



CITY COUNCIL MEETING

777 B Street, Hayward, CA 94541

Council Chambers

<https://hayward.zoom.us/j/81587628800?pwd=ERXQWKHcbWIMPmjmXc78il8B1TsJd1.1>

Tuesday, January 20, 2026, 7:00 p.m.

The City Council meeting was called to order by Mayor Salinas at 7:10 p.m. in the Council Chambers.

Pledge of Allegiance: Council Member Andrews

ROLL CALL

Present: COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeño
MAYOR Salinas

Absent: NONE

CLOSED SESSION ANNOUNCEMENT

The City Council convened in closed session on January 20, 2026, at 6:00 p.m., with all members present and no public members regarding conference with labor negotiators pursuant to Government Code section 54957.6, concerning all labor groups. City Attorney Lawson reported the City Council met and discussed the item but took no reportable action.

PRESENTATION

Ms. Sam Brightman, Regional Public Affairs Manager for the East Bay Division of the League of California Cities, presented the City of Hayward with the prestigious 2025 Helen Putnam Award - Intergovernmental Collaboration category in recognition of its impactful Learn to Earn and Hire Hayward workforce development initiative. Mayor Salinas thanked Sam Brightman for the recognition; acknowledged Edgar Chavez, Hayward Promise Neighborhood, Executive Director, Yvonne Wu Criag, Executive Director of Institutional Advancement at Chabot College, and Blaine Torpey, Superintendent and Craig Lang, Adult Program Director at Eden Area Regional Occupational Program; and recognized the Economic Development team led by Chief Economic Development Officer Nguyen.

PUBLIC COMMENTS

Brian Goodwin shared personal experiences and concerns related to alleged public corruption, harassment, and misconduct involving government and law enforcement officials.

CITY MANAGER'S COMMENTS

City Manager Ott made two announcements: 1) Hayward Public Library's Career Online High School program, offered in partnership with the California State Library, provides free, accredited high school diplomas and career training to adults, with scholarships supported by the Hayward Literacy Plus Council; and 2) City maintenance crews installed 50 new

Simme seats at bus stops along major transit routes, bringing the citywide total to 74, with 70 more planned for fiscal year 2027 to complete the program.

CONSENT CALENDAR

1. Approve the City Council Minutes of the Meeting on December 16, 2025 **MIN 26-009**
It was moved by Council Member Roche, seconded by Council Member Andrews, and carried unanimously, to adopt the City Council meeting minutes of December 16, 2025.
2. Approve the City Council Minutes of the Meeting on January 6, 2026 **MIN 26-010**
It was moved by Council Member Roche, seconded by Council Member Andrews, and carried unanimously, to adopt the City Council meeting minutes of January 6, 2026.
3. Adopt an Ordinance Amending Sections 2-13.02, 2-13.04 and 2-13.06 of Article 13, Chapter 2 of the Hayward Municipal Code Relating to Revised Voluntary Campaign Expenditure and Contribution Limits **CONS 26-005**

Staff report submitted by City Clerk Lens, dated January 20, 2026, was filed.

Council Member Syrop noted that the contribution limit for candidates who do not accept the voluntary expenditure limit was not addressed in the recent campaign finance updates and recommended this be considered for future revisions.

It was moved by Council Member Roche, seconded by Council Member Andrews, and carried unanimously, to adopt the ordinance.

AYES:	COUNCIL MEMBERS Andrews, Bonilla Jr., Goldstein, Roche, Syrop, Zermeno MAYOR Salinas
NOES:	None
ABSENT:	None
ABSTAIN:	None

Ordinance 26-01, "An Ordinance of the City Council of the City of Hayward Amending Sections 2-13.02, 2-13.04 and 2-13.06 of Article 13, Chapter 2 of the Hayward Municipal Code Relating to Revised Voluntary Campaign Expenditure and Contribution Limits"



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WORK SESSION

4. City of Hayward Budget: Work Session to Receive a Budget Update and Information about City General Fund Revenue Sources (Report from City Manager Ott)

Staff report submitted by City Manager Ott, dated January 20, 2026, was filed.

City Manager Ott announced the item and introduced Finance Director Hilbrants who indicated the efforts to update the Fiscal Year 2025-26 budget in the system to reflect a balanced budget, aiming for completion by January 31, 2026, and plans to start monthly budget-to-actual reports in February; noted a major focus is the upcoming fiscal sustainability work session on February 28, 2026, where a five-year financial model and policy recommendations will be discussed; and shared key revenue sources such as property tax, sales tax, utility user tax, franchise fees, charges for services, real property transfer tax, and business license tax. Assistant City Manager Thomas outlined a timeline for modernizing the City's business license tax, including analysis, stakeholder outreach and presenting findings on February 28, 2026; presenting poll results in May 2026; and adopting a resolution to place a measure on June 23, 2026.

Matt Newman, Principal and Co-Founder of Blue Sky Consulting Group introduced Blue Sky's experience with business tax reform in other major California cities and emphasized their role in helping Hayward evaluate and update its business license tax.

Tom Adams, Sales Tax Consultant with Neumo Consulting Group, provided an overview of their services including quarterly updates on sales tax revenue trends, forecasting budgets and auditing sales tax receipts to maximize revenue; and explained General Fund revenue sources for prior years.

Mayor Salinas opened the public comment section at 7:36 p.m.

TJ with Hayward Concerned Citizens asked about the total cost associated with conducting the analysis, stakeholder outreach, and placing the potential business license tax measure on the ballot.

Mayor Salinas closed the public comment section at 7:37 p.m.

Discussion ensued among members of the City Council and City staff, and the following clarifications were made: the cost of business license tax consulting and polling was clarified at approximately \$100,000, with election costs excluded; revenue from a potential business license tax would likely begin in the calendar year following a successful November election;

updates on City-owned properties, Caltrans parcels, and the movie theater would be presented at the February 3, 2026, closed session; and one-time funds such as American Rescue Plan Act (ARPA) and windfall sales tax events should be clearly distinguished from ongoing funding and potentially directed to reserves.

Council Member Syrop supported moving forward given the potential long-term return and requested examples of progressive business license taxation placing greater impact on large corporations while protecting small businesses; recommended including landlords as taxable businesses with carve-outs for small property owners; suggested exploring short-term rental enforcement as a near-term revenue source, and improving development streamlining and interdepartmental coordination to reduce costs and attract investment; and requested clearer data on sales tax by industry to better inform economic development strategy.

Council Member Andrews requested greater transparency and tracking of City-owned properties and development projects, including regular updates to the City Council and a development tracker identifying delays; questioned whether the City's "one-stop shop" permitting model is still effective and raised concerns about lengthy review cycles that increase developer costs; requested review of a list of parcels; requested Blue Sky provide more specifics on the Oakland progressive tax emphasizing protection for small businesses; asked for comparative data on progressive business license taxes from similar East Bay cities and emphasized the importance of outreach beyond the Hayward Chamber of Commerce to include other business groups; encouraged exploring creative land use options, such as long-term leases or partnerships with other public agencies; and supported policies that treat one-time revenues separately from ongoing funds.

Council Member Zermeno supported the focus on long-term fiscal sustainability; suggested engaging labor unions for revenue ideas, taxing vacant storefronts or absentee owners, and speeding up permitting processes to encourage economic activity; and expressed agreement with colleagues' recommendations.

Council Member Bonilla Jr. supported the proposed timeline for a business license tax measure, agreeing that the potential revenue justified the upfront investment; emphasized equity and fairness, advocating for a progressive tax structure that protects small businesses; requested staff analysis on short-term rental enforcement and a first responder fee; and supported evaluating whether the City's cannabis tax structure should be updated or made more progressive.

Council Member Roche clarified that while the budget was technically balanced, it was done through significant cuts and does not represent a structural solution; requested that staff include lessons learned in the February 28 budget work session; asked about existing business tax compliance issues, the political feasibility of passing a new tax, and the risks of investing in consultants without sufficient analysis; raised concerns about relying on one-time revenues, such as ARPA funds, to support ongoing positions and supported developing policies for such circumstances; and requested further analysis on User Utility Tax modernization.



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Council Member Goldstein raised questions about whether self-generated power at data centers would be subject to the User Utility Tax and asked staff to research potential revenue implications; sought clarification on sales and use tax rules, particularly regarding manufacturing activities such as Zoox vehicles and factory-built homes; supported policies to better manage one-time revenues; and cautioned against overestimating long-term tax benefits from emerging industries without clear data.

Mayor Salinas thanked City staff for the work session.

COUNCIL REPORTS AND ANNOUNCEMENTS

There were none.

COUNCIL REFERRALS

There were none.

ADJOURNMENT

Mayor Salinas adjourned the City Council meeting at 8:40 p.m.

APPROVED

Mark Salinas
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward