



MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, October 18, 2016, 7:00 p.m.

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

ROLL CALL

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

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

There were none.

CLOSED SESSION ANNOUNCEMENT

City Attorney Lawson announced the Council convened in closed session on October 13, 2016, concerning three items: 1) conference with property negotiators pursuant to Government Code 54956 concerning the properties at 22300 Foothill Boulevard, 22292 Foothill Boulevard and 22321 City Center Drive, APNs.: 415-0250-111-02, 415-0250-113-00, 415-0250-112-00; 2) public employment pursuant to Government Code 54957 regarding the City Manager. City Attorney Lawson added that the City Council unanimously approved to add a third item to the closed session agenda pursuant to Government Code Section 54954.2(b)(2). The item was a conference with property negotiators pursuant to Government Code Section 54956 regarding the South Hayward BART Station project, Assessor Parcel No. 078C0801001. The Council took no action related to the three items.

PRESENTATIONS

Mayor Halliday presented proclamations to Ruby's Place and Safe Alternatives to Violent Environments (SAVE) proclaiming the month of October 2016 and every October thereafter as National Domestic Violence Awareness Month. Ruby's Place Executive Director, Vera Ciammetti, accepted the proclamation on behalf of Ruby's Place, and SAVE Finance Director, Jay Mehta, accepted the proclamation on behalf of SAVE.

A Certificate of Commendation was presented to Safe Alternatives to Violent Environments (SAVE) in honor of its 40th anniversary celebration. Mr. Jay Mehta accepted the certificate of commendation on behalf of SAVE.

PUBLIC COMMENTS

Ms. Wynn Grcich, Hayward resident, spoke about matters of the Hayward Unified School District (HUSD) Board and her candidacy on the HUSD Board.

Mr. Gerry Thompson, Hayward Arts Council Board Co-President, spoke about the Hayward Arts Council Open Juried show at the John O'Lague Galleria, and the Hayward Arts Council Fundraiser on November 4, 2016 at Hayward City Hall Rotunda.

Ms. April Chan, organizer of Rubik's Rumble, introduced RJ Robles, Hayward resident, who solved two Rubik's Rumble cubes in 20 seconds and 25 seconds respectively. Ms. Chan announced the Rubik's Rumble event on October 22, 2016 at Hayward City Hall.

Mr. Jim Drake, Hayward resident, spoke about HUSD Board candidates; and he inquired about the total cost of the improvements to the Fire Training Center on Item No. 8 of the agenda.

The following Community Services Commission members spoke in support of the recommendations from the Community Services Commission related to the proposed changes to the community agency funding process found in Item No. 10 of the agenda.

Mr. Antonio Isais
Ms. Diane Fagalde
Mr. Todd Davis
Ms. Julie Roche

Ms. Sue Merrill, South Hayward Parish Executive Director, spoke in support of Measure A1 (Alameda County-Wide General Obligation Bond Issuance for Affordable Housing Proposal) on the November 8, 2016 ballot.

Mr. Charlie Peters, Clean Air Performance Professionals representative, spoke about an Autonomous Vehicle Public Workshop on October 19, 2016 in Sacramento.

Council Member Zermeño corrected information regarding a statement that was made at a prior Council meeting related to an alleged payment he had received from HUSD.

CONSENT

Consent Item No. 5 was removed to allow for public comments.

1. Minutes of the Special Joint City Council/Hayward Geologic Hazard Abatement District Board Meeting on September 13, 2016 (Except for Consent GHAD Item No. 5) **MIN 16-085**

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the Special City Council/Hayward Geologic Hazard Abatement District Meeting on September 13, 2016, except for Consent GHAD Item No. 5.



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2. Minutes of the City Council Meeting on September 20, 2016 **MIN 16-086**

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the City Council Meeting on September 20, 2016, with a minor revision.

3. Minutes of the City Council Meeting on September 27, 2016 **MIN 16-087**

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the City Council Meeting on September 27, 2016.

4. Filing Nuisance Abatement/Municipal Code Liens with the County Recorder's Office for Non-Abatable Code Violations **CONS 16-520**

Staff report submitted by Development Services Director Rizk, dated October 18, 2016, was filed.

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

Resolution 16-184, "Resolution Confirming the Report and Non-Abatable Code Violations and Penalties Liens List Associated with the Code Enforcement Division and Community Preservation/Rental Housing Programs"

5. Resolution Appropriating Funding for Replacement Street Sweeper **CONS 16-623**

Staff report submitted by Director of Maintenance Services Rullman, dated October 18, 2016, was filed.

Mr. Jim Drake, Hayward resident, recommended that the street sweeper be replaced with a mechanical sweeper. Ms. Denise Blohm, Management Analyst, explained the identified sweeper met the operational needs of a street sweeper.

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

Resolution 16-187, "Adoption of a Resolution to Appropriate Fleet Capital Fund Balance to Purchase a Replacement Street Sweeper"

6. Resolution Accepting the Resignation of Ms. Natasha Neves from the Keep Hayward Clean and Green Task Force and Ms. Annette DeJulio from the Community Services Commission **CONS 16-633**

Staff report submitted by City Clerk Lens, dated October 18, 2016, was filed.

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

Resolution 16-185, "Resolution Accepting the Resignation of Natasha Neves from the Keep Hayward Clean and Green Task Force and Annette DeJulio from the Community Services Commission"

7. Resolution Reappointing Council Member Márquez to the Alameda County Mosquito Abatement District Board of Trustees for the next two-year term ending December 31, 2018 **CONS 16-634**

Staff report submitted by City Clerk Lens, dated October 18, 2016, was filed.

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

Resolution 16-186, "Resolution Reappointing Council Member Márquez as the City of Hayward Representative to the Alameda County Mosquito Abatement District Board of Trustees for the Next Two-Year Term Ending December 31, 2018"

WORK SESSION

8. Fire Stations 1-6 and Fire Training Center Improvement Project Update (Report from Public Works Director Fakhrai) **WS 16-063**

Staff report submitted by Director of Public Works Fakhrai, dated October 18, 2016, was filed.

Public Works Director Fakhrai announced the report and introduced Senior Civil Engineer Dave Hung who provided a synopsis of the staff report.

Discussion ensued among Council members and City staff regarding: safe work environment at the fire stations; potential for water reuse through recapture; Net Zero Energy for buildings and green improvements; data analysis of an additional Fire House Clinic; and revenue projections from Measure C passage.



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There was general agreement to continue with the design and program plan for the Fire Stations 1-6 and the Fire Training Center. There was also support to continue pursuing significant partners and revenue opportunities for capital needs and ongoing revenue for the regional Fire Training Center and Fire Station 6 and to address the funding shortfall. There was a suggestion to consider PACE (property assessed clean energy) financing for proposed upgrades.

There was Council's consensus to hear item No. 10 prior to Item No. 9.

9. Presentation of City of Hayward User Fee Study (Report from Acting Director of Finance Claussen) WS 16-064

Staff report submitted by Acting Finance Director Claussen, dated October 18, 2016, was filed.

Acting Finance Director Claussen announced the report and introduced Mr. Chris Fisher with Willdan Financial Services who provided an overview of the methodology and the process used for the User Fee Study.

Discussion ensued among Council members, City staff, and Mr. Chris Fisher and Mr. Tony Thrasher with Willdan Financial Services regarding: the proposed Hayward User Fee Study; Development Services and Building Permit fees; cost recovery level for water and sewer fees; card club permit fee; Tobacco Ordinance and Smoking Ordinance fees and tobacco retailer license fee; abatement costs and lien assessment processing fees; residential permit fees related to water heater, vent and hoods and residential package permits; bathroom remodel permit; and sign permit fees for mural art signs and A-frame signs.

The Council was in general agreement to achieve 100% cost recovery of the services provided with flexibility given in certain cases as needed. Council members asked staff to review the cost recovery analysis for card club permit-annual table fee and the Tobacco Ordinance and Smoking Ordinance fees; tobacco retailer license fee; water and sewer fees; and sign permits for mural art signs and A-frame signs.

10. Review of Proposed Changes to the Community Agency Funding Process: Recommendations from the Community Services Commission (Report from Library and Community Services Director Reinhart) WS 16-057

Staff report submitted by Library and Community Services Director Reinhart, dated October 18, 2016, was filed.

Library and Community Services Director Reinhart acknowledged members of the Community Services Commission and staff in attendance at the meeting and provided a synopsis of the staff report.

The City Council expressed appreciation for the review that the Community Services Commission and the Funding Parameters Committee performed on the community agency funding process.

Discussion ensued among Council members and City staff regarding: the recommended Option D (Hybrid Model: Some targeted, some general) and its advantages in identifying targeted areas of need and its disadvantages with the proposed schedule for rotation of targeted areas of need; the Arts and Culture category; the need to address outcomes for community need; comprehensive analysis of agencies that have applied and have been funded in past years; and the opportunity to have a joint meeting with the Community Services Commission to further discuss funding recommendation and allocations.

The City Council reached consensus for staff to proceed with the Community Agency Funding application process for FY 2017-18 and release the applications in November with a stated priority/funding area of "Homelessness, Housing Affordability, and Food Access." Furthermore, there was consensus for the City Council and the Community Services Commission or its Funding Parameters Committee to convene a joint work session in April/May 2017 to continue the dialogue, define areas of need and further review the schedule for rotating the targeted areas of need, and address important categories such as Arts, Music and Culture.

There was Council's consensus to move Item No. 13 before Item No. 11.

11. Informational Review and Discussion of Alameda County-Wide General Obligation Bond Issuance Proposal (County Measure A1) (Report from Library and Community Services Director Reinhart) WS 16-060

Staff report submitted by Library and Community Services Director Reinhart, dated October 18, 2016, was filed.

Library and Community Services Director Reinhart announced the report and introduced Housing and Community Development Department Director, Linda Gardner, who provided a synopsis of Attachment II of the staff report.

Discussion ensued among Council members, Housing Director Gardner, and City staff related to: equitable investment of bond proceeds and duplication of scarce resources; County Board of Supervisors' discretion over funding allocation and Request for Proposals process for regional pools; eligibility of fund allocation for "mini" homes; "Boomerang" funds for anti-displacement and homeless response; Regional Housing Needs Allocation (RHNA) process completed by the Association of Bay Area Governments and eligibility of funds for affordable units; building renovations under the City's base allocation or the regional pool; and the City's Minor Home Repair Program and Housing Rehabilitation Loan program.



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There was Council's consensus to hear Item No. 13 before Item No. 12.

PUBLIC HEARING

12. 2016 Update of the City of Hayward Affordable Housing Impact Fees (Report from Director of Library and Community Services Reinhart) (Continued from September 27, 2016) **PH 16-086**

Staff report submitted by Library and Community Services Director Reinhart, dated October 18, 2016, was filed.

Library and Community Services Director Reinhart announced the staff report and introduced Housing Development Specialist, Omar Cortez, who provided a synopsis of the staff report.

Discussion ensued among Council members and City staff related to: the recommended Affordable Housing Impact Fees and the Nexus Study; an economic feasibility study as related to the impact of affordable housing development and requirements on market rate developments; similar fees in surrounding cities; and fees used for housing rehabilitation.

Mayor Halliday opened the public hearing at 11:03 p.m.

Ms. Andrea Osgood, Director of Real Estate Development for Eden Housing, supported staff's recommendation to update the fees, noted the fees are a critical source of funding and added the source of funding could be used to leverage the bond measure when it passes.

Mayor Halliday closed the public hearing at 11:04 p.m.

Council Member Mendall noted the fees for residential properties are low and the goal should be to target, over a number of years, a fee that is close to the second lowest fee level in the County.

Council Member Salinas cautioned the Council to not increase the fees so high as to halt developments from occurring.

Council Member Lamnin was concerned with increasing the fees without a public notice and without knowledge of the number of units that are built in communities that have higher fees.

City Manager McAdoo noted that the Council could not adopt fees other than the fees in the proposed report, but the Council could choose to continue the hearing.

Council Member Márquez offered a motion to table the item and direct staff to reassess the fees and bring back to Council a broader analysis, more comparative data from surrounding cities, and consideration of a more aggressive fee increase.

Council Member Zermeño seconded the motion.

Discussion ensued about raising the fees to the level proposed by staff and coming back with additional data and analysis for an additional increase.

Council Member Márquez amended her motion to approve staff's recommendation to raise the fees to the proposed level and direct staff to bring back to Council additional information and a broader analysis for increased fees within six months.

Council Member Zermeño was amenable to the amended motion.

Council Member Mendall supported the motion.

Council Member Lamnin requested that during the six months while staff is gathering data that there be conversation with the developer community.

Mayor Halliday supported the motion noting the City needed to be cautious to the extent to which fees can be raised.

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to adopt the following resolution with direction to staff to bring back to Council additional information and a broader analysis for increased fees within six months.

Resolution 16-188, "Resolution Increasing Affordable Housing Impact Fees"

LEGISLATIVE BUSINESS

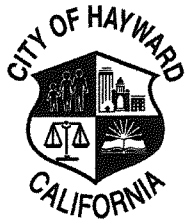
13. Resolution in Support of Alameda County Measure A1 (Alameda County General Obligation Bond for Affordable Housing) (Report from Library and Community Services Director Reinhart) **LB 16-101**

Staff report submitted by Library and Community Services Director Reinhart, dated October 18, 2016, was filed.

Library and Community Services Director Reinhart announced the staff report.

Mayor Halliday opened the public hearing at 10:45 p.m.

Ms. Andrea Osgood, Director of Real Estate Development for Eden Housing, spoke in support of Alameda County Measure A1 (Alameda County General Obligation Bond for Affordable Housing).



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Ms. Sue Merrill, submitted a speaker card but did not speak.

Mayor Halliday closed the public hearing at 10:47p.m.

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

Resolution 16-189, "Resolution of the City Council of the City of Hayward Supporting Measure A1, the Alameda County Affordable Housing Bond"

14. Resolution in Support of Efforts to Dissolve Eden Healthcare District (Report from City Manager McAdoo) LB 16-102

Staff report submitted by City Manager McAdoo, dated October 18, 2016, was filed.

City Manager McAdoo provided a synopsis of the report and provided information about the Alameda County Local Agency Formation Commission (LAFCo) meeting on October 18, 2016.

There being no public comments, Mayor Halliday opened and closed the public hearing at 11:21 p.m.

Council Member Lamnin noted her support of the letter to LAFCo, but was concerned about the Eden Township Healthcare District (ETHD) and expressed she was not ready to support the dissolution without knowledge of the final report that the LAFCo's consultant was preparing.

Council Member Zermeño noted that the members attending the public LAFCo meeting were in support of the dissolution and he felt that the Council needed to ensure that the City offers adequate healthcare resources to its residents.

Council Member Peixoto seconded the motion noting that he had attended the LAFCo meeting and read excerpts from the Alameda County Grand Jury Report, and expressed it was appalling to know that ETHD had spent 88 percent of its budget on administration, legal and consulting fees and only 12 percent on mission-related services.

Council Member Mendall was in favor of the dissolution and suggested amending the resolution to reassure folks that the funding will not go away. Council Member Mendall offered adding a paragraph to read as follows: WHEREAS, the City of Hayward believes the

funds provided to non-profits and other health care providers can be more efficiently distributed.”

Mayor Halliday requested that the eighth WHEREAS in the resolution be amended by changing the text from “... and that such proceeds could benefit both San Leandro Hospital and Saint Rose Hospital...” to “... and that such proceeds would benefit both San Leandro Hospital and Saint Rose Hospital...”

Council Member Zermeño and Peixoto were amenable to the amendments.

Council Member Salinas supported the motion noting that the ETHD’s financial statements were enough reason for its dissolution.

Mayor Halliday noted that the Council was dependent on LAFCo in terms of ETHD’s future and the resolution was one more step in supporting efforts to achieve a decision that is more equitable in terms of how funds would be distributed.

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

Resolution 16-190, “Resolution in Support of Efforts to Dissolve
Eden Healthcare District”

CITY MANAGER’S COMMENTS

There were none.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Márquez made two announcements: 1) the Rubik’s Rumble at City Hall on October 22, 2016; and 2) the Keep Hayward Clean and Green Task Force “Make a Difference” event at Tennyson High School on October 22, 2016.

Council Member Salinas announced he would be leading discussions about the book, “The Distance Between Us” by Reyna Grande at the Hayward Library on October 19, 2016, and on November 2, 2016.

Mayor Halliday announced that she would be joining a Hayward delegation on a trip to Funabashi, Japan to celebrate the 30th anniversary of the Hayward-Funabashi Sister City relationship, and added that Mayor Pro Tempore Lamnin would be chairing the Council meeting on October 25, 2016.

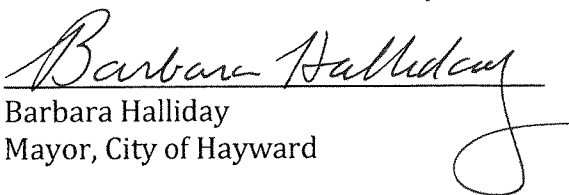


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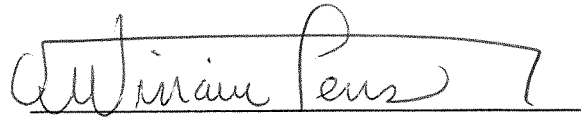
ADJOURNMENT

Mayor Halliday adjourned the meeting at 11:37 p.m., in memory of Retired Police Sergeant Warren Darmsted, who had served the Hayward Police Department for thirty years. Warren was a U.S. Marine and Vietnam combat veteran. Mayor Halliday asked staff to work with the Darmsted family and the Police Department to find a suitable place to plant a tree in memory of Retired Police Sergeant Darmsted.

APPROVED:


Barbara Halliday
Mayor, City of Hayward

ATTEST:


Miriam Lens
City Clerk, City of Hayward

