



## **STAFF REPORT TO THE CITY COUNCIL**

**DATE:** Regular Meeting of May 13, 2025

**TO:** Mayor and Members of the City Council

**VIA:** Dante Hall, City Manager

**SUBMITTED BY:** Timothy Rood, AICP, Community Development Director

**SUBJECT:** Update on the City of Hercules Community Development Department

### **RECOMMENDED ACTION:**

Receive an update on the City of Hercules Community Development Department.

### **BACKGROUND:**

The Community Development Department (CDD) oversees the maintenance and growth of the City in order to preserve its character, enhance its economy, and embrace diversity by encouraging the development of a range of housing, commercial, and employment opportunities that meet the community and region's needs. The department is responsible for processing development applications in accordance with the City's adopted General Plan, zoning ordinance and construction codes. CDD provides staff support to the City Council and Planning Commission, as well as advisory services to the public interested in learning about zoning, land use, use permits, and development standards. The Community Development Department is also responsible for fostering the City's economic development, including developing and implementing business assistance grants and incentives and pursuing public-private partnerships for special projects such as electric vehicle charging stations.

As the primary point of contact for development services applicants, Community Development staff calculates and collects transportation impact and other development impact fees. The department also administers the City's on-call consultant solicitations for engineering as well as planning services.

## ANALYSIS:

The CDD consists of 3 full-time staff employees and three part-time contract staff, who together staff the Planning, Building, Code Enforcement, Housing and Economic Development functions. Figures 1 shows the current organizational chart for the department.

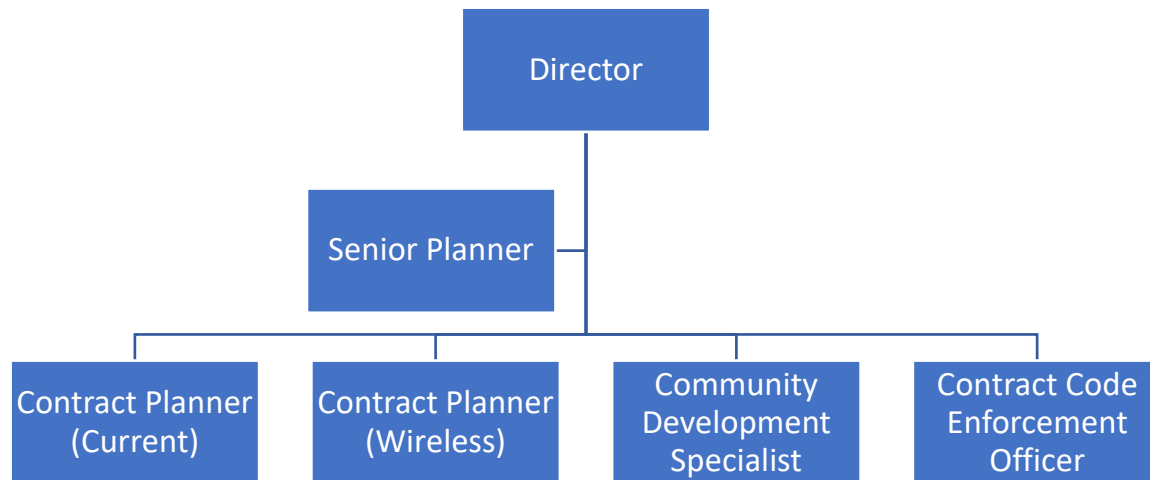


Fig. 1. Community Development Department organizational chart

It should be noted that the Hercules Planning staff is much smaller than that of other comparably sized cities in the county, including those that also use the County for building permitting. Table 1 below shows the Planning staffing levels in Hercules compared to peer cities. Building and Code Enforcement staff are not included in this analysis.

Agency	Population	Exec	Mgr/Sr	Planner	Tech	Admin	Total FTE	FTE/1k pop
Hercules*	26,582	1	1	0.5		1	3.5	0.13
El Cerrito	25,552	1	3	1	2		7	0.27
Lafayette*	25,048	2	2	2	2	1	9	0.36
Orinda*	19,364	1		2	2	1	6	0.31
Pinole	18,481	1	1		2.5		4.5	0.24
Moraga*	16,436	1	1	2		0.7	4.7	0.29
Clayton*	10,754	1		1		1	3	0.28
(*Use County for Building plan check/inspection)								
Peer City Average		1.2	1.8	1.6	2.1	0.9	5.7	0.29

Table 1. Peer City Planning Staff

## Planning

The Planning division consists of the Director, the Senior Planner, and a contract Associate Planner who works two days per week. Wireless applications and lease negotiations are

handled on an as-needed basis by another contract planner who specializes in wireless telecommunications.

In 2024, division staff issued 42 Planning permits, each of which required a notification mailing and/or newspaper notice prepared by Community Development staff. As the point of customer contact for the Development Services core service area, Community Development coordinates the review of all Planning applications by Public Works, Police, and other City departments, as well as with outside agencies such as the Rodeo-Hercules Fire Protection District and its successor, the Contra Costa County Fire Protection District.

Common types of Planning permits include administrative use permits, administrative design review permits, and temporary use permits for special events. Major Planning approvals currently under review include Bayfront Blocks KLMPO, E&G, and ABCDJ; the retail at Sycamore Crossing; and a multifamily project on the Loop Site. Development projects including a total of 643 housing units and 207 hotel keys are currently under review.

Planning staff prepares the agenda materials for the bi-monthly Planning Commission meetings and as needed for Council meetings, including ordinance amendments, Council approvals, and appeals and call-ups of items approved by the Director or Planning Commission. In the past year, staff has prepared, and the Council has approved, several rounds of ordinance amendments needed to implement the adopted Housing Element and bring the City's Municipal Code in line with many new state laws.

The Planning division is responsible for maintaining and updating the City's long-range plans and preparing the required reports to the state. In March 2025, the Council approved the 2024 Annual Housing Element Progress Report, which defines how many new residential units were constructed in the reporting period, broken down by income levels, and then compares this information to the regional housing needs allocation (RHNA) assigned to the City for the entire Housing Element period (2023-2031). The report also looks at the City's housing policies and reports on the progress in achieving those goals. In 2024, the division also prepared the City's second General Plan Annual Progress Report, which is required under state law. The report inventoried the state of the various elements of the General Plan, including some that have not been updated in decades.

Staff anticipates initiating a comprehensive General Plan update process in 2025 to bring the older elements in line with current conditions and forecasts and to reflect the conclusions and priorities of the Parks and Recreation Facilities Master Plan anticipated to be adopted in the fall of 2023. Funding for a comprehensive update is available from the General Plan Update Fee collected on development permit applications.

Upcoming long-range planning work program items include adoption of the City's Local Hazard Mitigation Plan (LHMP), a component of the General Plan Safety Element prepared in cooperation with the County; identification, rezoning/General Plan amendments and CEQA clearance for replacement housing sites to make up for the Loop Site proposal; and

a comprehensive General Plan update to bring the older elements in line with current conditions and forecasts and to reflect the conclusions and priorities of the Parks and Recreation Facilities Master Plan adopted in 2024. Staff is also supporting the City of Pinole on a joint grant application for state funding to prepare a combined Sea Level Rise Adaptation Plan for the two cities, as required by a 2022 state law.

Due to the small size of City staff, the Planning division also supports the Public Works department by preparing the required annual reports and presentations for the County's Growth Management program (Measure J) and assisting with review of transportation projects affecting Hercules through the West Contra Costa County Transportation Commission Technical Advisory Committee (WCCTC-TAC). The Director participates in the regular meetings of the Contra Costa Planning Directors and the Countywide Transportation Electrification Coordination Group. The Director also co-manages or supports special interdepartmental projects such as the Hercules Hub.

### ***Building***

The Building division consists of the Community Development Specialist, who staffs the counter, takes in Planning and Building permit applications, reviews Building plan submittals, and works in conjunction with permitting, specialized plan review and inspection staff in the Contra Costa County Department of Conservation and Development to provide building permitting and inspection services. Each year the division issues approximately 800 building permits in coordination with the County. Common project types include solar panels, window and furnace replacements, interior remodels, and additions. The CD Specialist also works with the Finance department to handle the department's invoice processing and deposit account reconciliation.

### ***Code Enforcement***

The Code Enforcement division consists of a contract Code Enforcement Officer (CEO) who reports to the Director and works two days per week. The CEO follows up on service requests from residents entered in Hercules Connect and proactively identifies and follows up on code violations as well. In 2024, 114 code enforcement requests were received and 114 were closed. Currently, 16 code cases are open as of April 2025. Common topics include junk and debris on private property, inoperable vehicles, fences and hedges, and unpermitted construction. The goal is always voluntary compliance, but in cases of non-cooperation, citations and fines may be imposed. The department contracts with a vendor that provides citation processing and hearing officer services when citations are appealed. While many residents and business owners cooperate voluntarily with courtesy notices and information postings from the CEO, some of the most complex code cases, such as grow houses and hoarder properties, may require dozens of CEO contacts and follow-up visits before the case can be closed. One hoarder property is currently in receivership.

In 2024 the department procured, configured and launched the "GoEnforce" module of GoGov, the software that powers the City's Hercules Connect service request platform. GoEnforce allows user requests to be converted to code cases and tracked and reported

separately from customer service requests. Staff worked with the vendor to configure the software with the relevant Hercules Municipal Code provisions and default corrective actions. The GoEnforce module is also linked to County property ownership data, which greatly simplifies case management and the preparation of courtesy, warning, and abatement notices and administrative citations.

### ***Housing***

The Planning division consists of the Director, who managed the Housing Element update process from 2022 through 2024 and is now tasked with implementing the element's many new fair housing programs. Additionally, CDD is tasked with supporting the Finance department in administering the outstanding loans held by the City as Housing Successor Agency. For example, the loan policies and procedures manual approved by the Council this past January was prepared under the Director's review. CDD is also responsible for guiding the use of the approximately \$5.3 million in Housing Asset Funds, which may only be used to support the development of new affordable housing. The draft FY 25-26 budget includes an allocation from the Housing Asset Fund for administrative and transaction support expenses that are eligible uses of Housing Asset Funds, such as preparation of a Notice of Funding Availability for affordable housing developers. The draft budget also includes a separate General Fund allocation for consultant support to help initiate the many new fair housing programs that the City has committed to.

### ***Economic Development***

The Economic Development division consists of the Director, who administers the City's "Shop Local" Yiftee gift card program and Business Attraction Grant program for qualified eating and drinking establishments. The Director manages the City's economic consultant and works to develop new business attraction and retention programs under the City Manager's direction. In this capacity, the CD Director meets regularly with the Bayfront Chamber of Commerce, local commercial real estate brokers, and existing and potential business owners. The Director participates in the East Bay Economic Development Alliance's Economic Development Directors Council, the Northern Waterfront Initiative, the Northern Waterfront Green Empowerment Zone, monthly meetings with Bayfront Chamber of Commerce staff, and annual Business Roundtable and State of the Cities events.

As the Council has set strategic goals of developing comprehensive land use and economic development strategies, and individual Councilmembers have expressed many ideas about desired new businesses and improvements to shopping centers, staff anticipates meeting with the Council's Economic Development Committee this summer to explore these ideas in more detail and develop recommendations for the full Council to consider. These could include replenishment of funding for additional Business Attraction Grants, funding for additional rounds of Yiftee bonus gift cards, or grants intended to incentivize shopping center owners to make exterior improvements.

In conclusion, the CDD team works with property owners, developers, homeowners, businesses, the larger real estate community, and other stakeholders to implement the

City's plans and codes as development proceeds and works with the community at large to plan the City's future.

**FISCAL IMPACT:**

There is no fiscal impact associated with receiving this report.

**ATTACHMENTS:**

1. Presentation