manager Hufstader's comments and discussed the Council's efforts to prioritize environmental sustainability.

Council Member Márquez expressed she would like to focus on areas where accidents have occurred as well as the safe routes to schools, suggested a partnership with Bike East Bay to educate the public on proper bike use and how to navigate Hayward, and acknowledged input from the Council Infrastructure Committee.

It was moved by Council Member Salinas, seconded by Council Member Wahab, and carried by the following roll call vote, to approve the resolution:

AYES:	COUNCIL MEMBERS Márquez, Mendall, Salinas, Wahab, Zermeño MAYOR Halliday
NOES:	None
ABSENT:	COUNCIL MEMBER Lamnin
ABSTAIN:	None

Resolution 20-166, "Resolution for the Adoption of the 2020  
Bicycle and Pedestrian Master Plan"

**INFORMATIONAL ITEM**

11. November 3, 2020 General Municipal Election: Vote-by-Mail Ballots **RPT 20-103**

Staff report submitted by City Clerk Lens dated September 29,  
2020, was filed.

Mayor Halliday thanked City Clerk Lens for her report and shared that information would be available on the City's website.

## **CITY MANAGER'S COMMENTS**

City Manager McAdoo shared that StopWaste had donated 50 refurbished computers to the Hayward library for the Adult Literacy Program and they will be available in a few weeks.

## **COUNCIL REPORTS AND ANNOUNCEMENTS**

Council Member Márquez thanked City Clerk Lens for her work on the Vote By Mail staff report and encouraged eligible voters to register before the October 19 deadline; reminded the City negotiated with Waste Management for two free bulky pickups per year and urged residents to take advantage before the end of the year; announced Glad Tidings Church has a COVID-19 test site; and noted that community members who need support completing the Census survey could contact the City Manager's office.

Mayor Halliday noted a correction on the agenda and clarified the next City Council meeting was on October 6, 2020.

## **ADJOURNMENT**

Mayor Halliday adjourned the special City Council meeting at 9:31 p.m., with good thoughts for Council Member Lamnin and her family.

## **APPROVED**

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Barbara Halliday  
Mayor, City of Hayward

## **ATTEST:**

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Miriam Lens  
City Clerk, City of Hayward



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** MIN 20-110

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**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Approve the Minutes of the Special Joint City Council/Hayward Redevelopment Successor Agency Board Meeting on October 6, 2020

**RECOMMENDATION**

That the City Council approves the Special Joint City Council/Hayward Redevelopment Successor Agency Board meeting minutes of October 6, 2020.

**SUMMARY**

The City Council held a special Joint City Council/Hayward Redevelopment Successor Agency Board meeting on October 6, 2020.

**ATTACHMENTS**

Attachment I      Draft Minutes of 10/6/2020



**SPECIAL JOINT MEETING OF THE CITY COUNCIL AND  
HAYWARD REDEVELOPMENT SUCCESSOR AGENCY  
REMOTE PARTICIPATION  
Tuesday, October 6, 2020, 7:00 p.m.**

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The special joint meeting of the City Council and Hayward Redevelopment Successor Agency was called to order by Mayor/Chair Halliday at 7:00 p.m. The special meeting was conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order No 29-20 dated March 17, 2020, and the Alameda County Health Officer Order No. 20-10 dated April 29, 2020 regarding the COVID-19 pandemic. Members of the City Council, City Staff, and members of the public participated via the Zoom Webinar platform.

**Pledge of Allegiance:** Council/HRSA Member Mendall

**ROLL CALL**

Present: COUNCIL/HRSA MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab, Zermeño  
MAYOR/CHAIR Halliday  
Absent: None

**CLOSED SESSION ANNOUNCEMENT**

The City Council convened in closed session concerning two items: 1) conference with labor negotiators pursuant to Government Code 54957.6 regarding all groups; and 2) public employment pursuant to Government Code 54957 (b)(1) regarding the City Attorney's performance evaluation. Mayor Halliday reported there was no reportable action.

**PRESENTATIONS**

Mayor Halliday and Alameda County Supervisor Valle shared their appreciation for the time and service given by all volunteers and noted this was the time when they would have been holding the volunteer dinner at the St. Rose Hospital white tent. Supervisor Valle paid tribute to former Alameda County Supervisor Gail Steele and suggested finding a way to honor her such as renaming the recognition dinner after her. Members of the City Council participated in recognizing the following eight non-profit agencies for their work during the pandemic: ECHO (Eden Council for Hope and Opportunity) Housing, Eden Area Interfaith Council, Eden Health District, First Pres Church and South Hayward Parish, Friends of Chabot College, La Familia, Spectrum Community Services, Inc., and St. Rose Hospital. Mayor Halliday honored the Fire Department for establishing the nation's first free City's COVID-19 testing site and partnering with the City of Hayward, Alameda County Community Food Bank and Chabot College in managing a no-contact food distribution operation. Community Programs Specialist Ebadi thanked all generous donors for their contributions to the food distribution sites. Ms. Ginny DeMartini was also recognized for her organization efforts with the recognitions.

Mayor Halliday read a Certificate of Commendation praising Edward and Donna Martins for the \$250,000 donation through the Donna L. Martins & Edward E. Martins Foundation to support the acquisition of a bookmobile and related supplies.

## **PUBLIC COMMENTS**

Ms. Vanessa Sadsad, Hayward resident, thanked the Council for supporting Proposition 15; appreciated efforts to widen bike lanes and add lighting to Mission Boulevard; and supported reforming policing and no-fault evictions through 2020 and 2021.

Ms. Ro Aguilar, an appellant on the Mission Village project, noted she hoped the appeal of the Planning Commission decision would have been on the agenda; and urged the continuing and new members of the Council to convene a work session in early 2021 to review the Strategic Roadmap and revisit requirements and mechanisms related to affordable housing and giving Council more negotiating power with developers.

Ms. Cynthia, Twin Bridges resident, supported the bike lanes on Mission Boulevard and suggested a lane from the Patrick/Huntwood corridors to Industrial Boulevard.

## **CONSENT**

Consent Items 3 and 4 were removed from the Consent Calendar for separate vote.

1. Adopt a Resolution Authorizing the City Manager to Execute an Amendment to the Cooperating Agreement with East Bay Municipal Utility District to Prepare a Groundwater Sustainability Plan for the East Bay Plain Subbasin **CONS 20-423**

Staff report submitted by Director of Public Works Ameri, dated October 6, 2020, was filed.

It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES:	COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab, Zermeño MAYOR Halliday
NOES:	None
ABSENT:	None
ABSTAIN:	None

Resolution 20-167, “Resolution Authorizing the City Manager to Amend the Cooperating Agreement with East Bay Municipal Utility District for Preparation of a Groundwater Sustainability Plan for the East Bay Plain Subbasin”



**SPECIAL JOINT MEETING OF THE CITY COUNCIL AND  
HAYWARD REDEVELOPMENT SUCCESSOR AGENCY  
REMOTE PARTICIPATION  
Tuesday, October 6, 2020, 7:00 p.m.**

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2. Adopt a Resolution Approving the Utility Service Agreement and Authorizing the City Manager to File an Application with the Alameda County Local Agency Formation Commission (LAFCo) for Approval of an Out-of-Service Area Agreement and Execute Utility Service and Public Street Improvement Agreements with the Applicant for a Property on Fairview Avenue in Unincorporated Alameda County for Applicants Anthony Barraza & V Anna **CONS 20-477**

Staff report submitted by Director of Development Service Simpson, dated October 6, 2020, was filed.

It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermeno  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-168, "Resolution Authorizing the City Manager to Apply to the Alameda County Local Agency Formation Commission for the City to Provide Water Service to the Property Outside its Current Service Area Bearing Assessor's Parcel Number 425-280- 5-3, and to Execute Utility Service and Public Street Improvement Agreements with the Property Owners"

3. Adopt a Resolution Approving a Final Map of Tract 8280 (Vagabond Estates) Subdividing Two Existing Parcels Totaling 1.27 Acres Located at 29265 Vagabond Lane into Eight (8) Lots **CONS 20-478**

Staff report submitted by Director of Development Services Simpson, dated October 6, 2020, was filed.

The item was removed by Council Member Wahab who sought clarification on Item 3 and Item 4.

City Manager McAdoo clarified the Tract 8280 Final Map was one step in the land use development process and the item had already undergone rezoning, Council review, a Tentative Map process, final engineering drawings, and completed improvement plans.



It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-174, "Resolution Approving the Final Map of Tract 8280, Accepting the Easements Dedicated Thereon for Public Use and Authorizing the City Manager to Negotiate and Execute the Subdivision Agreement and Related other Documents"

4. Adopt a Resolution Approving a Final Map of Tract 8518, Stonebrae Clubhouse Villas, Subdividing a 20-Acre Site Into Ten (10) Lots For Single-Family Homes, One Common Use Lot For The Ten Lots And Two Large Remainder Lots, Including Portions of Existing Driving Range And Open Space And Authorize the City Manager to Execute a Subdivision Agreement. Tract 8518 is the Planned and Phased Development of The Country Club Complex Approved in The Blue Rock Country Club (Stonebrae) Vesting Tentative Tract Map 5354 **CONS 20-479**

Staff report submitted by Director of Development Services Simpson, dated October 6, 2020, was filed.

Mayor Halliday opened the public comment at 7:57 p.m.

Mr. Steven Dunbar thanked City Manager McAdoo for clarifying the steps that were taken related to the approval of both Final Map Tract 8280 and Final Map Tract 8518.

At City Manager McAdoo's request, Fire Chief Contreras addressed Mr. Dunbar's concerns about potential fire risk at Stonebrae Villas and shared the project was reviewed in 2019 and the Conditions of Approval met the Urban/Wildland Interface Guidelines.

Mayor Halliday closed the public comment at 7:59 p.m.

It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None



**SPECIAL JOINT MEETING OF THE CITY COUNCIL AND  
HAYWARD REDEVELOPMENT SUCCESSOR AGENCY  
REMOTE PARTICIPATION  
Tuesday, October 6, 2020, 7:00 p.m.**

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Resolution 20-175, "Resolution Approving Final Map for Tract 8518 and Authorizing the City Manager to Execute a Subdivision Agreement"

5. Adopt a Resolution Authorizing the City Manager to Negotiate and Execute an Agricultural Lease Agreement with Virgil Robertson for 20 Acres on Parcel Group 4 Generally Situated on Undeveloped Land between Harder and Tennyson Roads **CONS 20-485**

Staff report submitted by City Manager McAdoo, dated September 29, 2020, was filed.

It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES:	COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab, Zermeno MAYOR Halliday
NOES:	None
ABSENT:	None
ABSTAIN:	None

Resolution 20-169, "Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute an Agricultural Lease Agreement with Virgil Robertson for 20 Acres on Parcel Group 4 Generally Situated on Undeveloped Land Between Harder and Tennyson Roads"

6. Adopt a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Contra Costa Electric for Fiber Optic Installation Services in an Amount Not-to-Exceed \$254,842 **CONS 20-487**

Staff report submitted by Director of Information Technology Kostrzak, dated October 6, 2020, was filed.

It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-170, "Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute an Agreement between the City of Hayward and Contra Costa Electric for Fiber Optic Installation Services"

7. Adopt a Resolution Authorizing the City Manager to Execute an MOU with 4Cs of Alameda County and to Accept and Appropriate \$45,000 to Support the Purchase of a Hayward Public Library Bookmobile **CONS 20-489**

Staff report submitted by Director of Library Addleman, dated October 6, 2020, was filed.

It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermelo  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-171, "Resolution Authorizing the City Manager to Execute an MOU between the City of Hayward Public Library and 4Cs of Alameda County, and to Accept and Appropriate \$45,000 from 4Cs of Alameda County to Support the Purchase of the Bookmobile"

8. Adopt a Resolution Authorizing the City Manager to Negotiate and Execute a Letter Agreement with 1069 B Street, LLC to Defer Rent and Parking Maintenance Payments for Cinema Place **CONS 20-490**

Staff report submitted by Deputy City Manager Ott, dated October 6, 2020, was filed.

It was moved by Council/HRSA Member Mendall, seconded by Council/HRSA Member Márquez, and carried by the following roll call vote, to approve the resolution:



**SPECIAL JOINT MEETING OF THE CITY COUNCIL AND  
HAYWARD REDEVELOPMENT SUCCESSOR AGENCY  
REMOTE PARTICIPATION  
Tuesday, October 6, 2020, 7:00 p.m.**

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AYES: COUNCIL/HRSA MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermeno  
MAYOR/CHAIR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Redevelopment Successor Agency Resolution 20-03, "Resolution Authorizing the City Manager to Negotiate and Execute a Letter Agreement with 1069 B Street, LLC to Defer Rent and Parking Maintenance Fees Due to the COVID-19 Pandemic"

9. Adopt Resolutions Authorizing the City Manager to Execute a Professional Services Agreement with Maddaus Water Management Inc., to Prepare the 2020 Urban Water Management Plan and Appropriate \$139,614 **CONS 20-493**

Staff report submitted by Director of Public Works Ameri, dated October 6, 2020, was filed.

It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolutions:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas,  
Wahab, Zermeno  
MAYOR Halliday  
NOES: None  
ABSENT: None  
ABSTAIN: None

Resolution 20-172, "Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Maddaus Water Management Inc., to Prepare the 2020 Urban Water Management Plan, in an amount Not to Exceed \$139,614"

Resolution 20-173, "Resolution Authorizing Appropriation of \$139,614 from the Water System Operating Fund to Prepare the 2020 Urban Water Management Plan"

## LEGISLATIVE BUSINESS

### 10. Huntwood and Patrick Avenues Complete Streets: Adopt a Resolution Approving Complete Streets Improvements **LB 20-051**

Staff report submitted by Director of Public Works Ameri, dated October 6, 2020, was filed.

Director of Public Works Ameri announced the item and introduced Senior Transportation Engineer Solla who provided a synopsis of the staff report.

Discussion ensued among members of the City Council and City staff regarding: concerns received from residents are responded to accordingly; bicycle lane to Industrial Boulevard will be addressed when economically feasible; possibility of keeping two lanes for traffic volume from Tennyson Road to Patrick Avenue; consideration of improving pedestrian pathway with hawk signals and increased lighting; impacts to business community on the industrial section of Huntwood Avenue; changes for operational purposes would be feasible; collision data for Huntwood Avenue and Patrick Avenue; securing additional grant funding for hawk signals; issues with speeding along the corridors; location of protected bike lanes; and effectiveness of road diet.

Mayor Halliday opened the public hearing at 8:45 p.m.

Ms. Ellen Frankel, Patrick Avenue resident, was concerned she did not find out about the project until the paving had started; noted there could be confusion where Tennyson Road turns onto Patrick Avenue and changes from two lanes to one lane; asked about adding speed bumps; and suggested removing parking on Patrick Avenue between Tennyson Road and Schafer Road.

Mr. Kim Huggett, Hayward Chamber of Commerce President, noted the Huntwood Business Park had concerns about reducing the number of lanes and creating a backup along Whipple Road and Industrial Boulevard; and appreciated staff's receptiveness to concerns.

Ms. Susie Hufstader, Bike East Bay Advocacy Manager, referred to the 2018 community workshop where community members shared how difficult it was to cross the street at Weekes Park and noted the importance of doing road diets to improve pedestrian experience; and encouraged staff to get bollards installed as quickly as possible to minimize confusion.

Mr. Steven Dunbar, Bike East Bay Board Member, noted that approving the Complete Streets Improvements was a way to reduce transportation emissions and honor the person who was hit on Patrick Avenue in front of Weekes Park.

Mr. Kyle Kumar, works on Huntwood Avenue, noted that not having a bike lane had been a deterrent and while he understood the businesses' concerns of not continuing the bike lane to Whipple Road, he supported the project.



**SPECIAL JOINT MEETING OF THE CITY COUNCIL AND  
HAYWARD REDEVELOPMENT SUCCESSOR AGENCY  
REMOTE PARTICIPATION  
Tuesday, October 6, 2020, 7:00 p.m.**

Ms. Liliana Ventura, former City of Hayward employee, noted she used to live on Gading Road and community members rely on taking public transportation, biking, and walking; and the proposed improvements to the corridor would improve their safety.

Mayor Halliday closed the public hearing at 9:00 p.m.

Members of the City Council thanked City staff for the outreach conducted and community members for their feedback.

Council Member Zermeño noted public safety was a priority and indicated the street improvements were a continuation of the Bicycle Pedestrian Master Plan and an effort to make more roads and avenues safer.

Council Member Salinas noted the corridor has a lot of activity and reducing the speed was a priority for the safety of children and neighbors; and added the City should be promoting safe walking and safe biking.

Council Member Márquez noted the goal was for people to be safe both walking and in vehicles; and encouraged residents to sign up for The Stack newsletter and City Council agendas.

Council Member Wahab wanted to know about the flexibility to make changes as suggested by residents; and wanted to highlight signage to be more visible.

Public Works Director Ameri addressed the earlier comment from Ms. Frankel and clarified that the turn from Tennyson to Patrick remains two lanes; and speed bumps were not recommended for four lane roads.

Council Member Lamnin acknowledged lives lost at the corridor; and appreciated prioritizing signage and seeing what aesthetic features can be added.

Mayor Halliday shared she serves on the Alameda County Transportation Commission and is involved with regional planning as part of the Association of Bay Area Government; and noted the city needs more people using modes of transit to help save the planet and people should feel safe walking and crossing roadways.

It was moved by Council Member Zermeño, seconded by Council Member Salinas, and carried by the following roll call vote, to approve the resolution:

AYES:	COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab, Zermeño MAYOR Halliday
NOES:	None

ABSENT: None  
ABSTAIN: None

Resolution 20-176, "Resolution for Approval of the Huntwood and Patrick Avenues Traffic Calming Pavement Striping Plans"

### **CITY MANAGER'S COMMENTS**

City Manager McAdoo shared Fitch Ratings had issued a press release affirming the City's bond issuer rating of AA+ specific to the issuance of Measure C (2015), certificates of participation (COPs) (Capital Projects) and the City's financial stability; thanked the City Council, Finance staff and voters for keeping Hayward on a sound financial path; and noted the City would be issuing a press release. Council Member Márquez thanked City Manager McAdoo for the good news and recommended to also recognize the sacrifice of employees.

In response to members of the City Council, City Manager McAdoo addressed the letter on White House stationary that carried President Trump's signature and was included in food distribution boxes.

### **COUNCIL REPORTS AND ANNOUNCEMENTS**

There were none.

### **ADJOURNMENT**

Mayor/Chair Halliday adjourned the special City Council meeting at 9:36 p.m., in memory of Ms. Donna Martins.

Mayor/Chair Halliday noted that Ms. Donna Martins, along with her husband Mr. Edward Martins, had funded free entrance to visitors of the Hayward Area Historical Society Museum, supported Chabot College's annual student scholarship, funded the Department of Radiation/Oncology at the University of California San Francisco and cancer research; and funded a bookmobile for the Hayward Public Library. Mayor Halliday asked City staff to work with Mr. Martin to find a suitable place to dedicate a tree in memory of Donna Martins.

### **APPROVED**

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Barbara Halliday  
Mayor, City of Hayward  
Chair, Hayward Redevelopment Successor Agency

### **ATTEST:**

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Miriam Lens  
City Clerk, City of Hayward  
Secretary, Hayward Redevelopment Successor Agency



# CITY OF HAYWARD

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777 B Street  
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**File #:** CONS 20-494

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**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Director of Finance

**SUBJECT**

Adopt a Resolution Authorizing the City Manager to Enter into an Agreement with CalPERS via the California Employers' Pension Prefunding Trust (CEPPT), a Section 115 Irrevocable Trust, and Delegating Authority to Request Disbursements

**RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to enter into an agreement with CalPERS to establish an Section 115 Irrevocable Trust through its California Employers' Pension Prefunding Trust (CEPPT) and delegating authority to the City Manager and Director of Finance for the request of disbursement from the CEPPT.

**SUMMARY**

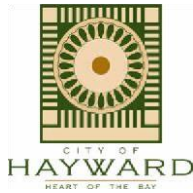
As part of the City's most recent Strategic Roadmap, Council directed staff to investigate funding tools and strategies to reduce the City's pension and other post-employment benefits (OPEB) liabilities. A Section 115 Irrevocable Trust allows cities to invest assets to fund future pension and OPEB contributions over shorter time horizons than the pension fund and with potentially better yields than other short term instruments such as the Local Agency Investment Fund (LAIF).

CalPERS' Section 115 Irrevocable Trust Program, CEPPT, does not have a minimum initial contribution or required annual contribution amount. The City will have the ability to make deposits into the CEPPT as funds become available. The attached resolution (Attachment II) authorizes the City Manager to enter into an agreement to establish a Section 115 Trust through CalPERS, and authorizes the City Manager and Director of Finance to withdraw funds from the CEPPT to make payments toward pension liabilities.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution





**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Director of Finance

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Enter into an Agreement with CalPERS via the California Employers' Pension Prefunding Trust (CEPPT), a Section 115 Irrevocable Trust, and Delegating Authority to Request Disbursements

## **RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to enter into an agreement with CalPERS to establish an Section 115 Irrevocable Trust through its California Employers' Pension Prefunding Trust (CEPPT) and delegating authority to the City Manager and Director of Finance for the request of disbursement from the CEPPT.

## **SUMMARY**

As part of the City's most recent Strategic Roadmap, Council directed staff to investigate funding tools and strategies to reduce the City's pension and other post-employment benefits (OPEB) liabilities. A Section 115 Irrevocable Trust allows cities to invest assets to fund future pension and OPEB contributions over shorter time horizons than the pension fund and with potentially better yields than other short term instruments such as the Local Agency Investment Fund (LAIF).

CalPERS' Section 115 Irrevocable Trust Program, CEPPT, does not have a minimum initial contribution or required annual contribution amount. The City will have the ability to make deposits into the CEPPT as funds become available. The attached resolution (Attachment II) authorizes the City Manager to enter into an agreement to establish a Section 115 Trust through CalPERS, and authorizes the City Manager and Director of Finance to withdraw funds from the CEPPT to make payments toward pension liabilities.

## **BACKGROUND**

The City of Hayward, like all cities and municipal agencies, manages unfunded benefit liabilities as part of its financial planning efforts. Unfunded liabilities are defined as identifiable obligations of an organization for which the organization does not have 100 percent of the funding (cash or other assets) set aside to cover the cost should all obligations become immediately and simultaneously due. The City of Hayward's two largest benefit liabilities are for its defined benefit pension plan and its retiree medical

benefit, also known as Other Post-Employment Benefits (OPEB). The City previously established a separate trust fund for its OPEB liability and has been routinely making significant contributions to the trust in recent fiscal years.

As part of its Annual City Benefit and Fund Plan Review on May 15, 2019<sup>1</sup>, the Council Budget and Finance Committee was presented with the option of establishing a Section 115 Irrevocable Trust as a strategy for reducing the cost of annual required contributions (ARCs) to its pension and OPEB liabilities. The Committee requested that the option be advanced to Council for consideration. The Council designated the establishment of a Section 115 Irrevocable Trust as a high priority project in the City's Strategic Roadmap for Fiscal Years 2021/22 to 2023/24, adopted on January 28, 2020<sup>2</sup>.

Throughout the spring of 2020, staff identified and evaluated three primary administrators of Section 115 Irrevocable Trusts: 1) the California Public Employees Retirement System (CalPERS); 2) Public Agency Retirement Services (PARS); and 3) Public Financial Management Services (PFM). Prospective administrators were evaluated based on number of member agencies, assets under management, fee schedule, and annualized returns. Staff recommends the California Employers' Pension Prefunding Trust (CEPPT) program administered by CalPERS, based on CEPPT providing the lowest total participation cost and CalPERS' expertise as the defined benefit administrator for California public agencies.

## **DISCUSSION**

A Section 115 Irrevocable Trust will allow the City to establish a pension trust fund to accumulate, hold, and distribute pension plan assets for the exclusive benefit of retiree pensions within the meaning of the IRS Code Section 115. Withdrawals of plan assets are not permitted for any other use than for pension related costs paid by the City to retirees.

Use of a Section 115 Irrevocable Trust, such as the CEPPT, offers the City a means of accruing investment income from General Fund balances intended for payment of future ARCs, thereby reducing the overall amount of the General Fund paid toward pension obligations annually. CEPPT disbursements may be used to pay for both normal cost payments as well as unfunded accrued liabilities (UAL).

The CEPPT does not require a minimum starting contribution or required annual contributions. This allows to the City to adjust pension pre-funding contributions based on fiscal conditions, rather than locking into fixed contributions that could strain budgets in economic downturns or fail to fully take advantage of economic upswings.

The participation fee rate for the CEPPT includes management fees, administrative costs, and custodial services. As of 2020, the fee is 0.25% of assets under management. For example, for a daily average asset balance of \$1M, CalPERS would charge \$2,500 over the course of a year. These rates are subject to change but have remained stable since the

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<sup>1</sup>Council Budget and Finance Committee Meeting on May 15, 2019 - <https://hayward.legistar.com/LegislationDetail.aspx?ID=3945229&GUID=B967BB71-8673-4924-983E-3EA9C9C3FA9C&Options=&Search=>

<sup>2</sup>City Council Meeting on January 28, 2020 - <https://hayward.legistar.com/LegislationDetail.aspx?ID=4315589&GUID=1F328D58-C3FC-41E5-8BF7-A17E4E09DDCB&Options=&Search=>

CEPPT program introduction. Participation fees are accrued daily and will vary based on daily balance. CEPPT participants are not charged unless contributions have been made to the account, or the account balance is positive.

## **STRATEGIC ROADMAP**

This agenda item supports the Strategic Priority of Improve Organizational Health. Specifically, this item relates to the implementation of the following project(s):

Project 1, Part 1.b: Continue to identify funding tools and cost reduction strategies for PERS, other post-employment benefits (OPEB) liability, and other health care costs.

## **FISCAL IMPACT**

There is no impact to the General Fund with this action, as the CEPPT does not require an initial contribution to be established. Funding of CEPPT contributions will require additional direction from Council and approval of a corresponding budget appropriation.

## **NEXT STEPS**

If Council adopts the Resolution, staff will enter into an agreement with CalPERS to establish a CEPPT (115 Irrevocable Trust). Staff will seek direction from Council on any future appropriation of funds to contribute to the CEPPT.

*Prepared by:* Rick Rivera, Management Analyst I  
Nicole Gonzales, Deputy Director of Finance

*Recommended by:* Dustin Claussen, Director of Finance

*Approved by:*



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Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 20-\_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM'S (CalPERS) CALIFORNIA EMPLOYERS' PENSION PREFUNDING TRUST (CEPPT) PROGRAM TO ESTABLISH A SECTION 115 TRUST AND DELEGATING AUTHORITY TO THE CITY MANAGER AND THE DIRECTOR OF FINANCE TO REQUEST DISBURSEMENTS FROM THE SECTION 115 TRUST

WHEREAS, it is determined to be in the best interest of the City to set aside funds for the pre-funding of its CalPERS pension obligation to be held in trust for the exclusive purpose of making future contributions of the City's required pension contributions and any employer contributions in excess of such required contributions at the discretion of the City; and

WHEREAS, a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code (as amended) and the Regulations issued thereunder, and is a tax-exempt trust under the relevant statutory provisions of the State of California; and

WHEREAS, the City's establishment of the Section 115 trust does not require a minimum initial or annual contribution; and

WHEREAS, Staff evaluated all firms with significant experience establishing and maintaining Section 115 Trusts; and

WHEREAS, the CEPPT program offered by CalPERS was determined to offer the best combination of member agencies, assets under management, fee schedule, and annualized returns.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to execute an agreement with CalPERS to establish a Section 115 Trust Fund, to include trust administrative, trustee/custodian, and investment advisory services.

BE IT FURTHER RESOLVED that the City Manager and Director of Finance are hereby authorized and/or their successors in office are authorized to order the deposit or withdrawal of money in the City of Hayward's Section 115 Trust Fund for the pre-funding or pre-payment of CalPERS defined benefit contributions.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2020

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

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**File #:** CONS 20-498

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**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Deputy City Manager

**SUBJECT**

Adopt a Resolution Authorizing the City Manager to (1) Submit an Application to the California State Department of Housing and Community Development (HCD) for a Maximum Amount of \$5 Million for Mortgage Assistance Funding under the CalHome Program; (2) Enter into and Execute a Standard Agreement and Any Subsequent Amendments, Modifications, or Documents thereto, if Awarded; and (3) Accept and Appropriate Any Awarded Funds in an Amount Not to Exceed \$5 Million

**RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to:

1. Submit an application to the California State Department of Housing and Community Development (HCD) for a maximum amount of \$5 million for mortgage assistance funding under the CalHome Program;
2. Enter into and execute a Standard Agreement and any subsequent amendments, modifications, or documents necessary to participate in the CalHome Program with the California State Department of Housing and Community Development if the grant funds are awarded, and
3. Accept and appropriate any awarded funds in an amount not to exceed \$5 million.

**SUMMARY**

Housing affordability is an issue for many people in the Bay Area and homeownership provides long-term housing stability. On August 31, 2020, HCD released the CalHome Program Notice of Funding Availability (NOFA), which made available approximately \$57 million in funding to local public agencies and non-profits for qualifying CalHome activities that support homeownership. While there are multiple eligible uses for the CalHome funds, staff determined that first-time homebuyer mortgage assistance will address the affordability gap for low-income purchasers, can be implemented by integrating it into existing homeownership services, and fulfills the request of the Homelessness-Housing Task Force (HHTF) to provide greater affordable homeownership opportunities for Hayward residents.

Staff has determined that the City would be eligible for grant funds under the CalHome NOFA, if it partners with a more experienced program administrator. Staff has issued a Request For Proposal (RFP) to identify a qualified program administrator and will enter into a contract with the consultant administratively for a first phase of work to develop the framework of a mortgage assistance program and return to Council for approval of a contract amendment for any subsequent work, if required.

A successful application would provide mortgage assistance in the form of a deferred loan to low-income, first-time homebuyers in an amount not to exceed \$100,000. Staff estimates that a four-person household earning near the income limit with modest consumer debt could afford a \$570,000 purchase price with a \$100,000 CalHome mortgage assistance loan, which is sufficient to enter the Hayward housing market.

Staff is requesting Council authority to apply for the maximum grant amount of \$5 million, although anticipates that the application may be submitted for a lower amount to increase feasibility competitiveness.

## **ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution



**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Deputy City Manager

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to (1) Submit an Application to the California State Department of Housing and Community Development (HCD) for a Maximum Amount of \$5 Million for Mortgage Assistance Funding under the CalHome Program; (2) Enter into and Execute a Standard Agreement and Any Subsequent Amendments, Modifications, or Documents thereto, if Awarded; and (3) Accept and Appropriate Any Awarded Funds in an Amount Not to Exceed \$5 Million

## **RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to:

1. Submit an application to the California State Department of Housing and Community Development (HCD) for a maximum amount of \$5 million for mortgage assistance funding under the CalHome Program;
2. Enter into and execute a Standard Agreement and any subsequent amendments, modifications, or documents necessary to participate in the CalHome Program with the California State Department of Housing and Community Development if the grant funds are awarded, and
3. Accept and appropriate any awarded funds in an amount not to exceed \$5 million.

## **SUMMARY**

Housing affordability is an issue for many people in the Bay Area and homeownership provides long-term housing stability. On August 31, 2020, HCD released the CalHome Program Notice of Funding Availability (NOFA), which made available approximately \$57 million in funding to local public agencies and non-profits for qualifying CalHome activities that support homeownership. While there are multiple eligible uses for the CalHome funds, staff determined that first-time homebuyer mortgage assistance will address the affordability gap for low-income purchasers, can be implemented by integrating it into existing homeownership services, and fulfills the request of the Homelessness-Housing Task Force (HHTF) to provide greater affordable homeownership opportunities for Hayward residents.



Staff has determined that the City would be eligible for grant funds under the CalHome NOFA, if it partners with a more experienced program administrator. Staff has issued a Request For Proposal (RFP) to identify a qualified program administrator and will enter into a contract with the consultant administratively for a first phase of work to develop the framework of a mortgage assistance program and return to Council for approval of a contract amendment for any subsequent work, if required.

A successful application would provide mortgage assistance in the form of a deferred loan to low-income, first-time homebuyers in an amount not to exceed \$100,000. Staff estimates that a four-person household earning near the income limit with modest consumer debt could afford a \$570,000 purchase price with a \$100,000 CalHome mortgage assistance loan, which is sufficient to enter the Hayward housing market.

Staff is requesting Council authority to apply for the maximum grant amount of \$5 million, although anticipates that the application may be submitted for a lower amount to increase feasibility competitiveness.

## **BACKGROUND**

Housing affordability is an issue for many people in the Bay Area. Homeownership provides long-term housing stability as long as the cost is affordable, and maintenance and repairs are manageable. Homeownership programs can stabilize housing costs for those that are eligible and have the capacity to purchase. Homeownership programs like mortgage assistance programs can help bridge the gap between what a household can afford and the purchase price, provide a down payment, and incentivize homeownership. The City of Hayward administered a first-time homebuyer (FTHB) mortgage assistance program ("FTHB Program") targeting moderate income households from 1995 through 2012. While active, the FTHB Program provided loan assistance to 257 moderate-income households. Of those 257 loans, 42 loans remain outstanding and continue to be serviced by the City. Currently, the City does not have funding for originating new loans through the FTHB Program. On August 31, 2020, State HCD released the CalHome Program Notice of Funding Availability (NOFA) which, if awarded, would provide funding for mortgage assistance to low-income Hayward residents and reinstitute the City's First-Time Homebuyer Program.

### ***CalHome NOFA***

On August 31, 2020, HCD released the CalHome NOFA and made available approximately \$57 million in state CalHome Program funds from the Affordable Housing Bond Act Trust Fund of 2018 to fund local public agencies and nonprofit corporations for eligible activities under the CalHome Program. Eligible activities under the CalHome Program include:

1. First-time Homebuyer Mortgage Assistance
2. Owner-Occupied Rehabilitation Assistance
3. Technical Assistance for Self-Help Housing Projects
4. Technical Assistance for Shared Housing Programs

5. ADU/JADU Programs
6. Homeownership Development Project Loans

The purpose of CalHome is to support existing homeownership programs aimed at low and very low-income households, and moderate-income households that have been impacted by disasters. The goal is to increase homeownership, encourage neighborhood revitalization and sustainable development, and maximize the use of existing housing stock. The 2020 NOFA includes geographic targets of up to 45% of available funds for Southern California, up to 30% for Northern California, and up to 15% for rural areas. Mortgage assistance is an eligible activity under the CalHome Program with a minimum allowable application amount of \$500,000 and a maximum allowable amount of \$5 million. CalHome funding is awarded on a competitive basis to the highest scoring applicants. Applicants must meet eligibility and threshold requirements and receive a minimum score of 55 points to be considered for funding. Applications are due on October 29, 2020 and funding awards are anticipated to be announced in February 2021. If awarded, 100% of any CalHome funds received must be expended within 36 months of the date of the award of funds by HCD.

On June 4, 2020, the Homelessness and Housing Taskforce (HHTF) reviewed and discussed a report on programs and policies that create homeownership opportunities in the City of Hayward. The report reviewed the following programs and policies:

1. Homebuyer assistance programs
2. Affordable Housing Ordinance (AHO) ownership units
3. Tenant right of first refusal policies (TROFR)
4. Community land trusts (CLT)
5. Subsidizing affordable ownership development

The report concluded that while the above listed programs and policies are viable mechanisms to create more affordable homeownership opportunities, the costs associated with homebuyer assistance, tenant right of first refusal policies, community land trusts, and subsidizing affordable ownership development is prohibitive without additional funding. However, the HHTF was strongly supportive of policies and programs to create homeownership opportunities as a mechanism to stabilize housing costs. A successful application under the CalHome NOFA for Mortgage Assistance will provide the City with resources to reinstitute the City's First-Time Homebuyer Program and provide homebuyer assistance.

## **DISCUSSION**

Staff recommends applying to the 2020 CalHome Program NOFA for mortgage assistance funds to reinstitute the City's First Time Homebuyer Program to provide homeownership opportunities and housing stability to low-income Hayward residents. While there are multiple eligible uses for the CalHome funds, staff determined that mortgage assistance will address the affordability gap for low-income purchasers, can be implemented by integrating it into existing homeownership services, and will fulfill requests of the HHTF to provide homeownership opportunities. Additionally, the City currently funds an owner-occupied

rehabilitation loan program and ADU development has the potential of being funded by existing homeowners without additional public subsidy.

Staff has determined that the City can meet the eligibility criteria to apply for CalHome Mortgage Assistance funding and that the program would be feasible under current market conditions which are discussed in detail below.

### ***CalHome Program Mortgage Assistance Eligibility Criteria***

CalHome funding is available to local public agency applicants. To be eligible to apply for mortgage assistance funding, applicants must have a minimum of two years of housing program administration experience within the four years immediately preceding the application. While the City has been servicing loans since 1995, the City has not originated new loans since 2012. Even though the Housing Manager has 13 years of experience administering a first-time homebuyer program in another jurisdiction, to ensure that the City meets the eligibility requirements, staff recommends contracting with an experienced program administrator to meet the eligibility requirements.

Staff issued a Request for Proposals (RFP) on September 25, 2020, to identify a qualified consultant to partner with the City to administer the CalHome program should the City be awarded funds. Final proposals from bidders were due on October 16, 2020. At the time this report was published, staff was reviewing qualifications of consultants to identify a qualified partner. In order to meet the application deadline of October 29, staff will enter into a contract with the chosen consultant for the application phase of the project not to exceed the City Manager's contracting authority. If the City is awarded CalHome funds and the implementation of the program requires additional consulting services that exceeds the City Manager's contracting authority, staff will return to Council to request approval of a contract amendment.

### ***Mortgage Assistance Activity Requirements***

The CalHome guidelines establish the requirements for a mortgage assistance program. If the City is awarded funds, the program administered by the City must meet specific borrower eligibility requirements, property eligibility requirements, and loan terms. These requirements are summarized below.

*Eligible Borrowers.* Eligible borrowers must meet the following criteria:

- Have a household income at or below 80% of the area median income. See ***Table 1***.
- Be first-time homebuyers
- Intend to owner occupy the property
- Meet prudent underwriting standards
- Complete homebuyer education requirements

**Table 1:** 2020 California Department of Housing and Community Development Income Limits

Household Size	1	2	3	4	5
Low Income 80% AMI	73,100	83,550	94,000	104,400	112,800

*Eligible Property.* Eligible properties must meet the following criteria:

- Maximum purchase price: Alameda County median sales price (\$1,028,220) subject to applicant's purchase capacity.
- A dwelling unit which may include an accessory dwelling unit
- Meet habitability requirements consistent with State Housing Law
- Meets loan to value limits (100% plus up to 5% for closing costs)

*Loan Terms.* CalHome guidelines require the following loan terms:

- Maximum loan amount: \$100,000
- Deferred payment loan (No monthly payments)
- Payable upon sale, transfer, when the home ceases to be owner occupied or the end of the term (30 years)
- Secured by the property

### ***Program Feasibility***

Staff has determined that with the additional assistance provided by the CalHome Mortgage Assistance program, low-income Hayward residents will be able to enter the housing market at a price point below the median sales price. Inventory may be limited but utilization of personal assets and additional down payment assistance programs such as the California Housing Finance Agency (CalHFA) MyHome Assistance Program can increase purchase capacity. Staff has estimated that a four-person household earning near the income limit with modest consumer debt could afford, with \$100,000 in CalHome mortgage assistance, a \$570,000 purchase price. Per the Bay East Association of Realtor's August 2020 report, approximately 96 attached properties priced below \$500,000 and 20 detached homes priced below \$500,000 were sold in calendar year 2019. Per Zillow, there are 62 homes listed for less than \$570,000. While inventory is low, there are still opportunities. Additionally, the CalHome loans can make affordable ownership units, created under the Affordable Housing Ordinance (AHO) and targeting moderate income households, accessible to low-income households. While there are some potential challenges, staff recommends applying for CalHome funds to create homeownership opportunities for low income households by providing needed gap funding through mortgage assistance.

Due to minimal inventory and to ensure competitiveness for grant funds, staff may apply for less than the maximum grant amount of \$5 million. However, staff is requesting authority to apply for the maximum grant amount to ensure that the City qualifies for the maximum amount of grant funds available.

### ***Housing Element and Regional Housing Needs Allocation Compliance***

Since 1969, the State of California has required that all local jurisdictions adequately plan to meet the housing needs of everyone in their communities. The Regional Housing Need Allocation (RHNA) is the part of Housing Element Law used to determine how many new homes, and the affordability of those homes, each local government must plan for in its Housing Element. A mortgage assistance program does not create any new units and therefore, will not provide units toward the City's RHNA goals.

### ***Grant Management Policy***

Staff has submitted a Grant Review Application to the City's Grant Administrative Committee for approval as per Section 3.6, "Grant Management Policy of the City Administrative Rules." Departments seeking grant funding opportunities are required to submit a grant application for review and recommendation.

### **ECONOMIC IMPACT**

The proposed program would support housing stability and will reduce the cost burden for low-income Hayward residents who qualify for a loan under the CalHome Program. Loan repayments revolve into a CalHome reuse account and the funds will be used to fund future CalHome eligible activities.

### **FISCAL IMPACT**

The \$5,000,000 grant from HCD CalHome program does not require a matching contribution. Acceptance and appropriation of the CalHome grant could fund up to 50 mortgage assistance loans to low-income first-time homebuyers. There is no fiscal impact to the General Fund. If awarded, the City will have to create a special revenue fund for the purpose of receiving, appropriating, and reuse of any CalHome award. The program includes a grant to cover Activity Delivery Fees (ADF) of up to ten (10) percent of the total awarded amount, which will offset City and consultant staffing costs incurred in administering the CalHome Program loans

### **STRATEGIC ROADMAP**

This agenda item supports the Strategic Priority of Preserve, Protect & Produce Housing. Specifically, this item relates to the implementation of the following project(s):

Project 8, Part 8b:      Apply for state housing funding to support strategic partnerships and Council priorities.

### **PUBLIC CONTACT**

On June 4, 2020, the HHTF reviewed and discussed a report on programs and policies that could create homeownership opportunities in the City of Hayward, which included a discussion on homebuyer assistance programs such as the CalHome program. Public comment was made in support of providing homeownership opportunities for Hayward residents.

## NEXT STEPS

If authorized, staff will enter into a contract with a qualified program administrative partner not to exceed the City Manager's contracting authority for the application and initiation phase of the project before the October 29, 2020 application deadline. Awards will be announced in February 2021. If grant funds are awarded, the City will enter into a Standard Agreement and other necessary documents with HCD and work with the program administrator to implement the program.

*Prepared by:* Doris Tang, Management Analyst

*Recommended by:* Christina Morales, Housing Manager  
Jennifer Ott, Deputy City Manager

Approved by:

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

Kelly McAadoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 20-

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER TO: 1) SUBMIT AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR A MAXIMUM AMOUNT OF \$5 MILLION FOR MORTGAGE ASSISTANCE FUNDING UNDER THE CALHOME PROGRAM; 2) ENTER INTO AND EXECUTE A STANDARD AGREEMENT AND ANY SUBSEQUENT AMENDMENTS, MODIFICATIONS, OR DOCUMENTS NECESSARY TO PARTICIPATE IN THE CALHOME PROGRAM WITH THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT IF THE GRANT FUNDS ARE AWARDED; AND 3) ACCEPT AND APPROPRIATE ANY AWARDED FUNDS IN AN AMOUNT NOT TO EXCEED \$5 MILLION

WHEREAS, the City of Hayward (the "City"), a municipal corporation, wishes to apply for and receive an allocation of funds through the CalHome Program; and

WHEREAS, the State of California Department of Housing and Community Development (the "Department") has issued a Notice of Funding Availability ("NOFA") on August 31, 2020, for the CalHome Program established by Chapter 84, Statutes of 2000 (SB 1656 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code (the "Statute"). Pursuant to the Statute, the Department is authorized to approve funding allocations utilizing monies made available by the State Legislature to the CalHome Program, subject to the terms and conditions of the Statute and the CalHome Program Regulations adopted by the Department in April 2004; and

WHEREAS, the City wishes to submit an application to obtain from the Department an allocation of CalHome funds for a maximum amount of \$5 million.

NOW, THEREFORE, BE IT RESOLVED that the City shall submit to the Department an application to participate in the CalHome Program in response to the NOFA issued on August 31, 2020, which will request a funding allocation to provide mortgage assistance for income eligible households who wish to purchase a home located in the City of Hayward.

BE IT FURTHER RESOLVED that if the application for funding is approved, the City hereby agrees to use the CalHome funds for eligible activities in the manner presented in the application as approved by the Department and in accordance with program regulations cited above. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement. The City acknowledges and agrees that it may be required to execute any and all other instruments necessary or required by the Department for participation in the CalHome Program.

BE IT FURTHER RESOLVED that the City is hereby authorized to create a special revenue fund for the purpose of receiving, appropriating, and reusing any CalHome award.

BE IT FURTHER RESOLVED that the City Manager is authorized to accept and appropriate the CalHome award in an amount not to exceed \$5 million.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute, on behalf of the City and in a form approved by the City Attorney, the Standard Agreement, and any amendment or modifications thereto; as well as any other documents required by the Department for participation in the CalHome Program.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon its passage.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2020

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

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** CONS 20-507

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**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT**

Adopt a Resolution Authorizing the Sole Source Purchase of Specialized Laboratory Equipment for Use at the Water and Wastewater Laboratory at the Water Pollution Control Facility

**RECOMMENDATION**

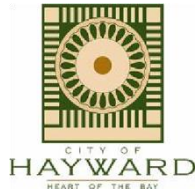
That Council adopts a resolution (Attachment II) authorizing the City Manager to execute a sole source purchase of specialized laboratory equipment for use at the Water and Wastewater Laboratory at the Water Pollution Control Facility (WPCF) in an amount not-to-exceed \$110,000.

**SUMMARY**

The Water and Wastewater Laboratory at the WPCF currently utilizes a highly specialized instrument known as an Inductively Coupled Plasma-Mass Spectrometer (ICP-MS), for the analysis of metals in the City's wastewater, surface water, and drinking water. The City's current ICP-MS instrument has been in service for more than fifteen years, is past its useful life, and is no longer operational or repairable because the manufacturer no longer provides any support. The City's water and wastewater tests must meet an exceedingly high level of accuracy, as well as other unique specifications, which only one vendor, Agilent Technologies, Inc., (Agilent), is currently able to provide. As such, staff recommends that the City Manager be authorized to execute the sole source purchase of a replacement ICP-MS from Agilent in an amount not to exceed \$110,000. Council has previously approved funding for the replacement of this equipment as part of the FY 2021 Capital Improvement Program.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution



**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Adopt a Resolution Authorizing the Sole Source Purchase of Specialized Laboratory Equipment for Use at the Water and Wastewater Laboratory at the Water Pollution Control Facility

### **RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to execute a sole source purchase of specialized laboratory equipment for use at the Water and Wastewater Laboratory at the Water Pollution Control Facility (WPCF) in an amount not-to-exceed \$110,000.

### **SUMMARY**

The Water and Wastewater Laboratory at the WPCF currently utilizes a highly specialized instrument known as an Inductively Coupled Plasma-Mass Spectrometer (ICP-MS), for the analysis of metals in the City's wastewater, surface water, and drinking water. The City's current ICP-MS instrument has been in service for more than fifteen years, is past its useful life, and is no longer operational or repairable because the manufacturer no longer provides any support. The City's water and wastewater tests must meet an exceedingly high level of accuracy, as well as other unique specifications, which only one vendor, Agilent Technologies, Inc., (Agilent), is currently able to provide. As such, staff recommends that the City Manager be authorized to execute the sole source purchase of a replacement ICP-MS from Agilent in an amount not to exceed \$110,000. Council has previously approved funding for the replacement of this equipment as part of the FY 2021 Capital Improvement Program.

### **BACKGROUND**

The City's WPCF provides wastewater treatment for Hayward's residential and business communities, treating an annual average of eleven million gallons of wastewater per day (MGD) to ensure that the treated water meets local, State, and Federal requirements for discharge to the deep waters of the San Francisco Bay. The Water and Wastewater Laboratory at the WPCF tests the City's wastewater to ensure compliance with these regulations, in addition to testing wastewater samples from certain industrial dischargers throughout the City. Regularly testing the wastewater produced by the City's industrial

businesses is critical in ensuring continued compliance with regulations, and their respective discharge permits.

Specialized ICP-MS equipment is required to conduct these water and wastewater tests accurately and efficiently. The City's current ICP-MS has been in service for more than fifteen years and, due to its age, it is no longer operational or repairable because it has been discontinued by its manufacturer and is no longer supported. It is now in need of replacement so staff can continue to regularly test the City's water.

## **DISCUSSION**

Only one product on the market meets the specifications required to effectively test the City's water and wastewater: the ICP-MS 7800, which has the ability to run high-sensitivity tests, as well as test for multiple elements at the same time. It is equipped with configurable software for improved accuracy of data analysis, reporting, and quality assurance. It also allows for testing at a lower detection limit than any other spectrometer available today, and is the only instrument precise enough to meet the City's needs. Laboratory analysts utilizing the same instrument throughout the Bay Area have verified the equipment's superior accuracy. Its manufacturer, Agilent, also provides more training, maintenance, and technological support than any other in the field. Agilent is a global analytical instrumentation manufacturing company in the environmental and forensic field, with headquarters in Santa Clara, CA.

Agilent is the sole manufacturer of the suitable ICP-MS 7800 and, as such, staff is requesting Council authorization to execute the sole source purchase of this critical piece of equipment from this vendor.

## **ECONOMIC IMPACT**

The replacement of the ICP-MS will have no direct impact on the local economy.

## **FISCAL IMPACT**

The cost of the replacement equipment, as quoted by Agilent, is approximately \$110,000 including tax. Investment in a replacement ICP-MS will enable the City to avoid relying on third party organizations to test water samples, saving an estimated \$195,000 per year. Funding for the replacement of this equipment was previously approved as part of the FY2021 Capital Improvement Program, Project No. 07743 at an amount of \$200,000 within Sewer Improvement Fund 612.

## **STRATEGIC ROADMAP**

This agenda item is a routine operational item and does not relate to any of the six priorities outlined in the Council's Strategic Roadmap.

## **SUSTAINABILITY FEATURES**

Purchase of this equipment will enable staff to continue conducting water and wastewater tests to ensure compliance with regulations including those set forth by the Environmental Protection Agency and Clean Water Act. Regular and accurate testing of the City's water and wastewater helps ensure protection of the Bay, as well the health and safety of the Hayward community.

## **PUBLIC CONTACT**

Purchase of this replacement equipment requires no public contact.

## **NEXT STEPS**

If Council approves the recommendation, staff will work with the City Manager to execute the sole source purchase of this equipment from Agilent.

*Prepared by:* Farid Ramezanzadeh, Water and Wastewater Laboratory Supervisor

*Recommended by:* Alex Ameri, Director of Public Works

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. 20-

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A SOLE SOURCE PURCHASE WITH AGILENT TECHNOLOGIES, INC., FOR THE PURCHASE OF SPECIALIZED LABORATORY EQUIPMENT FOR USE AT THE WATER AND WASTEWATER LABORATORY AT THE WATER POLLUTION CONTROL FACILITY IN AN AMOUNT NOT TO EXCEED \$110,000

WHEREAS, the Water and Wastewater Laboratory at the Water Pollution Control Facility (WPCF) uses highly specialized equipment known as Inductively Coupled Plasma-Mass Spectrometer (ICP-MS) to perform tests on water and wastewater to ensure compliance with regulations and the safety of the wastewater which is discharged into the San Francisco Bay; and

WHEREAS, the ICP-MS that the WPCF has used over the last fifteen years has reached the end of its useful life and is now in need of replacement; and

WHEREAS, the City's water and wastewater tests must meet an extremely high level of accuracy, as well as other unique specifications, which only the ICP-MS technology manufactured by Agilent Technologies, Inc., is currently able to provide; and

WHEREAS, the Adopted FY 2021 Capital Improvement Program includes funding for the replacement of the ICP equipment in the amount of \$200,000 in the Sewer Improvement Fund (Fund 612), Project No. 07743.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to proceed with a sole source purchase of ICP-MS instrument from Agilent Technologies, Inc., in an amount not to exceed \$110,000.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2020

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

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**File #:** CONS 20-510

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**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT**

Adopt a Resolution Authorizing the City Manager to Amend the Professional Services Agreement with HydroScience Engineers, Inc., to Increase the Contract Amount by \$75,000 for Additional Services to a Not to Exceed Amount of \$451,000 and Appropriate Funds

**RECOMMENDATION**

That Council adopts a resolution (Attachment II), authorizing the City Manager to amend the professional services agreement (PSA) with HydroScience Engineers, Inc., (HydroScience), to increase the contract amount by \$75,000 for additional engineering and construction management support services for a total not-to-exceed amount of \$451,000, and to appropriate additional funds from the Sewer Improvement Fund to the Recycled Water Treatment Facility Project - Phase I, Project No. 07710.

**SUMMARY**

The City is currently implementing Phase I of its Recycled Water Project that will provide a locally sustainable and drought-resistant supply of recycled water to customers for irrigation and industrial uses. Phase I of the Project consists of constructing a treatment facility, storage tank, and pump station at the City's Water Pollution Control Facility (WPCF), as well as installing nine miles of distribution system pipeline and establishing connections to the pipeline at thirty-one Phase I customer sites.

On December 19, 2017, the City and HydroScience entered into a professional services agreement for engineering, design, and construction support services related to the development of the treatment facility in an amount not-to-exceed \$296,000. On January 21, 2020, staff requested Council approval to increase the contract amount by \$80,000 to a not-to-exceed amount of \$376,000, to provide additional services required following staff departures. Due to subsequent project delays related to the delivery of treatment facility equipment and COVID-19, as well as the identification of additional services required for completion of the project, staff is now requesting Council approval to increase the contract amount by \$75,000 to a not-to-exceed amount of \$451,000. With this additional support, staff anticipates that the treatment facility will be completed and become operational in November 2020.

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**File #:** CONS 20-510

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**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution





**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Amend the Professional Services Agreement with HydroScience Engineers, Inc., to Increase the Contract Amount by \$75,000 for Additional Services to a Not-to-Exceed Amount of \$451,000 and Appropriate Funds

### **RECOMMENDATION**

That Council adopts a resolution (Attachment II), authorizing the City Manager to amend the professional services agreement (PSA) with HydroScience Engineers, Inc., (HydroScience), to increase the contract amount by \$75,000 for additional engineering and construction management support services for a total not-to-exceed amount of \$451,000, and to appropriate additional funds from the Sewer Improvement Fund to the Recycled Water Treatment Facility Project – Phase I, Project No. 07710.

### **SUMMARY**

The City is currently implementing Phase I of its Recycled Water Project that will provide a locally sustainable and drought-resistant supply of recycled water to customers for irrigation and industrial uses. Phase I of the Project consists of constructing a treatment facility, storage tank, and pump station at the City's Water Pollution Control Facility (WPCF), as well as installing nine miles of distribution system pipeline and establishing connections to the pipeline at thirty-one Phase I customer sites.

On December 19, 2017, the City and HydroScience entered into a professional services agreement for engineering, design, and construction support services related to the development of the treatment facility in an amount not-to-exceed \$296,000. On January 21, 2020, staff requested Council approval to increase the contract amount by \$80,000 to a not-to-exceed amount of \$376,000, to provide additional services required following staff departures. Due to subsequent project delays related to the delivery of treatment facility equipment and COVID-19, as well as the identification of additional services required for completion of the project, staff is now requesting Council approval to increase the contract amount by \$75,000 to a not-to-exceed amount of \$451,000. With this additional support, staff anticipates that the treatment facility will be completed and become operational in November 2020.

## BACKGROUND

The City is currently implementing Phase I of its Recycled Water Project, that will provide a locally sustainable and drought-resistant supply of recycled water to customers for irrigation and industrial uses. The Recycled Water Project consists of constructing a treatment facility, storage tank, and pump station at the WPCF, as well as installing nine miles of distribution system pipelines and customer connections that will deliver approximately 260,000 gallons per day (gpd) of recycled water to Phase I customers. Additional background and discussion of the recycled water treatment facility are included in the December 12, 2017 staff report<sup>1</sup>.

On December 19, 2017, the City and HydroScience entered into a professional services agreement not-to-exceed \$296,000 for the provision of engineering, design, and construction support services for the City's recycled water treatment facility. The facility is a packaged membrane treatment system, capable of further treating the WPCF's treated secondary effluent to meet disinfected tertiary recycled water treatment standards set by the State for unrestricted irrigation uses.

On July 17, 2018<sup>2</sup>, Council awarded a contract for procurement of the membrane treatment system equipment so that final design documents could be prepared for installing the pre-selected equipment. On February 26, 2019<sup>3</sup>, Council awarded a contract to construct the recycled water treatment facility for Phase I of the Recycled Water Project.

On January 21, 2020<sup>4</sup>, Council authorized that the contract not-to-exceed amount with HydroScience be increased by \$80,000 to a revised not-to-exceed amount of \$376,000, for additional engineering and construction support services. The additional services were required following City staff departures, and it allowed for HydroScience's performance of additional tasks such as submittal review, construction management services, startup and commissioning services, and assistance with regulatory approval prior to delivery of recycled water. The additional services authorized by this amendment assumed all work would be completed by the initial completion date of March 2020.

## DISCUSSION

Construction of the distribution system pipelines, as well as the storage tank and pump station, was completed in Spring 2020. In addition, retrofit of the 31 Phase I customer sites to connect them to the system will be complete soon. Most customers are already connected to the recycled water system but are currently receiving potable water while the City awaits its

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<sup>1</sup> <https://hayward.legistar.com/View.ashx?M=F&ID=5685222&GUID=F40736D3-A6CB-462A-99B0-78BB55D571DD>

<sup>2</sup> <https://hayward.legistar.com/View.ashx?M=F&ID=6364280&GUID=26267FE3-ADD1-45EA-8740-6A41985F30BA>

<sup>3</sup> <https://hayward.legistar.com/View.ashx?M=F&ID=7053023&GUID=01CFD26B-B1AE-44D0-8AA4-1E198E07B40F>

<sup>4</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=4310189&GUID=C455D0DD-10B5-46A6-BC84-64BFADB403EB>

Recycled Water Permit from the State Water Resources Control Board's Division of Drinking Water (DDW). Staff anticipates that the City will be issued the permit later this month.

Installation of the packaged membrane treatment facility was originally expected to be complete by March 2020. However, due to delays in the delivery of the membrane equipment and other project delays stemming from COVID-19, the project is approximately seven months behind schedule, with a new anticipated completion date of November 2020.

Due to the extended project timeline, and additional required services that staff currently lack the capacity to perform, staff is requesting that HydroScience's budget be increased by \$75,000 for a total not-to-exceed contract amount of \$451,000, allowing for the contracted Scope of Work to be expanded to include support in the following areas:

***Conducting Additional Work to Meet Regulatory Requirements.*** Because the City is planning to use the storage tank as both a chlorine contact tank and a storage vessel, additional work has and will continue to be required to perform a tracer study to demonstrate the storage tank's ability to serve as a chlorine contact vessel fully capable of disinfecting the water, and to establish the minimum operating level required to provide sufficient time for chlorine disinfection to occur. This expanded Scope of Work will enable HydroScience to coordinate this testing and the preparation of a report demonstrating the results of this testing for submission to DDW. This is required before DDW will issue the City its Recycled Water Permit and allow delivery of recycled water to customers.

***Title 22 Report Preparation.*** Through the expanded Scope of Work, HydroScience would also help the City update the City's Engineering Report in compliance with Title 22 of the California Code of Regulations (Title 22). Title 22 requirements are stringent water quality standards set by the State to ensure the safe production, distribution, and use of recycled water in California. The report is also required for permit issuance by DDW.

***Development of an Operations & Maintenance (O&M) Manual.*** Because demands are expected to vary between summer and winter, staff requires additional assistance with the development of supplemental O&M manual sections and/or Standard Operating Procedures (SOPs) for system startup, shutdown, abnormal operations, and transitions (from recycled to potable backup and vice versa, batch disinfection, etc.). These needs extend beyond the basic O&M manual that the membrane treatment vendor will supply. The expanded Scope of Work with HydroScience will allow for the development of a tailored, comprehensive O&M Manual for staff use for system operation.

## **ECONOMIC IMPACT**

The community will benefit from the Recycled Water Project through greater diversity and reliability of water supplies, especially during periods of drought. The economic impact of the project on customers, will to some extent, depend on the total costs to implement the City's Recycled Water Project, which includes the capital and operating costs for the storage and distribution system, and recycled water treatment facility. Because the project is partially funded by grants, the overall cost impact to customers is reduced. On July 2, 2019, Council

adopted a recycled water rate structure that provides a balance between recovering costs over the life the project and offering an incentive to customers who receive recycled water.

## **FISCAL IMPACT**

### Recycled Water Treatment Project – Phase I

The total project cost for the City-owned recycled water treatment facility is estimated to be \$2,455,000, including the requested \$75,000 increase in HydroScience’s contract. The Ten-Year Capital Improvement Program (CIP) includes \$2,380,000 for the Recycled Water Treatment Project – Phase I (Project No. 07710). As such, staff is requesting an additional \$75,000 be appropriated from the Sewer Improvement Fund balance to cover the increased project cost, for a total appropriation of \$2,455,000. Sufficient funds are available in the fund balance. There will be no impact to the General Fund.

### Total Phase I Recycled Water Project Cost

The total amount of CIP funding for Phase I of the Recycled Water Project is \$30,191,000, which includes \$27,811,000 for the Recycled Water Storage and Distribution System Project (Project No. 07507) and \$2,455,000 for the Recycled Water Treatment Facility Project (Project No. 07710), if Council approves the requested \$75,000 increase in appropriations.

As shown in Table 1, the total estimated capital cost for the Recycled Water Project, which includes construction of the treatment facility, storage and distribution system, and customer conversions, is currently estimated at \$28,819,906. The Recycled Water Project is anticipated to come in under budget, primarily due to the construction of the distribution system pipeline that was completed nearly one year ahead of schedule and under budget. The Recycled Water Project will not utilize any General Fund monies.

The City has also secured outside grant funding and low interest loans from the State Water Resources Control Board (SWRCB) Clean Water State Revolving Fund Program to help finance the Recycled Water Project. The total SWRCB financial assistance package is approximately \$27 million, of which \$5.8 million is in the form of a grant and up to \$21.2 million is in the form of a low-interest loan.

**Table 1. Phase I Recycled Water Project Capital Cost Estimate**

<b>FACILITY</b>	<b>ESTIMATED COST</b>
Recycled Water Storage and Distribution System Project (Project No. 07507)	
Administration, Planning and Design	\$ 2,897,616
Construction	
Whitesell Pipeline ( <i>completed in 2015</i> )	\$ 513,648
Distribution System Pipelines ( <i>completed in June 2019</i> )	\$ 15,290,718
Storage Tank and Pump Station ( <i>completed in January 2020</i> )	\$ 5,419,389
Customer Retrofits ( <i>scheduled to be completed in October 2020</i> )	\$ 2,243,535
Subtotal	\$ 26,364,906
Recycled Water Treatment Facility Project – Phase I (Project No. 07710)	\$ 2,455,000
<b>Total Estimated Phase I Recycled Water Project Cost</b>	<b>\$ 28,819,906</b>

## **STRATEGIC ROADMAP**

This agenda item supports the Strategic Priority of Improve Infrastructure. Specifically, this item relates to the implementation of the following project:

Project 18, Part 18.a: Expand recycled water facilities; Complete recycled water construction (initial phase)

## **SUSTAINABILITY FEATURES**

Every gallon of recycled water that is used for irrigation, saves a gallon of potable water that can be used for drinking purposes. The use of recycled water improves the availability and reliability of drinking water for Hayward’s customers, while providing a sustainable and drought-resistant water supply for irrigation use. Recycled water use also reduces the volume of wastewater and associated nutrients and residual pollutants discharged to San Francisco Bay, which is required to meet increasingly stringent discharge regulations.

## **PUBLIC CONTACT**

Project updates are available on the City’s website at [www.Hayward-CA.gov/recycledwater](http://www.Hayward-CA.gov/recycledwater).

## **NEXT STEPS**

If Council approves the \$75,000 increase to the contract amount with HydroScience, staff will increase the budget with HydroScience to a not-to-exceed amount of \$451,000, including \$75,000, for additional engineering and construction management support services related to the recycled water treatment facility.

*Prepared by:* Suzan England, Senior Utilities Engineer

*Recommended by:* Alex Ameri, Director of Public Works

Approved by:

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

Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 20-

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND THE AGREEMENT WITH HYDROSCIENCE ENGINEERS, INC., TO INCREASE THE CONTRACT AMOUNT BY \$75,000 FOR ADDITIONAL SUPPORT SERVICES RELATED TO RECYCLED WATER TREATMENT FACILITY PROJECT NO. 07710, TO A NOT-TO-EXCEED AMOUNT OF \$451,000 AND THE APPROPRIATION OF FUNDS FROM THE SEWER IMPROVEMENT FUND FOR USE IN THE PROJECT

WHEREAS, the City of Hayward is implementing the Recycled Water Project to reduce the demand for potable water and provide a sustainable and drought-resistant water supply for some irrigation and industrial uses;

WHEREAS, the first phase of the Recycled Water Project includes construction of a treatment facility, storage tank and pump station, and installation of distribution system pipelines and customer connections to deliver approximately 260,000 gallons per day of recycled water to customers;

WHEREAS, the City entered into an Agreement with HydroScience Engineers, Inc. ("HydroScience") on December 19, 2017 for HydroScience to provide engineering, design, and construction support services for a City-owned recycled water treatment facility, in an amount not to exceed \$296,000;

WHEREAS, the City entered into Amendment No. 1 to the Agreement with HydroScience on March 3, 2020 for HydroScience to provide additional engineering, design, and construction support services in an amount not to exceed \$376,000;

WHEREAS, the City requires additional engineering and construction management services related to the recycled water treatment facility and the City does not have the expertise or resources to perform this work;

WHEREAS, HydroScience has demonstrated technical expertise and applicable experience, and has reasonable labor hours and hourly rates;

WHEREAS, HydroScience is willing to provide such additional support services for the Recycled Water Project;

WHEREAS, the cost of the additional support services is \$75,000 for continued engineering services and assistance with regulatory approvals;

WHEREAS, the Capital Improvement Program Sewer Improvement Fund includes sufficient funding for HydroScience to perform the additional support services required by the City related to the recycled water treatment facility.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized to amend the professional services agreement with HydroScience Engineers, Inc., to increase the contract amount for additional support services related to the recycled water treatment facility by \$75,000, to a total not-to-exceed amount of \$451,000.

BE IT FURTHER RESOLVED by the City Council of the City of Hayward that additional funds be appropriated in the amount of \$75,000, from the Capital Improvement Program Sewer Improvement Fund (Fund 612), to increase the budgeted amount for the Recycled Water Treatment Facility Project, Project No. 07710, from \$2,380,000 to \$2,455,000.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2020

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

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Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** CONS 20-523

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**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Director of Development Services

**SUBJECT**

Adopt a Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with Dutchover & Associates for Landscape Architect Services, Increasing the Not to Exceed Amount to \$330,000

**RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to execute an amendment to the agreement with Dutchover & Associates increasing the not to exceed amount to \$330,000.

**SUMMARY**

Staff requests that Council authorizes the City Manager to execute an amendment to the agreement with Dutchover & Associates, to increase the compensation amount by an additional \$75,000, for a total agreement amount not to exceed \$330,000, and to extend the term of the agreement to March 30, 2021.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution



**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Director of Development Services

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with Dutchover & Associates for Landscape Architect Services, Increasing the Not to Exceed Amount to \$330,000

### **RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to execute an amendment to the agreement with Dutchover & Associates increasing the not to exceed amount to \$330,000.

### **SUMMARY**

Staff requests that Council authorizes the City Manager to execute an amendment to the agreement with Dutchover & Associates, to increase the compensation amount by an additional \$75,000, for a total agreement amount not to exceed \$330,000, and to extend the term of the agreement to March 30, 2021.

### **BACKGROUND**

The Planning Division has one approved FTE for the position of Landscape Architect. The Landscape Architect is responsible for the review of landscape plans, coordinating projects, beautification, park dedications fees, and tree preservation activities. An Associate Landscape Architect position was approved in the FY20 Operating Budget; however, this position was frozen for FY21 as part of the budget reductions due to COVID-19.

On March 16, 2020, Alameda County issued a Shelter-In-Place Order restricting all non-essential residential and commercial construction. Effective May 3, 2020, the Shelter-In-Place Order was revised to allow construction activities utilizing safety protocols. Since construction activities have resumed, the Planning Division has received 163 permit applications, equal to the 163 applications received during the same period in 2019. It has remained critical to contract with an outside firm for Landscape Architect services to maintain the day-to-day operations and plan review in the Planning Division.

The City executed an agreement with Dutchover & Associates on September 1, 2017, to provide qualified temporary staffing to perform Landscape Architect services for an amount not to exceed \$50,000. Council has since authorized the City Manager to execute five amendments to this agreement, most recently including Resolution #19-149 adopted on July 2, 2019, authorizing an increase of the not to exceed amount to \$255,000. A sixth amendment was executed on June 20, 2020 to extend the term through December 31, 2020. There was no increase to the compensation amount at that time.

## **DISCUSSION**

Associated with the original agreement, Dutchover & Associates has provided a qualified professional, Brian Dutchover, who has been assisting with plan review, applicant inquiries, and field inspections. Mr. Dutchover has been working remotely on a part-time basis, two to three days per week to assist with the workload. The additional assistance allows the City's current Landscape Architect to focus on more complex projects, as well as handle the larger on-site inspections.

The current request to amend the agreement with Dutchover & Associates relates to retaining Mr. Dutchover to continue his assistance in the Planning Division on a part-time basis through March 30, 2021 and would increase the overall contract amount to an amount not to exceed \$330,000.

## **FISCAL IMPACT**

All costs for this professional services agreement will be paid for through a combination of approved funds within the Development Services Department FY 2021 Operating Budget, and fees billed to the development projects as appropriate and as they relate to review of project plans or inspections. There is no additional impact to the General Fund.

## **STRATEGIC ROADMAP**

This agenda item is a routine operational item and does not relate to any of the six priorities outlined in the Council's Strategic Roadmap.

## **SUSTAINABILITY FEATURES**

The recommended action for this report will not directly result in physical development, purchase or service, new policy or legislation related to sustainability. However, ensuring proper and efficient landscaping that follows the overall landscape goals and regulations of the City, and its beautification efforts are directly related to the General Plan. Staff, and consultants acting as agents of the City, encourage all applicants to adhere to the General Plan guidelines.

## **NEXT STEPS**

If the Council approves the attached resolution, staff will prepare an amendment to the Agreement between the City of Hayward and Dutchover & Associates for execution by the City Manager, in a form approved by the City Attorney.

*Prepared by:* Jade Kim, Management Analyst II

*Recommended by:* Laura Simpson, Director of Development Services

Approved by:

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

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Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 20-

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AMENDMENT TO THE AGREEMENT WITH DUTCHOVER & ASSOCIATES, FOR LANDSCAPE ARCHITECT SERVICES INCREASING THE NOT TO EXCEED AMOUNT TO \$330,000

WHEREAS, an Agreement with Dutchover & Associates was executed on September 1, 2017, to provide Landscape Architect services to the City of Hayward for an amount not to exceed \$50,000; and

WHEREAS, Council has authorized the City Manager to execute five amendments to this agreement; and

WHEREAS, on July 2, 2019, Council adopted Resolution No. 19-149 authorizing the City Manager to execute and amendment to the agreement increasing the not to exceed amount to \$255,000; and

WHEREAS, the Associate Landscape Architect position has been eliminated from the FY21 Operating Budget due to budget reductions due to COVID-19; and

WHEREAS, Dutchover & Associates has provided a qualified professional to assist with plan review, Permit Center counter inquiries, and field inspections; and

WHEREAS, the cost to amend the agreement with Dutchover & Associates will be paid for through a combination of approved funds within the Development Services Department FY 2021 Operating Budget and fees billed to development projects as appropriate and as they relate to review of project plans or inspections.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward, hereby authorizes the City Manager to negotiate and execute an amendment to the City's Agreement with Dutchover & Associates, increasing the not to exceed amount by an additional \$75,000 for a total amount not to exceed 330,000 and extend the term through March 31, 2021, in a form approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2020.

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

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** WS 20-043

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**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Deputy City Manager

**SUBJECT**

COVID-19 Trends and Impacts on Real Estate Market: Discuss COVID-19 Trends and Impacts on the Hayward Commercial and Multi-Family Housing Real Estate Market

**RECOMMENDATION**

That the Council hears from and engages in a discussion with a panel of commercial and multi-family housing real estate experts from multiple sectors including industrial, retail, multifamily housing, office, and hospitality regarding COVID-19 trends and impacts on the Hayward market.

**SUMMARY**

The COVID-19 pandemic continues to disrupt the commercial real estate market, which is changing the volume, type, and specific characteristics of development projects coming forward. The objective of this work session is to provide City Council with current information on COVID-19 impacts on each market segment and discuss potential long-term implications on development patterns and project characteristics in Hayward. This information may aid policymakers evaluate projects as they come forward for consideration.

Development Services and Economic Development staff collaborated to assemble a panel of real estate experts who will conduct presentations to City Council at the October 20th Council meeting. Each sector's subject-matter expert will conduct a brief presentation and then answer questions from Council members. Biographies of the panelists are included as Attachment II. Presentations will be distributed prior to the meeting.

**ATTACHMENTS**

Attachment I      Panelist Biographies



**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Deputy City Manager

**SUBJECT:** COVID-19 Trends and Impacts on Real Estate Market: Discuss COVID-19 Trends and Impacts on the Hayward Commercial and Multi-Family Housing Real Estate Market

## **RECOMMENDATION**

That the Council hears from and engages in a discussion with a panel of commercial and multi-family housing real estate experts from multiple sectors including industrial, retail, multifamily housing, office, and hospitality regarding COVID-19 trends and impacts on the Hayward market.

## **SUMMARY**

The COVID-19 pandemic continues to disrupt the commercial real estate market, which is changing the volume, type, and specific characteristics of development projects coming forward. The objective of this work session is to provide City Council with current information on COVID-19 impacts on each market segment and discuss potential long-term implications on development patterns and project characteristics in Hayward. This information may aid policymakers evaluate projects as they come forward for consideration.

Development Services and Economic Development staff collaborated to assemble a panel of real estate experts who will conduct presentations to City Council at the October 20th Council meeting. Each sector's subject-matter expert will conduct a brief presentation and then answer questions from Council members. Biographies of the panelists are included as Attachment II. Presentations will be distributed prior to the meeting.

## **BACKGROUND**

The COVID-19 pandemic continues to send shockwaves through the real estate industry as owners, investors, and tenants begin to adapt to new requirements and potential long-term changes in the where and how people live and run businesses. A recent example of these impacts in Hayward would be the recent City Council discussion regarding the stalled hotel project at the Mission Crossings Development. A work session to explore options for the



commercial frontage of this project is scheduled to occur with the developer at the November 2 meeting of the Council Economic Development Committee (CEDC).

## **DISCUSSION**

To provide more information on current and forecasted real estate trends, Development Services and Economic Development staff collaborated to assemble a panel of real estate experts from the following market segments:

1. Industrial
2. Office
3. Hotel
4. Multifamily

Biographies of each panelist are included in Attachment II.

At the October 20, 2020 Council meeting, each subject-matter expert will conduct a brief presentation, which will be followed by a question and answer session with Council members. Panelists' presentations will be distributed prior to the meeting. Each speaker was asked to incorporate the following topics:

1. Provide a brief overview of the trends associated with COVID-19 in their respective market segment.
2. Discuss East Bay and Hayward-specific impacts these trends are having on sales, leasing, and development activity.
3. Discuss the potential policies or issues the Hayward City Council might need to consider when reviewing projects or use permit applications.

## **ECONOMIC IMPACT**

This item does not have an immediate economic impact. Economic impacts of specific projects will continue to be evaluated by staff on a case-by-case basis.

## **FISCAL IMPACT**

There is no direct fiscal impact of Council receiving this report.

## **STRATEGIC ROADMAP**

This agenda item supports the Strategy Priority of Grow the Economy. This item is not specially related to a project identified in the Strategic Roadmap. Staff is bringing this item forward because of the impacts of COVID-19 on the real estate market and potential for work session discussion to inform future decision-making by Council.

## **SUSTAINABILITY FEATURES**

None.

## **PUBLIC CONTACT**

Staff reached out to real estate associations and leading commercial real estate experts to identify and engage the selected panelists.

## **NEXT STEPS**

Staff will accept direction from Council following the discussion session.

*Prepared by:* Paul Nguyen, Economic Development Manager

*Recommended by:* Laura Simpson, Director of Development Services  
Jennifer Ott, Deputy City Manager

Approved by:

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

Kelly McAdoo, City Manager

**EXPERT PANEL BIOGRAPHIES**

**INDUSTRIAL SECTOR**

**Jason Ovadia**  
**Managing Director**  
**JLL Industrial & Logistics**  
**jason.ovadia@am.jll.com**

Mr. Jason Ovadia is the industrial lead for the West Coast and is responsible for leading the Northern California industrial practice for JLL. In addition to his regional leadership responsibilities, Jason remains an active industrial broker, representing some of the firm's most prestigious clients. He also serves as a Co-Chairman on the Industrial Executive Committee, the JLL Brokerage Leadership Council, Supply Chain & Logistics Group and is a JLL National Director of the firm.

Jason provides strategic solutions to corporations, institutional owners, developers, REITs, logistics providers and transportation companies helping them improve speed to market, provide cost and risk reduction and maximize location and labor requirements. Brokerage services include lease transactions, agency and tenant representation, site selection, investment sales, acquisition, disposition and build-to-suit properties and portfolios. Since joining JLL in 2008, Jason has been involved in over \$2 billion worth of real estate transactions, completing over 40 million square feet of industrial leasing and sales.

He is a board member of the National Association of Industrial and Office Properties (NAIOP) San Francisco chapter and the East Bay Broker's Association. Additionally, Jason is a member of the Society of Industrial and Office Realtors (SIOR) and the Urban Land Institute (ULI). He also sits on the Marshall Partners board for the Northern California Chapter of the University of Southern California Marshall School of Business.

## **RETAIL SECTOR**

**David Greensfelder**  
**Managing Principal**  
**Greensfelder Real Estate Strategy**  
[David@greensfelder.net](mailto:David@greensfelder.net)

Mr. David Greensfelder, founder and Managing Principal of Greensfelder Real Estate Strategy, develops real world, implementable real estate strategies and solutions for commercial (retail and office) and mixed-use projects. He has driven more than 350 projects spanning over 7 million SF with a finish market value estimated at over \$1.25 billion. He is a specialist in economic development and redevelopment planning, retail resiliency, understanding retail opportunities by differentiating between commodity and specialty retail, and analyzing the impacts of competing retail channels on bricks-and-mortar storefronts.

David recently authored the Retail and Last Mile narrative in the Urban Land Institute's "2019 Emerging Trends in Real Estate" where he discussed how influencers, platforms, an evolving landlord-tenant relationship, and a new equilibrium between retail and other product types is reshaping the retail landscape, and how the "last mile" is the least understood and biggest force impacting all product types. David serves on National Academy of Sciences NCHRP research panels as an urban economics and last-mile expert.

David frequently lectures at UC Berkeley's Fisher Center for Real Estate and Urban Economics, and MRED+D programs (where he is a Distinguished Visiting Fellow), the Haas Graduate School of Business, at USC's Lusk Center for Real Estate Development, and teaches ULI's Mixed-use Development Best Practices Professional Development program. He is a Director of Satellite Affordable Housing Associates and the Center for Creative Land Recycling, is an active ULI member (Urban Revitalization Council, Advisory Services, Education programs, and UrbanPlan and UP4PO steering committee, instructor, and trainer), and ICSC's P3 National Steering Committee. David graduated from Pitzer College (The Claremont Colleges) with a degree in Business Economics, and the SciARC Foundation Program.

**OFFICE AND HOTEL SECTORS:**

**Ed Del Beccaro**  
**Executive Vice President, San Francisco Bay Area Manager**  
**TRI Commercial**  
**Edward.DelBeccaro@tricommercial.com**

Ed Del Becarro is the San Francisco Bay Manager for the TRI Commercial offices located in Walnut Creek, Oakland, and San Francisco. The SF Bay Area brokerage operation is a full-service Leasing, Consulting and Investment Service Company specializing in office, industrial, life sciences, medical, retail, multi-family, and investments. Ed is a specialist in leasing and sales of office, medical and retail properties, and commercial/residential mixed used projects. He has vast experience with distressed properties, land sales, securing project entitlements and real estate valuation.

Ed's career spans 40 years in the real estate industry in the San Francisco Bay area. After starting his career at Grubb & Ellis in 1977, Ed ran his own development company from 1983 - 1992. Ed's background includes brokerage, property development both residential and commercial, property management, property entitlements and consulting. Since getting back into full-time brokerage, Ed has been the East Bay manager at Colliers, Grubb & Ellis and most recently Transwestern where he built up an office of 40 brokers, property management and staff. Ed has represented the following cities of Walnut Creek, San Ramon, Clayton, and Concord in their excess sites. In his career, Ed has leased or sold over two million square feet of real estate. A few representative clients include UCSF, UCSF Benioff Children's Hospital, California Bank & Trust, Mechanics Bank, Wells Fargo, and Community Bank.

**MULTI-FAMILY HOUSING MARKET:**

Tim M. Cornwell  
Principal  
The Concord Group  
tmc@theconcordgroup.com

Mr. Tim Cornwell is a Principal in the San Francisco office. With a career spanning more than a decade at The Concord Group, Mr. Cornwell has completed more than 850 engagements for several hundred clients covering a wide variety of analysis/product types and real estate asset classes. During his tenure, Tim has completed engagements in 30 U.S. States and 12 countries.

Mr. Cornwell is an expert in market-based urban infill development strategy, delivering a best-in-class quantitative/qualitative approach to solving macro- and micro-economic challenges facing urban redevelopment around the United States.

Tim is a frequent speaker on multi-family development, urban infill trends and issues facing his Gen Y peers, and is active with the Urban Land Institute, SPUR, and other industry-leading organizations.

In addition to the market work summarized above, Mr. Cornwell leads The Concord Group's affordable housing practice, completing more than forty engagements annually in support funding applications, acquisitions, and planning efforts.

Tim, a native of the San Francisco Bay Area, is a graduate of Pomona College with a degree in international relations and economics.



# CITY OF HAYWARD

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**File #:** LB 20-052

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**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT**

Old Highlands Street Improvements: Adopt a Resolution of Intention to Establish the Old Highlands Benefit Assessment District to Levy and Collect Assessments for Street Improvements; Ordering the Preparation of an Engineer's Report; and Setting a Time and Place for Prop. 218 Hearing

**RECOMMENDATION**

That Council adopts a resolution (Attachment II):

1. Declaring the intention to establish the Old Highlands Benefit Assessment District and impose assessments for street improvements;
2. Ordering the preparation of an engineer's report; and
3. Setting the date for a public hearing in compliance with Prop. 218 to consider protests regarding imposition of the assessments.

**SUMMARY**

The 6.12 miles of streets in the Old Highlands area were not brought up to City standards upon annexation in 1963 and have not been maintained, with the exception of emergency repairs. City Staff and the Old Highlands Homeowners Association (OHHA) Board and property owners have agreed to a cost share and the creation of an assessment district and imposition of special assessments against the properties in the Old Highlands area to fund a pavement rehabilitation project in the area (see Attachment III - area map).

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	OHHA Site Map



**DATE:** October 20, 2020

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Old Highlands Street Improvements: Adopt a Resolution of Intention to Establish the Old Highlands Benefit Assessment District to Levy and Collect Assessments for Street Improvements; Ordering the Preparation of an Engineer's Report; and Setting a Time and Place for Prop. 218 Hearing

## **RECOMMENDATION**

That Council adopts a resolution (Attachment II):

1. Declaring the intention to establish the Old Highlands Benefit Assessment District and impose assessments for street improvements;
2. Ordering the preparation of an engineer's report; and
3. Setting the date for a public hearing in compliance with Prop. 218 to consider protests regarding imposition of the assessments.

## **SUMMARY**

The 6.12 miles of streets in the Old Highlands area were not brought up to City standards upon annexation in 1963 and have not been maintained, with the exception of emergency repairs. City Staff and the Old Highlands Homeowners Association (OHHA) Board and property owners have agreed to a cost share and the creation of an assessment district and imposition of special assessments against the properties in the Old Highlands area to fund a pavement rehabilitation project in the area (see Attachment III - area map).

## **BACKGROUND AND DISCUSSION**

This item is the initial step in formation of the proposed Old Highlands Benefit Assessment District. The Old Highland area was annexed to the City of Hayward in 1963 and, at that time, the 6.12 miles of streets within the Old Highland area were not brought up to City standards upon annexation and have not been maintained. The Old Highland Homeowners Association (OHHA) board and property owners have preliminarily agreed to a cost sharing arrangement, the creation of an assessment district, and imposition of special assessments against the properties in the Old Highlands area to fund a pavement rehabilitation project for streets within the area. The project is anticipated to take place over a period of five to six years in conjunction with the City's annual pavement improvement project and will involve full depth reconstruction of up to 24-foot wide



sections of the roadways that are public right-of-way. Prior to commencement of the project, any roadway segments that are not currently public right-of-way must be dedicated to the City as a public road.

The Benefit Assessment Act of 1982 (Government Code section 54703, et seq) authorizes any local agency with authority to maintain streets, roads, or highways to levy special assessments to finance maintenance of those streets, roads, or highways. The Benefit Assessment Act, Article XIID of the California Constitution (Prop. 218) and Section 53753 of the California Government Code (the Prop. 218 Omnibus Implementation Act) impose certain procedural and substantive requirements relating to the levy of new or increased assessments, including preparation of a report describing the basis and amount of the proposed assessment, a description of services or improvements to be financed, and a written notice, protest and public hearing requirement.

If Council adopts the attached resolution, staff will proceed with preparation of an engineer's report and written notice, and ballots will be sent to all property owners of record within the proposed district, in compliance with Prop. 218. A public hearing to consider any protests to the imposition of the assessments will be scheduled at least 45 days from the date ballots are sent to the property owners. If a simple majority of property owners do not object to the imposition of the assessment, the City Council may proceed with formation of the district and levy the assessments.

City Staff has met with the OHHA Board of Directors on numerous occasions to develop a cost sharing arrangement that has led to this point and the potential creation of the assessment district. The arrangement was presented to property owners at an OHHA neighborhood meeting on January 18, 2018 and is summarized as follows:

- *The roadways require full depth reconstruction. This reconstruction effort, including design, legal and financial consultants, City inspection, survey and administration staff costs and roadway reconstruction, is estimated to cost \$5 million to \$6 million.*
- *The City will provide the initial funding for improvements from the Capital Improvement Program over a period of five to six years. The City will improve one or two streets each year. The OHHA Board will set construction priorities. They have selected Cotati and Tribune as the streets to be reconstructed during the first year of this program.*
- *OHHA property owners will reimburse the City for 50% of the cost incurred to reconstruct each road within the OHHA neighborhood.*
- *OHHA property owners will approve a financing mechanism that guarantees this reimbursement over a 20-year period. There are approximately 296 parcels within the OHHA boundary. Each parcel may be assessed approximately \$670 (per the preliminary cost estimate) per year for the improvements.*

- *The roadway improvements are intended to include pavement reconstruction only. Very minor improvements to eliminate roadway water ponding may also be included.*
- *The roadway improvements will not include curb and gutter, rolled curbs, storm drain inlets, street lighting, or sidewalks.*
- *The roadway improvements will follow the existing roadway footprint. The intent is to construct a 20-foot wide one-way street and a 24-foot wide two-way street, unless existing obstructions prevent this from being implemented. In the case of obstructions, the roadway will be narrowed.*
- *The City will only improve roadways that are 100% public right-of-way. The City's surveyor will identify street sections that are currently private property. The City's surveyor will create a plat/legal description for these roadway segments. Property owners will cause these roadway segments to be dedicated to the City as public right-of-way.*

If the OHHA neighborhood does not approve the assessment district, the streets would remain in their existing conditions and no further repair work would be completed by the City.

## **ECONOMIC IMPACT**

There is no anticipated economic impact related to this item.

## **FISCAL IMPACT**

There is no anticipated fiscal impact to the City's General Fund related to the formation of the formation of the Assessment District or consolidation.

## **STRATEGIC ROADMAP**

This agenda item supports the Strategic Priority of Improve Infrastructure. Specifically, this item relates to the implementation of the following projects:

### **Project 5**

- Part 5.a: Maintain Pavement Condition Index (PCI) at 70.
- Part 5.b: Prepare OHHA pavement improvement program design and financing structure.
- Part 5.c: Construct various OHHA pavement improvements

## **SUSTAINABILITY FEATURES**

The project will involve pavement improvement which will require contractors to recycle all construction and demolition debris as a result of the project.

## **PUBLIC CONTACT**

On September 18, 2020, a Notice of Public Hearing for the City Council meeting was sent to the property within the project site.

## **NEXT STEPS**

Following Council adoption of the attached resolution, staff will commence the balloting phase as this staff report identifies. Ballot materials will be sent to all property owners of record at least 45 days prior to the scheduled public hearing. The ballots will be counted in a public hearing at the December 1, 2020 City Council meeting.

*Prepared by:* Kathy Garcia, Deputy Director of Public Works

*Recommended by:* Alex Ameri, Director of Public Works

Approved by:

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

Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

RESOLUTION OF INTENTION TO ESTABLISH THE OLD HIGHLANDS BENEFIT ASSESSMENT DISTRICT, TO LEVY AND COLLECT ASSESSMENTS WITHIN SUCH DISTRICT PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54703, ET SEQ., ORDERING PREPARATION OF AN ENGINEER'S REPORT, AND APPOINTING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO

WHEREAS, the area known as Old Highlands was created by a subdivision map approved by the County of Alameda and recorded in 1914; and

WHEREAS, the Old Highlands area was annexed to the City of Hayward on or about December 3, 1963; and

WHEREAS, the 6.12 miles of streets in the Old Highlands area were not brought up to City standards upon annexation and have not been maintained, with the exception of emergency repairs; and

WHEREAS, the Old Highlands Homeowners Association (OHHA) Board and property owners have agreed to the creation of an assessment district and imposition of special assessments against the properties in the Old Highlands area to fund a pavement rehabilitation project in the area, an area map of which is attached to the staff report for this item and incorporated herein as; and

WHEREAS, Government Code section 54703 et seq., known as the Benefit Assessment Act of 1982, authorizes assessments to finance maintenance of streets, roads or highways; and

WHEREAS, the Benefit Assessment Act, Article XIID of the California Constitution and Section 53753 of the California Government Code (the Prop. 218 Omnibus Implementation Act) impose certain procedural and substantive requirements relating to the levy of new or increased assessments, including preparation of a report describing the basis and amount of the proposed assessment and services or improvements to be financed.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward as follows:

1. The City Council declares its intention to establish the Old Highlands Benefit Assessment District pursuant to the Benefit Assessment Act, Government Code section 54703 et seq., commencing with fiscal year 2022.

2. The City Council hereby orders preparation of an Engineer's Report pursuant to the Benefit Assessment Act, Article XIID of the California Constitution and Section 53753 of the California Government Code (the Prop. 218 Omnibus Implementation Act).

3. The City Clerk shall make the Engineer's Report and other documents related to the District available to the public for review during normal business hours.

4. NOTICE IS HEREBY GIVEN that the City Council shall conduct a public hearing on the establishment of the District and the levy and collection of assessments for fiscal year 2022, on December 1, 2020 at 7:00 p.m. or as soon thereafter as the matter may be heard, during the meeting. At the public hearing, the City Council will consider all objections or protests, if any, to the proposed establishment of the District and the proposed assessment. Any interested person may present written or oral testimony at the public hearing. At the conclusion of the public testimony portion of the public hearing, the City Clerk shall open and tabulate all ballots received and not withdrawn at that time. Results of the ballot procedure will be announced, and, provided a weighted majority in opposition to the District establishment does not occur, the City Council may then establish the District by adopting a resolution to that effect.

5. The City Clerk is hereby authorized and directed to give notice of the public hearing described above as provided in Section 53753 and 54716(b) of the Government Code and Article XIID, Section 4 of the California Constitution.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2020

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



OLD HIGHLANDS HOMEOWNERS ASSOCIATION MAP

LEGEND

- 171 - PARCELS WITH DIA RECORD
- 125 - PARCELS WITHOUT DIA RECORD

