



**MEETING OF THE CITY COUNCIL
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, March 3, 2020, 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 Márquez.

ROLL CALL

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

CLOSED SESSION ANNOUNCEMENT

The City Council convened in closed session at 5:00 p.m., regarding four items: 1) public employment pursuant to Government Code 54957 regarding the City Clerk's annual evaluation; 2) conference with legal counsel pursuant to Government Code 54956.9(d)(4) regarding one anticipated litigation; 3) conference with property negotiators pursuant to Government Code 54956.8 regarding Caltrans Parcel Group 6: Carlos Bee Boulevard and Overlook Avenue; APN: 455-0180-001-00; and 4) conference with legal counsel pursuant to Government Code 54956.9 regarding City of Hayward vs. Bay Area Property Developers, LLC, et al., Alameda County Case No. HG19046792.

Mayor Halliday noted there was no reportable action related to Item 1 and City Attorney Lawson reported there was no reportable action related to Items 2, 3, and 4.

PRESENTATION

Mayor Halliday read a proclamation declaring the month of March 2020 as American Red Cross Month in the City of Hayward. The proclamation was presented to the American Red Cross Bay Area Chapter, Alameda County Leadership Council. Mr. Michael Gregory, chair of the Alameda County Leadership Council, accepted the recognition.

PUBLIC COMMENTS

Mr. Charlie Peters, Clean Air Performance Professional representative, spoke about the Electrify Everything Workshop and the use of ethanol in gasoline, and provided related materials.

Mr. Basil Sherlock, Hayward resident, requested a feasibility study on the annexation of unincorporated Cherryland into the City of Hayward.

Council Member Wahab made a recommendation related to the coronavirus concern and also noted she was working on a referral related to the annexation of Cherryland.

Council Member Mendall announced he was not seeking re-election to his Council seat after his current term, ending November 2020, due to family reasons and a long commute to work across the bay. Mayor Halliday praised the service provided by Council Member Mendall during his tenure.

Mayor Halliday announced that Legislative Business Item 5 was going to be heard prior to Public Hearing Item 4. There were no objections.

CONSENT

1. Adopt a Resolution Authorizing the City Manager to Execute an Agreement with Kimley-Horn and Associates in an Amount Not-to-Exceed \$154,750 for the Sulphur Creek Mitigation Design Project at Hayward Executive Airport **CONS 20-095**

Staff report submitted by Public Works Director Ameri, dated March 3, 2020, was filed.

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

Resolution 20-031, "Resolution Authorizing the City Manager to Execute an Agreement with Kimley-Horn and Associates, Inc., for the Sulphur Creek Mitigation Design Project at Hayward Executive Airport in an Amount Not-to-Exceed \$154,750"

2. Adopt a Resolution Approving the Workplan to Incentivize Housing Production in the City of Hayward **CONS 20-120**

Staff report submitted by Deputy City Manager Ott, dated March 3, 2020, was filed.

Council Member Wahab asked staff that there be equity focus on the workplan as each item comes back to the Council.

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

Resolution 20-032, "Resolution Approving the Workplan to Incentivize Housing Production in the City of Hayward"



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WORK SESSION

3. Downtown Hayward Improvement Association (DHIA): Receive the Annual Report on DHIA Activities (Report from City Manager McAdoo and Development Services Director Simpson) **WS 20-011**

Staff report submitted by Development Services Director Simpson, dated March 3, 2020, was filed.

Development Services Director Simpson announced the report and Planning Manager Buizer introduced New City America Executive Directors, Marco Li Mandri and Dominic Li Mandri, who presented the Fiscal Year 2018-2019 Annual Report for the Downtown Hayward Improvement Association.

Mayor Halliday opened public comments at 7:46 p.m.

Mr. Charlie Peters, Clean Air Performance Professionals representative, applauded the joint effort by the City and the Downtown Hayward Improvement Association.

Mayor Halliday closed public comments at 7:47 p.m.

Discussion ensued among Council members and Downtown Hayward Improvement Association (DHIA) representatives regarding: the role of DHIA Board of Directors, its membership, and the top priorities (vacancy, internet, and managing the downtown); sidewalk operations and camera system in key areas; policy for hardship reimbursement for property owners with demonstrated economic hardship; and the integration of the Downtown Streets Team into the DHIA.

Council members offered the following recommendations: work with the Hayward Chamber of Commerce and City staff to spread the DHIA model to South Hayward; ensure the makeup of the DHIA Board of Directors includes small business owners, new businesses and long standing businesses; encourage the owners of the property at Main Street and B Street to maximize the space to transit oriented development; be mindful to cover a broader area of businesses beyond B Street; work with Hayward vendors; hold community meetings to engage businesses; evaluate the Downtown Ambassador Program and the managing of message boards; use local resources such as the Interfaith Council, City staff and the youth to have artwork that is reflective of the community to ensure equity and inclusion regarding seasonal decorations; and having the City and DHIA share the cost to bring back the downtown police patrol.

The City Council complimented the DHIA for the improvements in downtown, specifically as it relates to its cleanliness.

PUBLIC HEARING

Council Member Salinas disclosed that because he is the Kids' Breakfast Club Executive Director and his office is within 500 feet of the proposed dispensary, he had to recuse himself from participating and voting on Item No. 4 and left the Council Chambers at 8:53 p.m.

4. Cannabis Retail Dispensary - Aunty Honeys: Adopt a Resolution Approving the Proposed ±3,578 Commercial Cannabis Retail Dispensary with Ancillary Retail Delivery within an Existing Building Located at 1147 B Street (Assessor Parcel No. 427-0011-021-00), Requiring Approval of Conditional Use Permit Application No. 201806127 and Exempt from the California Environmental Quality Act (CEQA) Pursuant to Section 15301 (Class 1); Esther Lopez (Applicant); Gregory Varr (Property Owner) (Report from Development Services Director Simpson) **PH 20-015**

Staff report submitted by Development Services Director Simpson, dated March 3, 2020, was filed.

Development Services Director Simpson announced the report and introduced Associate Planner Maravilla who provided a synopsis of the staff report.

Mayor Halliday, Council Member Lamnin, Council Member Márquez, Council Member Zermeno and Council Member Mendall disclosed having individually met with the applicant. Council Member Wahab disclosed she did not meet with the applicant.

Discussion ensued among Council members and City staff regarding: the transfer ownership or operational control of a commercial cannabis business; Conditional Use Permit No. 36 regarding signage; buffer zone between retail dispensaries and commercial cannabis use; Security Plan for the proposed cannabis retail; annual renewal of permit and process for submitting any complaints; dispensary hours of operation; collaboration with the Downtown Streets Team; staff parking; and Condition of Approval No. 12 regarding a Community Benefits program.

Mayor Halliday opened the public hearing at 9:16 p.m.

The following individuals spoke in support of the Conditional Use Permit Application for Aunty Honeys.

Mr. Kim Huggett, Hayward Chamber of Commerce President and CEO
Ms. Stephanie Vizcaino, Executive Director at Women and Men on the way Recovery Center
Ms. Roberta Moniz, Hayward resident
Mr. Mark Jaegel, Alameda County cannabis stakeholders group member
Ms. Stephanie Ritchon, Hayward resident



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Mr. Richard Ng, cannabis social equity technical assistance consultant
Ms. Laura Balcita, Hayward resident
Mr. John Alston, Hayward resident

Ms. Theresa Rezendes, Hayward resident, spoke against the location for the proposed retail cannabis dispensary.

Ms. Jennifer Gonsalves, Hayward teacher, was concerned there were three cannabis retail dispensaries considered for downtown and recommended the proceeds go toward education/youth and that preferential be given to local applicants.

Ms. Esther Lopez, Hayward resident and applicant for the Cannabis Retail Dispensary - Aunty Honeys, requested approval of the Conditional Use Permit application.

Mayor Halliday closed the public hearing at 9:41 p.m.

Council Member Wahab noted she visited cannabis businesses and spoke favorably about the security in place at cannabis businesses, expressed she did not believe all retail dispensaries should be in downtown, and supported the community benefits.

Council Member Wahab moved staff's recommendation. Council Member Mendall seconded the motion.

Mayor Halliday asked if the motion could include the modification to Conditional Use Permit Application No. 6 regarding Cannabis Dispensary Use & Operations by changing the time from 6am-10pm to 9am-8pm, as requested by the applicant.

Council Member Wahab and Council Member Mendall were agreeable to the modification.

Council Member Márquez expressed she would be supporting the motion noting the applicant was a long-standing community member, had a consistent record running successful businesses, and was now requesting to open a cannabis dispensary business.

Council Member Mendall noted the voters had approved Proposition 64 to legalize the adult use of marijuana and Hayward voters had passed Measure EE related to cannabis tax and it was the Council's responsibility to ensure businesses are well regulated and was reassured by the conditions in place and the annual review.

Council Member Zermeño noted there were enough checks and balances within the industry and the applicant had gone through a two-year process to get the proposed business approved.

Council Member Lamnin expressed she would be supporting the motion and noted the applicant had been involved in the community and would be working with downtown non-profit agencies and communities of interest.

Mayor Halliday disclosed she was a member of the church near the proposed dispensary and noted her concerns had dissipated based on the discussion, the support from the community and the assurance that the business would operate correctly.

It was moved by Council Member Wahab, seconded by Council Member Mendall, and carried with the following vote, to approve staff's recommendation with a modification to Conditional Use Permit Application No. 6 regarding Cannabis Dispensary Use & Operations by changing the time from 6am-10pm to 9am-8pm, as requested by the applicant:

AYES:	COUNCIL MEMBERS Zermeño, Márquez, Mendall, Lamnin, Wahab MAYOR Halliday
NOES:	NONE
ABSENT:	COUNCIL MEMBER Salinas
ABSTAIN:	NONE

Resolution 20-034, "Resolution Approving a Conditional Use Permit for a Cannabis Retail Dispensary with Ancillary Retail Delivery at 1147 B Street; Esther Lopez on Behalf of Aunty Honeys/Gregory Varr (Applicant/Owner)"

LEGISLATIVE BUSINESS

5. Electrification Reach Codes: Adopt a Resolution and Introduce an Ordinance to Adopt Electrification Reach Codes for the 2019 California Energy Code and California Green Building Standards Code (Report from Public Works Director Ameri and Development Services Director Simpson)

Staff report submitted by Public Works Director Ameri and Development Services Director Simpson, dated March 3, 2020, was filed.

Public Works Director Ameri announced the report and introduced Environmental Services Manager Pearson who provided a synopsis of the staff report. Mr. Pearson noted there was a revised resolution outlining revised subsections 5 and 6 of Section 1: Findings and Determinations.

Discussion ensued among Council members, City staff, Beckie Menten, Building Electrification and Energy Efficiency program manager, and an East Bay Community Energy consultant regarding: cost to build all-electric; resiliency planning and how East Bay Community Energy (EBCE) can support resiliency; emergency planning considering the number of people who might be affected; outreach to the development community and



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input; residential solar and storage program; housing affordability; and battery backup for all-electric homes.

Mayor Halliday opened the public hearing at 8:36 p.m.

Mr. Ben Granholm, Western Propane Gas Association (WPGA) representative, noted WPGA was supportive of decarbonizing efforts and noted that residents should have access to diverse energy options and disagreed with the cost-effective study.

Mr. Charlie Peters, Clean Air Performance Professionals representative, spoke about natural gas and expressed concern about who would benefit from all energy suppliers.

Ms. Beckie Menten, Building Electrification and Energy Efficiency program manager, applauded the City for bringing forward electrification reach codes and spoke about the need for electric buildings and the affordability.

Mayor Halliday closed the public hearing at 8:46 p.m.

Council Member Mendall offered a motion per staff's recommendation, including revisions to the resolution regarding subsections 5 and 6 of Section 1: Findings and Determinations.

Council Member Wahab seconded the motion.

Council Member Mendall noted the proposal would make the building inspection process faster and smoother, cost less to build, have less risk of a catastrophic explosion from gas lines, and help meet greenhouse gas reduction goals.

Council Member Zermeño expressed support for the motion noting the reach codes would help make Hayward greener and meet zero-carbon production.

Mayor Halliday expressed she would be supporting the motion noting she was impressed by the EBCE's grant of \$10,000 to help offset staff time and disagreed that an environmental impact report did not need to be prepared to satisfy the requirements of the California Environmental Quality Act (CEQA).

Members of the Council Sustainability Committee, Council Members Mendall, Zermeño, and Marquez, as well as City staff, were commended for helping prepare building and vehicle electrification reach codes.

It was moved by Council Member Mendall, seconded by Council Member Wahab, and carried unanimously, to approve the resolution including revisions regarding subsections 5 and 6 of Section 1: Findings and Determinations:

Resolution 20-033, "Resolution Finding and Determining the Need for Adoption of Modifications to the 2019 California Building Standards Code"

Introduction of Ordinance 20-_, "An Ordinance Establishing Reach Codes for the City of Hayward; Amending Part 6 (California Energy Code) and Part 11 (California Green Building Standards Code) of the California Building Standards Code (Title 24 of the California Code of Regulations)"

CITY MANAGER'S COMMENTS

City Manager McAdoo made three announcements: 1) noted the U.S. Census Bureau will start sending information from March 12 to March 20, 2020, reiterated the importance for every community member to be counted and spoke about City efforts to disseminate public information; 2) announced the Help Shape the Future of Main Street community meetings on March 12 and March 22, 2020 at City Hall; and 3) shared she was out of the office for a few weeks because she was in India attending a conference in her role as the chair of the ICMA international committee and she was also taking vacation time.

COUNCIL REPORTS AND ANNOUNCEMENTS

There were none.

ADJOURNMENT

Mayor Halliday adjourned the meeting at 10:10 p.m.

APPROVED

Barbara Halliday
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward