



## **COUNCIL ECONOMIC DEVELOPMENT COMMITTEE**

### **MEETING MINUTES – May 01, 2023**

**CALL TO ORDER:** Mayor Salinas called the regular meeting to order at 5:01 p.m.

### **ATTENDANCE: (September 2022-July 2023)**

| Meeting Attendees      | Present<br>5/1/2023 | All Meetings<br>Year to Date |        | Meetings Mandated<br>By Resolution |        |
|------------------------|---------------------|------------------------------|--------|------------------------------------|--------|
|                        |                     | Present                      | Absent | Present                            | Absent |
| Mayor Salinas          | ✓                   | 4                            | 0      | 4                                  | 0      |
| Council Member Andrews | ✓                   | 4                            | 0      | 4                                  | 0      |
| Council Member Bonilla | ✓                   | 1                            | 0      | 1                                  | 0      |

### **OTHERS IN ATTENDANCE:**

Kelly McAdoo, City Manager; Regina Youngblood, Assistant City Manager; Paul Nguyen, Chief Economic Development Officer; Daniel Mao, Economic Development Specialist; Heather Linteo, Acting Police Captain, Hayward Police Department; Bryan Matthews, Acting Police Chief, Hayward Police Department; Javier Castro, Administrative Assistant; Todd Falduti, Sr. General Manager, Brookfield Properties; Edward Bogue, Paul Hodges.

### **PUBLIC COMMENTS**

There were none.

### **1. APPROVAL OF MINUTES OF REGULAR MEETING April 23, 2023**

A motion to approve the minutes from April 3, 2023, Regular Meeting was made by Council Member Andrews and seconded by Council Member Bonilla. The minutes were unanimously approved.

### **2. A report From Brookfield Properties Retail Group on the Economic Health, Current Trends, and Security Initiatives at Southland Mall**

Chief Economic Development Officer Paul Nguyen introduced Senior General Manager for Brookfield Property Todd Falduti, who gave the presentation.

Mayor Salinas instructed other committee members to hold their questions till item 3.

### **3. Update from Hayward Police Department on Southland Mall Area Security and Partnerships with Mall Management**

Chief Economic Development Officer Nguyen introduced Police Lieutenant Heather Linteo who gave the presentation.

Council Member Andrews thanked Todd Falduti, Lieutenant Linteo, and Acting Chief Matthews for their presentations.

Council Member Andrews asked City Manager Kelly McAdoo about car paper license plates and if she would be able to provide an update on any advocacy around the issue. City Manager McAdoo stated that she will investigate any updates. Manager Falduti stated that paper license plates are a red flag with vehicles that do not look new along with vehicles that back into a handicapped parking spot near mall entrances.

Council Member Andrews asked if mall tenants with their own private security assisted with crime at Southland Mall. Manager Falduti Stated that any show of force in the mall helps deter crime. This includes the presence of the Hayward Police Department (HPD). Combined, the presence of security and HPD aids in “breaking the chain” and makes it less likely for crimes to occur.

Council Member Andrews asked Manager Falduti if they will host more pop-ups during the holiday seasons. Manager Falduti stated that it is one of his goals to find retailers that need extra sales bandwidth during the holidays. Council Member Andrews questioned the disappearance of a makeup store in Southland Mall and Manager Falduti stated that he is looking for other options and stated that at the current state of the mall, it will be difficult to attract a national cosmetics retailer.

Council Member Andrews questioned the exterior of Southland Mall and if public art, murals, and a farmers' market can be added. Manager Falduti agreed with Council Member Andrews' comments and added that the walls at Southland are too “sterile”. He added that public art needs to have a dual purpose such as public seating to justify the costs of art installation. Manager Falduti is in discussion with Brookfield corporate managers to invest in such features.

Council Member Andrews asked if Manager Falduti is thinking of providing a coffee shop at the mall. Manager Falduti stated that he is predominately looking for a provider that opens in the early mornings on the exterior of the center.

Council Member Bonilla asked what the plan for the Sears area of Southland Mall will be. Manager Falduti states that Brookfield Properties does not own the property where Sears sits. He added that he had instructed Sears security to broaden their area and it has greatly improved the area and helped deter crime. Chief Economic Development Officer Nguyen added that the property ownership for Sears is very complex with Transformco owning the Sears building and the underlying land being owned by a joint venture with Transformco and three other parties.

Chief Economic Development Officer Nguyen stated that staff is meeting with Transformco regularly and building a rapport with the executives, which is a rarity. He noted that the site is for sale by JLL, a commercial real estate company.

Chief Economic Development Officer Nguyen stated that Transformco reports they actively put Sears land on the market for sale or for lease. He added that Transformco has shown staff various product redevelopment projects. He stated that nationally most of the vacant big box stores are not being taken over by new retailers. He provided Kmart as an example. He stated most vacant Kmart across the country were being turned into U-Haul or other public storage uses. Chief Economic Development Officer Nguyen added that he believed it will be some time until the Sears site will be sold.

Chief Economic Development Officer Nguyen stated that Economic Development is pushing Transformco and Southland Mall to present an adaptive use proposal that maximizes the amenities that the community is asking for. He added that he invites every prospective developer to present a concept to the CEDC and hear feedback.

City Manager McAdoo added to the complexity of the solution by stating that this land is in the flight path of the Airport.

Council Member Bonilla asked about having healthier options in the food court at Southland Mall. Manager Falduti stated they have a Mediterranean food establishment in the court now but are actively looking for other food vendors.

Council Member Bonilla asked how applicants in Brookfield's "Partner to Empower" program, which provides technical assistance to budding small business retailers, get accepted and the success of that program. Manager Falduti stated that he is not part of the approval piece which is managed by a marketing team out of their Chicago office. Council Member Bonilla asked for the number of applicants who want to be in Southland Mall. Manager Falduti stated that there are none. Manager Falduti added that they are assisting folks who have plans that are on the move, and they are helping with the lease and the buildout. Manager Falduti added the Partner to Empower program is not just for new businesses but for existing ones who want to expand. Council Member Bonilla added that he would like to hear if this program leads to business coming to Southland Mall.

Council Member Bonilla asked Manager Falduti about many vapor-wake detection dogs are on duty. Manager Falduti replied that they have one vapor-wake detection dog on duty 5 days a week. He added that the busiest days were Wednesday through Sunday and that the dog is active from 11:00 a.m. to a little after closing. Manager Falduti stated that the dog is there for more of a visual deterrent and some public relations. He added that if the dog detects the presence of a firearm, another officer will approach the individual, who can voluntarily be wanded or be asked to leave. Manager Falduti also stated that his security has witnessed individuals see the dog coming and leave the premises.

Council Member Bonilla asked Falduti if they believed they needed another dog, Manager Falduti stated that he does not believe they need another vapor-wake detection dog because the number of hits have decreased with just the presence of the one dog.

Council Member Bonilla questioned if Manager Falduti is providing training on mental health or unhoused to the officers. Manager Falduti stated that the security officers are politely going up to the individuals and asking them to move on if they are not actively shopping at the mall. He added that they have not had many altercations but are trained in verbal judo to deescalate situations. He stated that mall security never escalates to physical interactions. Security calls HPD to come to control the situation. Council Member Bonilla pointed at 2-1-1 as a resource for individuals and asked if security could provide them with resource information via cards or referrals.

Council Member Bonilla raised an issue with youth riding their bikes through Southland Mall. Manager Falduti stated that he is aware of this issue and is trying their best to resolve the issue, but it is very difficult due to their quick mobility. Council Member Bonilla followed up with if Southland Mall has any armed officers. Manager Falduti stated that the K9 officer is armed and is the only armed officer.

Manager Falduti stated that the new Hayward Police Department Resource center will open in the beginning Q3 and is in the last stages of completion.

Council Member Bonilla asked if the mall had issues with jewelry theft. Manager Falduti states that they have not had an incident in 6 months. Lieutenant Linteo added that when individuals would pick up their large items they would leave and get robbed in the parking lot.

Council Member Bonilla questioned Manager Falduti about what the three biggest enhancements in the mall are that he would be looking forward to. Manager Falduti replied with he would like to see the curb appeal improved and to do so he would need more landscaping, street sweeping, and paint. Manager Falduti added that he would like the interior not to look so sterile and to include soft seating, amities, and a children's area. Manager Falduti stated that he is looking forward to the Hobby Lobby opening. He added that at entrance #4, Rouse Properties built 4 cold shells without deals in place and is looking to land a deal on these properties.

Council Member Bonilla pointed at the rise in crime in certain areas and questioned Hayward Police Department if they have a strategy to curb those trends. Lieutenant Linteo replied by stating the grant to acquire more cameras will reduce burglary and to cover all the statics and reducing them will be opening the resource center in Southland Mall. Lieutenant Linteo wanted to clarify that the data may be skewed because if an officer makes a traffic stop and the individual pulls into Southland Mall then that data point goes towards that.

Acting Chief Matthews stated that they have two crime analysts in-house that generate a lot of information that is pushed it out to police officers on duty. He added that this issue is a larger geographical region, and that officers often use their discretionary time at Southland Mall to increase police visibility.

Council Member Bonilla asked when were the peak times for Southland Mall foot traffic and roughly how many people were onsite. Manager Falduti stated that Saturday and Sundays are the busiest and that he couldn't give an estimate on how many people enter on those days but wished he could because it will benefit the mall. Council Member Bonilla added that this information could help HPD to better assess an active shooter situation.

Council Member Bonilla asked what the boundaries for HPD are to step in on a theft. Lieutenant Linteo stated that there are no boundaries for HPD intervention. Chief Matthews that \$950 is the cut off for a misdemeanor and added that if it is being called in as a crime in progress, officers will respond and issue a citation regardless of the dollar amount stolen if the store is decided to press charges.

Lieutenant Linteo stated that the reason that most stores don't use force is due to the recent incident that a Home Depot Loss Prevention Officer in another jurisdiction was shot and killed. She added that there is a risk factor going hands-on.

Manager Falduti recognized organized retail crime is a national issue. He is part of the National Organized Retail Crime taskforce. He stated that Victoria's Secret would regularly get hit for \$10,000 plus in theft. He stated that individuals who are stealing often ignore the store associates. Thieves know that the associates will not intervene because no one's life is worth some merchandise.

Acting Chief Matthews stated that HPD crime preventions personnel have advised with retailers the on where to stock high-end merchandise. He advised having goods be behind a locked door or deep in the store as a deterrent.

Acting Chief Matthews clarified that if it is multiple people coming in to steal, they would have to each steal over \$950 in products to get a felony. Manager Falduti added that individuals who are wearing a mask and a hood will be told to remove the hood. He added that if individuals wear a Balaclava as a face mask, they would be told to pull it down.

Council Member Bonilla questioned if the theft is a deterrent for retailers to enter Southland Mall. Manager Falduti confirmed it is and added that many employees have left due to safety, but they are turning that around.

Mayor Salinas questioned how long it will take to do the Partner to Empower program. Manager Falduti stated it depends how prepared the company is upfront and can reply to later average time it will take.

Mayor Salinas asked if there are any pushbacks on Hobby Lobby on any Brookfield Properties. Manager Falduti said there are none.

Mayor Salinas questioned the number of gyms and why there are so many. Manager Falduti stated it is because each gym serves a different market.

Mayor Salinas questioned the difference between Sears' asking price and Brookfield's price. Chief Economic Development Officer Nguyen stated that it depends on land value and what it will be used for. He added Transformco will want to sell at the maximum price they could get. Mayor Falduti states that the value of the property is valued at housing which is higher than Brookfield is willing to pay. Chief Economic Development Officer Nguyen wanted to note that Transformco are working with City staff, and they are on board with putting a project that will benefit the community and what they want.

Mayor Salinas commented that as Southland Mall picks up and develops to be mindful not to pit against Downtown Hayward and Southland Mall and to grow together and to thrive together.

Mayor Salinas pointed out that issues of car break-ins and the remains of glass on a parking spot can be another deterrent for customers. Manager Falduti stated that he is working on it and wants to add parking lot sweeping three times a week and a nightly pressure washing service.

Mayor Salinas questioned if there will be any future tenants on the former Elephant Bar Restaurants. Manager Falduti answered that Brookfield is in discussions with a Filipino restaurant with a live music component.

Mayor Salinas questioned if Southland can be a venue for community special events. Manager Falduti

stated he is willing to host special events. Mayor Salinas asked if hosting prom would be a potential idea. Manager Falduti stated that he will be willing to do so and wanted to open a dress exchange program at Southland.

Mayor Salinas asked if Manager Falduti is involved in Caltrans discussion on creating a better off and on ramp on Winton Ave. Manager Falduti replied that he is and advocated for a transfer of land project but unfortunately was unsuccessful due to not enough votes and not having ownership of the land.

Mayor Salinas questioned how the HPD area in Southland would look like. Manager Falduti stated that it will hold a conference room, interview room, a kitchenette, and a few offices. He added that they placed designated parking areas for HPD.

Mayor Salinas stated that there is a nostalgia at Southland Mall and added that if Southland brought back the old logo and sold it on shirts and keychains that would be wonderful.

Council Member Bonilla ended that if we can center the perception of Southland to be a safe place that would benefit the community and the mall. Manager Falduti agreed and stated having HPD in the mall would create that feeling. He also added that HPD can use this space for their toy drives, coat drives, and recruiting.

#### **4. FUTURE MEETING TOPICS AS OF May 1, 2023**

Council Member Andrews reviewed the Future Meeting Topics and asked if Mission Plaza shopping center ownership can be invited to CEDC. Chief Economic Development Officer Nguyen stated that he believed the owners were out of Dallas, Texas. He said he would extend an invitation to them and can have HPD return to discuss the center as well.

#### **COMMITTEE MEMBER/ STAFF ANNOUNCEMENTS AND REFERRALS**

Chief Economic Development Officer Nguyen stated the ED Team is working to launch Hayward Live, a downtown activation pilot program. Staff is working with Renaissance Entrepreneurship Center and The Pop-Up Guide, who are both experienced and worked on Oakland's First Fridays. He added that they are currently doing outreach in the arts and music community. Chief Economic Development Officer Nguyen added staff are also working on communicating with the surrounding business owners so they are on board and can prepare for the events.

Council Member Andrews added that the City is accepting applications for Juneteenth till May 8<sup>th</sup>.

Chief Economic Development Officer Nguyen stated that In Communities, a division of Amazon Web Services (AWS), which has multiple data centers in Hayward, launched an in-classroom activity called Cloud Room on April 25<sup>th</sup>. AWS partnered with Hayward Unified School District (HUSD) and Economic Development. He added that the event was held in 8<sup>th</sup> grade classes across HUSD and 1,350 students were exposed to cloud computing and the associated technical careers. Mayor Salinas added that AWS had reached out to Chabot Community College for workforce development work.

**ADJOURNMENT:** The meeting was adjourned at 6:34 p.m.