



## COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

### MEETING MINUTES – April 4, 2016

**CALL TO ORDER:** Mayor Halliday called the regular meeting to order at 4:01 p.m.

#### ATTENDANCE:

Committee Member	Present 4/4/16	All Meetings Year to Date		Meetings Mandated By Resolution	
		Present	Absent	Present	Absent
Michael Ly	✓	5	1	5	1
Didacus-Jeff Joseph Ramos	✓	6	0	6	0
Mayor Halliday (Chair)	✓	6	0	6	0
Council Member Jones	✓	5	1	5	1
Council Member Mendall	✓	6	0	6	0
Vacancy (Anjanette Scott, resigned 4/1/16)					
Vacancy (Navneet Ratti, resigned 2/23/16)					

#### OTHERS IN ATTENDANCE:

Micah Hinkle, Economic Development Manager; Paul Nguyen, Economic Development Specialist; Lee Lambert, Director, Alameda County Small Business Development Center; Kim Huggett, President and CEO, Hayward Chamber of Commerce; Paul Hodges, Board of Directors, HARD; Kamine DeGuzman, Maira Sanchez, and Matthew Granados, CSU East Bay students; Suzanne Philis, Senior Secretary

#### PUBLIC COMMENTS

Kim Huggett, President and CEO of the Hayward Chamber of Commerce, thanked guest speaker Lee Lambert for his partnership in the small business workshop series and the services provided by the Alameda County Small Business Development Center. In partnership with the California Association of Restaurants, Mr. Huggett announced a “What Restaurants Need to Know in 2016” event at City Hall on May 10<sup>th</sup>. He also distributed a flyer for the 2016 Downtown Hayward Bicycle Rodeo and Cyclepath Vintage BMX Show & Street Jam happening on Saturday, May 14<sup>th</sup>.

## **1. APPROVAL OF MINUTES OF MARCH 7, 2016**

Motion to approve made by Member Ramos with Council Member Mendall seconding. Minutes from the February 1, 2016 Regular Meeting were approved with Council Member Jones abstaining.

## **2. SMALL BUSINESS WORKSHOP SERIES REPORT BACK**

Economic Development Manager Hinkle introduced Lee Lambert, Director of Alameda County Small Business Development Center (ACSBDC), and noted the City of Hayward sponsored the workshop series, held at City Hall, in partnership with the Hayward Chamber of Commerce. Mr. Lambert gave the presentation noting the workshops were just one of the many services provided by the Center.

Member Ramos asked if most customers hear about the consulting and mentoring services through the workshop series. Mr. Lambert said it was a split between the seminars and word of mouth.

Council Member Jones asked how the City let customers applying for a Hayward Business License know about the workshops. Economic Development Paul Nguyen said information was available at the front counter in the Permits & Planning Department (the first stop for obtaining a business license) and through the Economic Development Business Concierge Program.

Council Member Mendall asked if the seminar series was recorded and Mr. Lambert said no, the Center didn't have the budget to make quality videos of the workshops.

Mayor Halliday asked if former seminar materials were available. Mr. Lambert said a lot of good information was available on the Center's website and said that the focus of the Small Business Development Center was the 1:1 free counseling.

Economic Development Specialist Nguyen noted that City Economic Development staff gave a welcome at each workshop that included an explanation of the City's Business Concierge services and a showing of the Hayward Upward video. He added that the presentation slides from the workshops were available on the ACSBDC website.

Economic Development Manager Hinkle noted that the City's partnership with the Alameda County Workforce Investment Board was also part of the available resources promoted by staff.

Council Member Jones mentioned that Stopwaste.org was working toward a ban on plastic bags used by restaurants. Although the ban was many months away, he wanted to let everyone know that it was in the works. Mr. Lambert said the Center sent an email blast to 8,600 interested parties every Monday and could include the announcement along with a link for more information.

Mr. Lambert concluded by saying he was appreciative of the partnership with the City and its support of the workshop series.

## **3. ECONOMIC DEVELOPMENT STRATEGIC PLAN BRANDING & MARKETING WORK TASK UPDATE**

Economic Development Manager Hinkle introduced the presentation noting that rather than tackle the entire Economic Development Strategic Plan (EDSP) FY 2014-2018, staff would address each of the four main areas of focus one at a time starting with Branding & Marketing work tasks.

Economic Development Specialist Nguyen mentioned the ED Team recently attended an ICSC Idea Exchange in Monterey where they were very well received by retailers, brokers, and developers. Economic Development Manager Hinkle said the positive feedback assured him that as soon as the City delivered some of the catalytic projects currently in the approval process, the retail space would be filled in a heartbeat. Specialist Nguyen agreed that the only thing holding the City back was the lack of available new space.

Council Member Mendall said he wanted to emphasize that point noting for the last ten years he had been told that retailers didn't want to be in Hayward. It's not true, he said, they want to be here, they just need new space so they can move in. He said the rest of the City Council needed to hear this valuable message.

Economic Development Manager Hinkle emphasized that the new space had to be *quality* retail space. Not token, he said, but large, planned developments built with a purpose. He noted that the same was true for office space; if new Class A space was built, the City would see there was demand for that space.

Vigorously nodding his head Council Member Jones said this was exactly what he and his colleagues had been saying for years; the City needed to preserve space for retail and office and not just build residential. Council Member Mendall suggested staff have a representative ready to give this counterpoint narrative the next time a residential project was proposed to the Planning Commission or Council.

Member Ramos commented that Hayward needed to avoid creating dead spots like he'd seen in his travels through and around Fremont and Union City where mile after mile of high density housing was built without leaving any space for not just grocery stores, but any kind of commercial use.

Economic Development Manager Hinkle said it was important to find the right location for retail nodes. These nodes should serve the immediate area, he said, but also be correctly located to capture folks passing by.

Bringing the discussion back to Branding & Marketing, Manager Hinkle said ED staff had been working hard to change how the City presented itself and therefore how outsiders viewed us. He said this was especially important when competing against other cities, regions, and states to attract new business.

Economic Development Manager Hinkle said staff was working on the following goals and next steps for the Branding & Marketing portion of the EDSP:

- Targeted marketing materials for desired business sectors by capturing the demographics of groups already in Hayward including students, techies, and government workers.
- Develop Quality of Life materials—show businesses why their employees want to live here by highlighting local amenities.
- Map new housing developments including location, number of units, amenities, and targeted demographic so retailers can get ahead of the curve on future demand for goods.
- Targeted marketing packs for specific event venues for example, the Bio 2016 – BIO International Convention in San Francisco and the Advanced Manufacturing Expo & Conference in Anaheim.

Member Ramos asked if the booth at the BIO Convention would have video capability. Manager Hinkle said each venue had different guidelines and he commented that what folks really wanted to see was proposed development plans. Committee members expressed surprise. Specialist Nguyen said he frequently pulled out his phone to show interested parties information about pending projects. Council Member Mendall suggested a video loop of projects showing behind the table display. Member Ramos said a 30-second video would bring flat development plans to life.

Mayor Halliday asked if Council would receive a detailed report that made recommendations on changes to the EDSP including work tasks and measureables. Economic Development Manager Hinkle said yes and noted he wanted the process to start with feedback from the CEDC on the Branding & Marketing work tasks contained in the report. He asked if there was anything the Committee wanted staff to change, expand or adjust. Mayor Halliday noted the work task of hiring a Community & Media Relations Officer was no longer complete noting the City was sad to announce the resignation of Frank Holland.

Council Member Mendall had several suggestions:

- Build relationships with commercial brokers to keep them correctly informed about what was happening in Hayward;
- Make it clear in the proposed demographic studies of students, techies and government workers that these groups were not residents, but groups coming into Hayward that, if marketed to correctly, would stay and spend money;
- He supported staff's proposal to highlight housing starts and suggested the total dollars invested be included;
- He acknowledged that many of the original measureables were shots in the dark to get the EDSP underway and he encouraged staff to use their growing expertise to change them appropriately.

Council Member Jones said he liked the four points of focus presented by Manager Hinkle, but he suggested shifting staff resources to prioritize the quality of life (QOL) materials, followed by the other three in the order presented. He said QOL information wasn't available and it was needed now to attract the millennials moving to Hayward for the location and the downtown, which he noted was a huge untapped asset.

Council Member Jones agreed that metrics should be constantly revisited, but he advised staff to keep some of the items not controlled by the City so staff could report back to Council on those items from an economic health perspective.

Council Member Mendall suggested comparing the City of Hayward performance indicators against Alameda County baselines as a way to judge our performance. Economic Development Manager Hinkle agreed and said it made more sense to think about the work task Performance Measures as Market Indicators.

Member Ly said City staff was doing a great job of marketing Hayward and didn't question there would be demand for space, but he cautioned staff to make sure there was enough quality space to meet demand. He also encouraged staff to not spread themselves too thin; focus on the things the City was already doing well (like industrial, students, and affordable housing, etc.), and work to define Hayward by those things. By clearly defining what the City wants to be, he said, it would be more likely that vision was achieved and future development less random.

Council Member Mendall liked the idea of focusing on one or two narratives. Member Ly continued saying once the focus had been determined then marketing and zoning decisions could be made to support it. Rather than try to be another San Francisco or San Jose, he said, Hayward could focus on providing what those cities could not.

Member Ramos agreed the City should focus on promoting its strengths and spend less time on the areas of weaknesses, but not ignore them completely. He also emphasized the need for long-range planning that included a vision for what the City wanted to look like tomorrow; in five years; and in 50 years, and not just

“right now.” He also pointed out that people came to communities because of the schools. He mentioned that Burbank Elementary School was just recognized for some major achievements and said those should be included in City promotional materials. Member Ramos also spoke in favor of retail nodes and noted he was usually sitting at one when observing the success of a particular area.

Mayor Halliday said the nature of a city was to offer a lot of things to a lot of people. When Hayward went through the process of rebranding itself, she said, it became clear there was a lot to celebrate about the community and what it had to offer. One item not mentioned in the EDSP, she said, was the cultural amenities Hayward offered like its strong arts community, including, but less so, its performing arts. She pointed out that it was unlikely machines could ever replace human creativity and therefore arts and entertainment would become more and more important and demand for those workers would rise; Hayward already had those workers and that should be promoted.

Mayor Halliday also commented that as a young girl growing up in Delaware, DuPont was the major employer and everyone associated the business with the area. Cupertino has Apple, she said, and Hayward used to have Hunt's; what was the association now, she asked. In the future she said she hoped Hayward would be associated with the arts and entertainment industry.

Mayor Halliday also noted that the diversity of the Hayward community was often touted, but what wasn't mentioned was how successfully the City dealt with it and how few issues arose because of it. She agreed with Council Member Jones that downtown was a huge asset.

Mayor Halliday expressed disappointment that the Hayward Daily Review had been replaced by the East Bay Times which led the Committee to speculate on what would happen next to traditional media outlets and how the City could adapt. Mayor Halliday pointed out that City staff had begun to utilize social media, but needed to take better advantage of TV and radio.

Member Ramos said he watched City Council and school board meetings on TV (Cable Channel 15) and noted the City wasn't taking advantage of the channel. When Council Member Mendall agreed Member Ramos said the City should at least broadcast a looped slide show of Economic Development projects and events in between City meetings. Mayor Halliday said the City used to show videos of local businesses and Member Ramos agreed videos were more appealing than still images and should be shown more often.

Mayor Halliday said the City should also have another discussion about empty spaces; what should go there, and why the spaces weren't being filled especially when residents were asking for retail uses like grocery stores. She mentioned a statistic she heard recently that 83% of Hayward residents lived in a food desert. Committee members disagreed, noting there were grocery stores within a mile or two, but not always within walking distance.

Economic Development Manager Hinkle said the challenge was filling the smaller format of the grocery stores that left, but noted staff was making progress. Member Ramos pointed out that people always talked about big grocers like Safeway and Lucky, but never mentioned or took advantage of smaller markets like Chavez Supermarket, which sold more than just Mexican food. He said both the store and the City should do a better job of marketing these businesses.

Mayor Halliday concluded the item by requesting a report that looked at available sites, why they were empty, and what the City could do about it.

## **FUTURE AGENDA ITEMS**

Member Ly said he would like staff to prioritize a report on the impact of the minimum wage increase noting the requirement could push certain industries out of the area especially restaurants and small businesses. Council Member Jones pointed out that the increase wouldn't be completely phased in for several years. Member Ramos said by that time it may be too low and suggested educating local businesses on how to phase in the minimum wage without raising prices too quickly or giving up too soon.

Council Member Mendall requested a report on possible locations for youth and family entertainment clusters, whether or not the Council was behind the concept, and how to achieve it including taking action to set informal policy. Council Member Jones suggested revisiting opportunities at catalyst sites. Council Member Mendall said he wanted staff to come back with recommendations.

Mayor Halliday said she would still like to see and hear more information about Southland Mall improvements. Council Member Jones asked when the new theater was scheduled to open and staff said typically summer or holidays were targeted for openings, but would follow up with mall management and respond at the next meeting.

## **COMMITTEE MEMBER ANNOUNCEMENTS AND REFERRALS**

In an effort to create regional relationships, Mayor Halliday announced the Oakland Ballet was partnering with the Hayward Unified School District and Chabot College for the Spring production of "A Capella—Our Bodies Sing" on April 23<sup>rd</sup>. Mayor Halliday said a soiree was being organized around the event with a buffet dinner before the performance and a dessert after for \$150; the show with dessert for \$75; or just the show for \$20-\$50. Proceeds will allow the Oakland Ballet to bring the Nutcracker to Chabot College for a daytime performance for all HUSD students.

Chamber President Huggett noted the Counsel General of Mexico had been appointed as ambassador to UNESCO and transferred to France, so the Assistant Counsel General would be speaking in his place at the luncheon scheduled for Tuesday, April 12<sup>th</sup>.

Economic Development Specialist Nguyen announced the 1<sup>st</sup> Annual STEM Career Awareness Day on April 13<sup>th</sup> organized by Cal State East Bay, HUSD, the City of Hayward, and the Alameda County Workforce Investment Board. The day would include speeches, tours of local industrial businesses for over 200 HUSD students, and culminating with a luncheon where students could network with 30 business representatives and learn more about their career paths in STEM-related fields.

**ADJOURNMENT:** The meeting was adjourned at 5:32 p.m.

STAFF	ACTION ITEMS
Econ Dev	Presentation from Southland Mall reps on the new theater and updates
Econ Dev	Provide more statistical data and analysis of existing retail (Spring 2016)
Econ Dev	Report on the changing demand for retail
Econ Dev	Update on the Community Benefits District process

Econ Dev	Improved marketing of City events to local businesses to keep workers in town
Econ Dev	Discuss effectiveness of concept meetings with Council (Spring 2016)
Econ Dev	Report on impact of minimum wage increase (when data is available)
Econ Dev	Additional major retailer comparison data from MuniServices
Econ Dev	Report back on the impact of additional housing on property and sales tax revenues