



COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

MEETING MINUTES – June 3, 2024

CALL TO ORDER: Mayor Salinas called the regular meeting to order at 5:02 p.m.

ATTENDANCE: (October 2023-July 2024)

Meeting Attendees	Present 6/3/24	All Meetings Year to Date		Meetings Mandated By Resolution	
		Present	Absent	Present	Absent
Mayor Salinas	✓	7	0	7	0
Council Member Andrews	✓	6	1	6	1
Council Member Bonilla	✓	7	0	7	0

OTHERS IN ATTENDANCE:

Adam Kostrzak, Acting Assistant City Manager; Paul Nguyen, Chief Economic Development Officer; Daniel Mao, Economic Development Specialist; Amber Green, Economic Development Specialist; Jeremy Lochirco, Planning Manager; Elizabeth Blanton, Senior Planner; Javier Castro, Community Programs Specialist; Vanessa Kennedy, Stack Infrastructure Development Vice President; Miles Kersten, Stack Infrastructure Development Director; DR. Nancy Mangold, Executive Director East Bay Small Business Development Center; Kathryn Kafka; Pooja Rathaur; David Bowlby; Michael Van Dyke

AB 2449 TELECONFERENCE NOTIFICATIONS AND CONSIDERATION

Council Member Andrews participated via the Zoom platform under AB 2449 Brown Act teleconferencing “just cause” justification as defined in Government Code section 54953(f)(2)(A)(i) and 54953(j)(2)(A).

PUBLIC COMMENTS

There were none.

1. APPROVAL OF MINUTES OF SPECIAL MEETING April 29, 2024

A motion to approve the minutes from April 29, 2024, Special Meeting was made by Council Member Bonilla and seconded by Council Member Andrews.

2. APPROVAL OF FISCAL YEAR 2025 CEDC REGULAR MEETING SCHEDULE

A motion to approve the fiscal year 2025 CEDC Regular Meeting schedule was made by Council Member Bonilla and seconded by Council Member Andrews.

3. Introduction to East Bay Small Business Development Center's Small Business Finance Assistance Program (Oral Report Only)

Chief Economic Development Officer Paul Nguyen introduced Doctor Nancy Mangold who then gave the presentation.

Council Member Andrews sought clarification on the nature of Family Offices, which Dr. Nancy Mangold described as a type of venture capital company. Council Member Andrews also inquired about the process for small businesses to receive funding when City becomes aware of their needs. Dr. Mangold explained that the East Bay Small Business Development Center (SBDC) website is accessible to everyone and that businesses can sign up online. She added that the Economic Development Department refers businesses to the SBDC.

Council Member Andrews questioned the obstacles preventing full utilization of SBDC services and traditional financing options. Chief Economic Development Officer Nguyen highlighted that fear of rejection is a significant hurdle for small businesses. He noted that obtaining loans from banks can be daunting with long lists of required forms and other financial records, but East Bay SBDC offers one-on-one advisors to assist. Dr. Mangold emphasized that East Bay SBDC has the expertise to navigate the loan process with banks and lenders, mentioning that they can connect businesses needing \$50,000 to lenders that have minimal requirements.

Council Member Bonilla asked if East Bay SBDC serves the entire community. Dr. Mangold confirmed they serve all businesses in Alameda County and Contra Costa County. She added that the center is funded by the United States Small Business Administration and the California Office of Small Business Advocate.

Mayor Salinas inquired about attracting businesses to Hayward. Dr. Mangold mentioned that she matches small businesses with bankers and business needs with cities. Mayor Salinas highlighted the importance of filling empty spaces in downtown Hayward. Chief Economic Development Officer Nguyen noted that the cost and time required to bring vacant buildings up to city codes can be significant obstacles.

Council Member Andrews asked if East Bay SBDC could identify suitable business owners for downtown Hayward who might not require extensive tenant improvements. Dr. Mangold mentioned the Capital Summit and the entrepreneurship and small business resource fair as initiatives to match business owners with lenders. She added that East Bay SBDC connects entrepreneurs with commercial kitchens and other resources.

Council Member Andrews suggested providing pop-up classes for entrepreneurs in Hayward's vacant properties. Chief Economic Development Officer Nguyen mentioned that realistic expectations from property owners with long-vacant buildings are necessary. He added that flexible lease agreements could benefit businesses funding major tenant improvements.

4. Preliminary Concept Review of a Major Site Plan Review Application to Construct a Three-Story Data Center, Generator Yards, Substation, Switching Yard, and Related Accessory Structures on an Approximately 11-Acre Site Located at 26062 Eden Landing Road (Assessor Parcel Nos. 461-0085-052-01 and 461-0085-016-00). Application SPR-23-0036; Miles Kersten for STACK Infrastructure (Applicant) on behalf of SI SVYL3 LLC (Owner).

Chief Economic Development Officer Paul Nguyen introduced Senior Planner Elizabeth Blanton and The Stack Infrastructure Development Directors Miles Kersten and Vannessa Kennedy who then conducted presentations.

Council Member Andrews wanted to understand the security concerns Stack Infrastructure brought up. Stack Infrastructure Development Director Miles Kersten stated the data center is secured 24/7 and once a data hall is completed Stack employees are not allowed to enter the area except on a needed basis.

Council Member Andrews asked if it is possible to add a food truck court in the area. Stack Infrastructure Development Director Kersten stated Stack Infrastructure will take note of the idea and cannot commit now. Council Member Andrews clarified that they would want the food truck location to be ongoing to allow food trucks to corral and, in a location, where semi-trucks will not be hindered.

Mayor Salinas asked how the area could be a destination place. Council Member Bonilla stated typically for a data center you do not want the public to be near the data center. He added he agrees with Council Member Andrews about creating a hub for food in the area and not directly in the data center lot.

Council Member Andrews stated that she wanted amenities for the actual workers of the data center. Council Member Bonilla asked does Stack Infrastructure provides amenities to employees like other companies. Stack Infrastructure Development Director Kersten stated the amenities they currently have are the open air in the open areas. He added that going to lunches would be at the discretion of the manager onsite.

Senior Planner Elizabeth Blanton stated Eden Landing Ecological Reserve parking lot is nearby and can potentially be more appropriate to have activities occur and where people will get drawn to.

Council Member Bonilla asked if Stack Infrastructure found a location to create a food truck amenity are they flexible with the proposed public benefit package. Senior Planner Blanton stated that Stack Infrastructure is completely flexible on how to allocate the funds of the proposed public benefit package. Stack Infrastructure Development Director Kersten agreed that there may be some opportunities to reallocate funds.

Council Member Bonilla asked how the Stack Infrastructure proposed public benefits package compares to other public benefits packages. Senior Planner Blanton stated there is another data center across the highway, that is a bit bigger and a bit farther away from the highway. That previous data center public benefits package was the basis of the Stack Infrastructure proposed package. Senior Planner Blanton stated they adjusted their package as it fit Stack Infrastructure as there are not many onsite amenities, but they have proposed to contribute more funds than the other data center project.

Council Member Bonilla asked what the City's perspective for the dollar amount proposed for the public benefit package due to the height request and the location of the building as it is a gateway to the city. Senior Planner Blanton answered it was difficult to compare as that is why they came to seek guidance. She added that the developers are seeking the community's perspective as to if the additional 25 feet of increased height is commensurate with the proposed \$1.1 million dollars worth of public benefit contributions.

Council Member Bonilla stated on the proposed benefits package to change back the wording "city park contribution" to the "La Vista Park contribution". Senior Planner Blanton stated the funds will go to La Vista Park.

Stack Infrastructure Development Vice President Vanessa Kennedy stated the design of the building is the most elaborate design Stack Infrastructure has produced for a data center as they had placed a heightened sensitivity on the image of the building. Senior Planner Blanton stated the artistic nature of the building has a visual impact to ensure it does not look like an industrial building is a benefit from the city staff's perspective.

Council Member Bonilla asked if we could add to the artistic aspect of the building. Senior Planner Blanton stated that Stack infrastructure will be flexible on the artistic aspect of the building. Stack Infrastructure Development Director Kersten stated that the artist element intends to shield valuable equipment and if they can still provide the protection, they are flexible on the design of said shield.

Council Member Bonilla asked since many projects are facing delays due to PG&E does Stack Infrastructure have commitments from PG&E. Stack Infrastructure Development Director Kersten stated that they do have commitments.

Council Member Bonilla asked what the plan was for the existing business in that location. Stack Infrastructure Development Director Kersten stated that the business has been moving out for the past two years and Stack Infrastructure assisted with the relocation process of some businesses.

Council Member Andrews asked if The Stack Center was in the communication for the public benefits package. Senior Planner Blanton stated that it could be a possible outcome for the public benefits project.

Council Member Bonilla asked for a clarification question for Council Member Andrews if she wanted to remove a proposed benefit or add it. Council Member Andrews stated that adding to the proposed benefit would be preferred.

Mayor Salinas stated that he is in support of the height and the marker but added it must be beautiful since it will be a gateway to Hayward.

Mayor Salinas stated he liked the city park contribution match and if needed we could move some proposed benefits to create a bigger park contribution. He added if the proposed public benefits package can be increased, he would be interested in how much money is available. He also added that adding funds for a Hayward sign would be beneficial.

Chief Economic Development Officer Nguyen asked what type of wording or design the committee members would like to see on the building and sign. Council Member Bonilla stated "Hayward" or

something more creative. Senior Planner Blanton asked if they would be interested in images and not words. The committee agreed that it does not have to be words. Stack Infrastructure Development Vice President Kennedy asked if it is words could be a standalone place, so the building is not branded. Senior Planner Blanton added that the artistic aspect may play a better role in the screen than words for that reason.

Council Member Bonilla asked what Chief Economic Development Officer Nguyen's thoughts on the proposed public benefits package are. Chief Economic Development Officer Nguyen stated that this is a fair package, and that the developer worked to understand and address the community's vision.

Council Member Andrews stated she is ok with the proposal with the added items for The Stack Center and food trucks.

5. FUTURE MEETING TOPICS

Council Member Andrews wanted to know what things are impacting development in Hayward. She wants some recommendations where the Council can review what type of regulations are hindering businesses from moving to Hayward.

Council Member Bonilla stated he would like the update from the Downtown Action Plan Working Group but also to get recommendations for the longer-term improvements that can assist downtown Hayward.

COMMITTEE MEMBER/ STAFF ANNOUNCEMENTS AND REFERRALS

Mayor Salinas stated he went to the Latin Jazz Festival on June 1st and the event was great.

Council Member Andrews stated June 22nd is the Juneteenth event at Heritage Plaza in Hayward.

Council Member Bonilla stated on June 4th the Pride flag-raising will occur at noon.

Council Member Andrews stated June 18th will be the Pan Africa and Juneteenth flag raising will occur.

Chief Economic Development Officer Nguyen stated the Economic Development team won a Business Facilities Magazine 2024 Economic Development Organization Award for the Together for Hayward Point of Sale Grant program.

Chief Economic Development Officer Nguyen stated Economic Development did a Grand Reopening Ribbon Cutting for El Taquito as part of the Restaurant Relaunch Program. He added that after the remodel El Taquito owners indicate they are seeing many new customers as the restaurant is more noticeable.

Chief Economic Development Officer Nguyen stated El Pollo Loco in the downtown celebrated their 20th anniversary with a ribbon cutting event. Economic Development Specialist Daniel Mao stated the owners of the El Pollo Loco indicated that is the number 1 El Pollo Loco franchise location in the

country. Chief Economic Development Officer Nguyen stated they are opening a new location on Whipple.

Chief Economic Development Nguyen stated Tea Villa will be celebrating its grand opening on June 8th and June 9th at SoHay. Economic Development Specialist Mao stated Tea Villa is a recipient of the new Hashtag Hayward Grant.

Chief Economic Development Officer Nguyen stated the Kmart site has full permanent power from PG&E and the parking lot is lit up. Council Member Bonilla asked if all the slots were filled on the site. Chief Economic Development Officer Nguyen answered that not all the tenant spaces are filled.

Economic Development Specialist Mao announced Economic Development with assistance from Chabot College and Cal State East Bay will be hosting a Learn to Earn Job Fair on September 19, 2024.

ADJOURNMENT: The meeting was adjourned at 7:02 p.m.