



COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

MEETING MINUTES –October 5, 2020

CALL TO ORDER: Mayor Halliday called the Regular meeting to order at 4:02 p.m.

ATTENDANCE (September 2020-July 2021):

Committee Member	Present 10/5/2020	All Meetings Year to Date		Meetings Mandated By Resolution	
		Present	Absent	Present	Absent
Mayor Halliday (Chair)	✓	1	0	1	0
Council Member Mendall	✓	1	0	1	0
Council Member Salinas	✓	1	0	1	0

OTHERS IN ATTENDANCE:

Kelly McAdoo, City Manager; Laura Simpson, Director of Development Services, Paul Nguyen, Economic Development Manager; Phillip Nichols, Code Enforcement Manager; Catherine Ralston, Economic Development Specialist; Suzanne Philis, Senior Secretary

PUBLIC COMMENTS

There were none

1. APPROVAL OF MINUTES OF REGULAR MEETING JULY 6, 2020

A motion to approve minutes from the July 6, 2020 Regular Meeting was made by Council Member Mendall and seconded by Council Member Salinas. The motion was approved.

2. UPDATE ON VACANT BUILDING REGISTRATION ORDINANCE

Development Services Director Laura Simpson introduced Code Enforcement Manager Phillip Nichols who gave the presentation.

Mayor Halliday asked if the 19 priority buildings, or all 83 vacant buildings, would be resolved by spring of next year. Manager Nichols said all properties should have active registration notice requirements and be enrolled in the program by the end of January unless the City received any requests for hearing. Following that, he said, all of them would receive their detailed notice of

violation for corrections which would allow the City to start abatements or any corrective actions.

Council Member Salinas asked what the benefits of the program were to the property owner. Manager Nichols explained that the benefit was to the community noting abatements were expensive. He said the goal was to keep the properties move-in ready and any fees received would be used by staff to maintain the property if the owner did not.

Council Member Salinas clarified that the City would do the abatement if the property owner wouldn't. Manager Nichols explained that the fees would supplement the cost of abatement and liens against the property would make up the difference. He noted fees wouldn't come close to covering the cost of heavy abatements.

Council Member Salinas mentioned a business in downtown that had the windows boarded up and he asked if that was permanent. Manager Nichols acknowledged that a lot of that was going on due to politically unrest. He said some businesses liked to hide what they were doing behind the boards.

Council Member Salinas said the boards didn't bode well for the image of the neighborhood. Manager Nichols said he understood why the businesses boarded up their windows, but that a clear timeline for removal should be developed. He said he would work with Director Simpson on a timeline and he expected the boards would disappear as soon as a timeline set City expectations.

Council Member Salinas said the taco building on upper B was a new opportunity for restaurant space and the faster the graffiti could be abated the better. Manager Nichols said the City had a contractor who could do a 99% paint match. He also noted the City just started a program to help property owners with the cost of graffiti abatement.

Council Member Salinas asked about the Salvation Army building on A Street. Manager Nichols confirmed it was a priority building with a robust action plan coming soon. He also mentioned that he was working with City staff for assistance with the homeless population at the site.

Economic Development Manager Nguyen said staff had reached out to the property owner with leads of potential tenants. Mayor Halliday asked if they were responsive. Manager Nguyen said staff had been working with the broker until COVID hit and the market turned. Since then, he said, they'd gone quiet and placed the building up for sale. Economic Development staff had been letting Code Enforcement take the lead.

Council Member Mendall asked for confirmation that all property types had to register if they remained vacant for a significant amount of time. Manager Nichols said yes, the ordinance focused on properties that were in violation of the ordinance standards. He clarified for Council Member Mendall that staff would also be monitoring vacant properties that were currently in compliance in case they dropped off and confirmed even those would be registered.

Council Member Mendall said demolition of condemned buildings on these sites took too long and he cited Haymont and Holiday Bowl on Mission Boulevard as examples. He asked if the City had the tools and staffing necessary to accelerate the process and be more pro-active about getting the buildings down. He said he didn't want staff to wait for Council to start complaining before making a site a priority.

Director Simpson explained that one of the conditions of approval on new developments was requiring demolition within 60 days of entitlement. She said on small projects, like a single-family home, if the owner doesn't respond to noticing the City might be able to hire a contractor to do the demolition. For bigger projects, and she used the Holiday Bowl as an example, the cost was so high (over \$700,000), the City couldn't afford to front the cost. She acknowledged that early projects didn't have that condition but staff was working on being more pro-active.

Council Member Mendall said he didn't want the City to pay contractors, place a lien on the property and hope that 20 years later the City would recoup the cost of demolition with no interest. He said he wanted staff to think about how the City could make it painful enough that they tear the buildings down themselves.

Manager Nichols said staff needs to implement the codes the City already had and do more to create a paper trail. By sending notices for each infraction, he said, staff could create enough evidence to require a demolition or abatement.

Council Member Mendall asked staff how they wanted Council to report vacant buildings or related concerns. Manager Nichols said via Access Hayward or by reaching out directly to Code Enforcement.

Mayor Halliday directed staff to do what they could within the ordinance. She said she wanted every building registered but noted the ordinance was created to address the egregious offenders. If liens were necessary to recoup costs, she said, eventually the City would own the property. She agreed with Council Member Mendall to make it financially painful until the property owner either corrected the problem or lost the property. She encouraged staff to focus efforts on the properties receiving the most complaints and/or were most visible.

Manager Nichols said he had high hopes for the program noting staff had learned from past problems and now had the tools and a path to move forward. Mayor Halliday said Holiday Bowl should be number one.

City Manager McAdoo commended Manager Nichols and the code enforcement team who suggested clear boarding rather than plywood boarding to keep people out of the building and to help City staff avoid unsafe situations.

3. UPDATE ON COVID-19 SMALL BUSINESS RESILIENCY GRANT PROGRAM IMPACTS AND UPCOMING SMALL BUSINESS ASSISTANCE PROGRAMS

Economic Development Manager Nguyen introduced the item noting Specialist Ralston would be presenting the results of the COVID-19 Small Business Resiliency Grant Program survey including the impact of the grants and talking about the next round of Microenterprise Grants. Economic Development Specialist Ralston gave the presentation.

Council Member Salinas offered a few observations: He said he was glad to see that grantees were most concerned about help getting customers to come back. He said last Saturday night he and wife got takeout from Aqua d'Farina and the corner of B and Main Streets was filled with socially-distanced patrons enjoying outdoor dining and jazz music from the Bistro. Whatever they were doing, he said, they were doing it right. He described it as "Street Party-light". Council Member Salinas said he believed that City had the creativity and ingenuity to bring people back to downtown.

Council Member Salinas suggested staff focus on developing marketing pieces to encourage patrons to come back downtown.

One complaint he received consistently from businesses city-wide, Council Member Salinas said, was about the cleanliness. He said a deep cleaning would really help.

Mayor Halliday agreed that cleanliness was the first concern of restaurants offering outdoor dining. She noted the two businesses at B and Main were working together to create an atmosphere but said that only works when there was a concentration of businesses. She said the restaurants by Cinema Place might be another area. She commented that Sapporo was on its own and Buon Appetito had a deck for outdoor seating.

Mayor Halliday commented that some people don't feel comfortable dining outdoors, but asked staff to do whatever they could to encourage folks to support local businesses.

Mayor Halliday said it must be heartbreaking to have to close a business and she couldn't imagine the sense of desperation a business owner must experience. She thanked staff for creating a program so quickly.

Council Member Mendall said he agreed with Council Member Salinas; there was too much trash and graffiti all around town and more cleaning needed to be done. He said City staff wasn't cleaning as much as they used to, and he was afraid the City was losing the momentum we'd gained over the last 10 years.

Mayor Halliday asked staff if it was possible to ask Maintenance Services to do more cleaning. City Manager McAdoo said the City had the same number of workers, but there was a lot more work for them to do. Maintenance staff had been dealing with homeless encampments and assisting with shutting down B and Main Streets to create more outdoor dining space, she said. But with the end of the street closures, she said, she would speak to the Maintenance Services Director about shifting the focus to clean up.

When speaking to Maintenance Service workers, Council Member Salinas asked City Manager McAdoo and staff to please tell them they were doing a bang up job. He said last weekend he drove through the Hayward Promise Neighborhood and saw that someone had dumped the entire content of several apartments out on the street. He said he generated over 40 Access Hayward cases and 80% of them were done when he drove through again that morning. Council Member Salinas said he sees Maintenance workers everywhere and their trucks were always full. They were doing a great job, he said, and Mayor Halliday agreed.

4. FUTURE MEETING TOPICS AS OF OCTOBER 5, 2020

Coming up in November, Economic Development Manager Nguyen said there would be a discussion of commercial options for the frontage of the Mission Crossings development on Mission Boulevard. Originally slated for a hotel, he said the developer was having financial difficulties and was looking at other options.

Manager Nguyen also announced that at the Oct. 20th City Council meeting, a panel of real estate experts would be discussing national and local trends and the impacts of COVID-19 followed by a Question & Answer period.

Council Member Mendall said the hotel developer of Mission Crossings had the mistaken impression that Council didn't want a hotel. He said that was 100% wrong and asked staff to reassure him that Council still very much wanted a hotel.

City Manager McAdoo said she'd had multiple conversations with Charles McKeag (the owner of the housing development) and MLC Holdings had the right to buy the property back from the hotel developer. She hoped that Mr. McKeag would have some options to present at the November meeting. Council Member Mendall said a direct conversation with the hotel developer would still be of value.

Council Member Salinas asked staff to work with businesses to determine what they want in terms of cleaning.

Mayor Halliday asked if the development at the old Gillig property would be brought back to the CEDC for discussion. Manager Nguyen said he was in communications with his peers in Planning and Hines, the applicant, to determine if coming back to the CEDC was the correct path. The Mayor confirmed that the project could either come back to the CEDC or go straight to Planning Commission and Council.

COMMITTEE MEMBER ANNOUNCEMENTS AND REFERRALS

Hayward Chamber of Commerce President and CEO Kim Huggett agreed with Council Member Salinas that nobody worked harder than Maintenance staff, especially with special events. He said he looked forward to when downtown events were once again allowed. Mr. Huggett also mentioned that he'd had a confrontation with a homeless person the night before and besides calling the police, didn't know what other resources were available. He said businesses have had the same problem of not knowing who to call or what to do.

Mayor Halliday acknowledged the problem and said she would like to see more coordination with the Downtown Hayward Improvement Association (DHIA) for cleaning and security issues. Manager Nguyen said the DHIA had been trying, noting he saw them power washing the sidewalks on Foothill when he was driving in that morning. He pointed out their crews often couldn't clean areas of B Street because of homeless sleeping in storefront alcoves. Manager Nguyen said staff had connected the DHIA to Community Services Division staff working to address homeless issues.

Mayor Halliday said she hoped that by the time we met again some progress would have been made but commented everyone was under tremendous stress. She closed by saying staff was prioritizing these issues and doing the best that they could.

ADJOURNMENT: The meeting was adjourned at 5:12 p.m.