



CITY OF
HAYWARD
HEART OF THE BAY

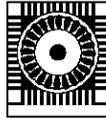
Economic Development Committee
Hayward City Hall - 4th Floor Conference Room 4A
777 B Street, Hayward, CA 94541-5007
February 2, 2009
4:00 p.m.

A G E N D A

1. **Call to Order**
2. **Public Comments:** (Note: For matters not otherwise listed on the agenda. The Committee welcomes public comments under this section, but is prohibited by State Law from discussing items not listed on the agenda. Items brought up under this section will be taken under consideration and referred to staff for follow-up as appropriate. Speakers will be limited to 5 minutes each; organizations represented by more than one speaker are limited to 5 minutes per organization. All public comments are limited to this time period on the Agenda.)
3. **Approval of January 5, 2009 Summary Notes**
4. **Presentation and Discussion: Overview of the CSUEB Indicators of Hayward Public School Performance in 2007 Report by Dr. Nan Maxwell, Executive Director, Human Investment Research and Education (HIRE), Professor of the College of Business and Economics at Cal State University East Bay**
5. **Economic Development Activities Update – January 2009**
6. **Business Visitation Reports:**
 Landis Graden – Target on Whipple
 Landon Baines – Hayward Toyota
 Carlos Gutierrez – Target on Hesperian
7. **Committee Member Announcements**
8. **Adjournment**



Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Please request the accommodation at least 48 hours in advance of the meeting by contacting JoAnne DAgostino at 510/583-4245 or by calling the TDD line for those with speech and hearing disabilities at 510/247-3340.



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ECONOMIC DEVELOPMENT COMMITTEE
REGULAR MEETING SUMMARY NOTES
JANUARY 5, 2009

1. **CALL TO ORDER:** Chair Graden called the meeting to order at 4:00 pm.

ATTENDANCE:

Committee Member	Present 1/05/09	All Meetings Year to Date		Meetings Mandated By Resolution	
		Present	Absent	Present	Absent
Mayor Sweeney	✓	6	0	6	0
Council Member May*	✓	5	0	5	0
Council Member Zermeno*	✓	5	0	5	0
Ed Mullins	✓	5	1	5	1
Manny Sawit	✓	4	2	4	2
Landis Lavell Graden (Chair)	✓	6	0	6	0
Carlos Gutierrez	no	3	3	3	3
Landon Baines (Vice Chair)	✓	4	2	4	2
Avtar Singh	✓	6	0	6	0

*First meeting as a committee member was September 2008.

OTHERS IN ATTENDANCE:

Greg Jones, City Manager
Sally Porfido, Economic Development Specialist
Jim Wieder, President/CEO Hayward Chamber of Commerce
Nicole Reams, Dutra, Cerro, Graden, Inc.

2. **PUBLIC COMMENT:** None.

3. **APPROVAL OF DECEMBER 1, 2008 SUMMARY NOTES:** The December 1, 2008 Summary Notes were approved.

4. PRESENTATION AND DISCUSSION:

MuniServices – Sales Tax Update. Speaker: Jerry Peeler, Client Services Manager

Staff introduced Mr. Jerry Peeler of MuniServices. They provide municipal revenue enhancement services, helping municipalities preserve, enhance, and manage their revenue base. Mr. Peeler was the City Manager of Livermore for 19 years. Currently he is the Client Services Manager for MuniServices, handling 35 clients throughout the state.

Mr. Peeler gave an overview of the economy pointing out that the recession actually began in the third quarter of 2007. The overall economy was summarized by:

1. Influences:
 - Credit Exhaustion
 - Bailouts + the Obama Program
 - Auto Industry
 - Mortgage Industry
2. Trends:
 - Job Losses
 - Foreclosures
 - Bankruptcies
 - Auto Industry
3. Projections:
 - Overall: Decrease 10 to 20%

Mr. Peeler suggested devoting our retention efforts to the top 65 sales tax revenue generating companies.

General retail was summarized by:

1. Influences:
 - Consumer Confidence
 - Credit Exhaustion
 - National Election
2. Trends:
 - Conservative Purchasing
 - Holiday & Internet Sales
 - Bankruptcies
3. Projections:
 - Apparel Stores: 5-10% decrease
 - Department Stores: 10-15% decrease
 - Miscellaneous Retail: 10-20% decrease

Transportation was summarized by:

1. Influences:

- Credit Crunch
 - Possible Big 3 Bankruptcies
 - Dramatic Fuel Price Swings
2. Trends:
 - Service stations declining
 - New auto sales collapse
 3. Projections:
 - Service Stations: 15-20% decline
 - New auto sales: 10-30% decline
 - Used auto sales: 10-30% decline

Construction was summarized by:

1. Influences:
 - Housing industry halt
 - Commercial building slowdown
 - Credit/mortgage market turmoil
2. Trends:
 - Government bailouts
 - Foreclosures
 - Job losses
3. Projections:
 - Building materials retail: 10-15% decline
 - Building materials wholesale: 10-15% decline

Business to business was summarized by:

1. Influences:
 - Energy sales fluctuation
 - Stock market
2. Trends:
 - New industries (Green & Medical)
 - Contract Cancellations
 - Job losses
3. Projections:
 - Business to business: 0-5% decline
 - Energy sales: 15-20% decline

5. ECONOMIC DEVELOPMENT ACTIVITIES UPDATE (December 2008):

Staff interviewed Dennis Howard, owner Gillig for the January 13, 2009 Business Recognition Award. Gillig is the only American owned transit bus manufacturer in the United States. They are a large sales tax revenue generator and have approximately 700 employees.

Staff met with 3 representatives from Regency Centers regarding potential retail development projects in Hayward. They have been developing grocery-anchored and community shopping centers for 40 years. Approximately ten potential Hayward sites were reviewed.

Staff met with the following applicants for the Small Business Revolving Loan Fund Loan as well as the Downtown Retail Attraction Program:

- Mr. Yong Kim currently runs a crepe restaurant called Metro Crepes in the City Center in Oakland. He plans to open another Metro Crepes and is negotiating a lease in Cinema Place. Staff is working with him on his application for a small business loan and a loan from the Downtown Retail Attraction Program for leasehold improvement work.
- Staff met with Scott Drnek of Virtuoso Performance regarding the loan program to expand his existing business in Hayward. He has been in business for 15 years in the race car restoration and service business and needs new equipment to expand. He is working on the application package.
- Staff met with Dariel Gilder of Gilder Global Management Group regarding loan programs available for his concept of a jazz/blues, wine and champagne tasting bar on B Street. His concept uses a prepaid keypad to distribute a preset number of wines from over 100 California Vineyards in one café.

Three start-up business requests were provided information about the Small Business Administration's (SBA) and the Lenders for Community Development loan programs. Additionally, information regarding the Hayward Chamber of Commerce's free business counseling program and handouts regarding other services for start-up businesses were distributed. The types of start-up businesses requesting assistance were: a coffee shop, a wine bar/jazz club, and a yogurt shop.

Four additional business owners were provided assistance in obtaining various City services and **three** commercial brokers were provide assistance with various site questions.

Staff facilitated a 2 hour meeting at City Hall Council Chambers for workers laid-off from Mervyns and E-Loan to hear from a special panel of hiring experts from Bart, Kaiser, Wells Fargo Bank, and Ohlone College. The topic was "Skills and Tips for a Successful Transition" to assist these laid-off workers in finding employment. There were approximately 100 attendees and the reviews were excellent regarding the information received from this special meeting put on by the Alameda County Workforce Investment Board.

Staff attended the Biotech Education and Training Alliance (BETA) advisory committee meeting at the Ohlone Newark campus. The program included a review of the Ohlone College biotechnology program updates, high school outreach efforts, feedback from attendees, and an overview of upcoming events.

6. COMMITTEE MEMBER ANNOUNCEMENTS:

Ed Mullins invited committee members to the January 14, 2009 mixer at the Fairfield Inn & Suites by Marriott, 25921 Industrial Boulevard, from 5 to 7 p.m.

Mr. Mullins also invited committee members to the Hayward Chamber Gala at Centennial Hall on Friday, January 30, 2009 to honor the Business Person of the Year, Educator of the Year, Firefighter of the Year and Police Officer of the Year.

7. ADJOURNMENT: Meeting was adjourned at 5:15 p.m.