



DATE: March 26, 2019

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Adoption of a Resolution Approving Annexation of the Ersted Property (Tract 8439) into the Hayward GHAD

RECOMMENDATION

That the Council adopts the attached resolution approving the annexation of the Ersted Property (Tract 8439) into the existing Hayward Geologic Hazard Abatement District (“GHAD”) as requested by the GHAD Manager.

SUMMARY

When the 59-unit townhome project referred to as Ersted Property (Tract 8439) (“Ersted Project”) was approved by the City of Hayward, it imposed a Condition of Approval No. 46 requiring the Ersted Project to be annexed into the existing Hayward Geologic Hazard Abatement District (“GHAD”). On February 26, 2019, with the approval of Resolution 19-02, the GHAD Board of Directors (“GHAD Board”) approved annexation of the Ersted Project into the Hayward GHAD. Public Resources Code Section 26581 states that a proposed annexation is subject to the approval of the legislative body that approved formation of the GHAD; therefore, the Hayward City Council is requested to approve the attached resolution approving annexation of the Ersted Project into the Hayward GHAD.

BACKGROUND AND DISCUSSION

On March 1, 2016, the Hayward City Council adopted Resolution No. 16-030 approving the formation of the Hayward Geologic Hazard Abatement District (GHAD) and appointed itself to serve as the GHAD Board of Directors.

Currently, The Reserve development (Tract 7620) is the only property within the GHAD. As allowed by GHAD Law, the owner of property within the Ersted development submitted a Petition for Annexation of the Ersted Property into the Hayward GHAD. In approving the Ersted development, the City of Hayward imposed Condition of Approval No. 46 requiring that the Ersted Project be annexed into the existing Hayward GHAD prior to recordation of the final map for the Ersted Project. To satisfy this requirement, the current owner of the Ersted Project petitioned the Hayward GHAD Board of Directors for annexation into the existing Hayward GHAD (“GHAD” or “District”). On February 26, 2019, with the approval of Resolution

19-02, the GHAD Board of Directors (“GHAD Board”) approved annexation of the Ersted Project into the Hayward GHAD.

In connection with the proposed annexation, a draft Plan of Control has been prepared. The Plan of Control is separate from the La Vista (The Reserve) Plan of Control and describes the work contemplated for the Ersted development, including maintenance and monitoring activities, including slopes, retaining walls, subdrains, storm drain facilities, and concrete-lined drainage ditches. As adopted by the Hayward GHAD Board of Directors on February 26, 2019, with the approval of Resolution 19-03, the Ersted Project Plan of Control will address geologic hazards within Subdivision 8439.

If annexation is approved by the Hayward City Council, the funding for the GHAD activities within the proposed annexed area to prevent, mitigate, abate, and control geologic hazards will be based on an assessment, and such funds will be collected and used in connection with the Ersted Plan of Control. The Engineer’s Report recommends a proposed assessment limit of \$932.00 per single family residential unit (Fiscal Year 2018/19 dollars). The proposed assessment is supported by an Engineer’s Report prepared by a registered professional engineer certified by the State of California, in accordance with Proposition 218. The annual assessment limit would be adjusted annually based on the San Francisco-Oakland-San Jose Consumer Price Index (CPI). The proposed assessment does not impact or change the existing assessments for The Reserve (La Vista) landowners in the GHAD.

Public Resources Code Section 26581 states that a proposed annexation is subject to the approval of the legislative body that approved formation of the GHAD. Since the Hayward City Council approved formation of the Hayward GHAD, Hayward City Council approval is necessary for the proposed annexation. Therefore, the Hayward City Council is requested to approve the attached resolution approving annexation of the Ersted Project into the Hayward GHAD.

FISCAL IMPACT

The Petitioner of the Petition for Annexation is responsible for funding all activities undertaken by the GHAD up and until the GHAD improvements, as defined in the Plan of Control, are accepted by the GHAD. Thereafter, the GHAD is funded 100% through assessments levied on properties within the Ersted portion of the GHAD. Therefore, there is no impact on the City’s General Fund.

NEXT STEPS

If the resolution is approved, there are no additional steps for the Hayward City Council related to annexation of the Ersted Project. The Hayward GHAD Board of Directors will conduct a Public Hearing to consider approval of the Engineer’s Report and issue a Notice of Intent to Order an Assessment for the Ersted Project.

Prepared and Recommended by:

GHAD Manager Eric Harrell
GHAD Attorney Amara Morrison

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', written in a cursive style.

Kelly McAdoo, City Manager