



DATE: April 1, 2025

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT: Adopt a Resolution Approving the FY 2025-2026 Master Fee Schedule, Fine and Bail Schedules, and Finding the Action is Exempt from CEQA Review

RECOMMENDATION

That City Council adopts the attached resolution (Attachment II) amending the City's Master Fee Schedule and Fine and Bail Schedules to identify and determine necessary adjustments to fees charged for services. Approved fee changes will become effective July 1, 2025.

SUMMARY

Annually, City staff completes a review of the City's Master Fee Schedule and Fine and Bail Schedules to identify and determine necessary adjustments to fees charged for services. Approved fee changes will become effective July 1, 2025.

A complete and detailed listing of fees is reflected in the proposed FY 2025 – 2026 Master Fee Schedule and can be found on the Master Fee Schedule website link found in the City's website: <https://www.hayward-ca.gov/your-government/documents/master-fee-schedule>.

BACKGROUND

The City's Master Fee, Fine and Bail Schedules identify the fees for various City services. The fees in the Master Fee, Fine and Bail Schedules are based on recovery for the cost of delivering services (e.g., various building and fire inspections) and must comply with provisions of current legislation.

As part of a general cost recovery strategy, local governments have adopted user fees to fund programs and services that provide direct benefit to a specified user or have limited or no direct benefit to the community. To the extent that the City uses general tax monies to provide services that it could recover full cost for, but does not, a subsidy is provided, and this reduces funds that may be available to provide other community-wide benefits. Unlike most revenue sources, the City has more control over the level of user fees they charge to recover costs. As the City works to balance levels of service and the variability of demand, City Council has become increasingly aware of subsidies provided by the General Fund for fees which do not recapture full costs.

In February of 2024, the City began a comprehensive user fee and cost allocation plan study conducted by Willdan Financial Services. The complete user fee and cost allocation plan study was presented to Council on August 20, 2024. Impact and changes to the proposed FY 2025 Master Fee Schedule due to the completion of the study were addressed during the Council meeting on October 8, 2024.

Legislative Requirements

Proposition 26 Review and Compliance

In November 2010, California voters approved Proposition 26, which amended Articles XIII A and XIII C of the State constitution regarding the adoption of fees and taxes. Proposition 26 seeks to assure that taxes are not disguised as fees: taxes must be approved by voters whereas legislative bodies, such as a City Council, can approve fees.

Proposition 218 Review and Compliance

In November 1996, California voters passed Proposition 218, the “Right to Vote on Taxes Act.” This constitutional amendment protects taxpayers by limiting the methods by which local governments can create or increase taxes, fees, and charges without taxpayer consent. Proposition 218 requires voter approval prior to imposition or increase of general taxes, assessments, and certain user fees.

The proposed Master Fee, Fine and Bail Schedules have been reviewed for compliance with Propositions 26 and 218 and, in the City Attorney's opinion, are compliant.

DISCUSSION

Summary of Changes in Fees by Program Area

City Clerk (See Attachment III)

1. Changes in Express Mail from City of Hayward mailed to US Department of State and Express Mail from US Department of State mailed to Customer-Fees set by the United States Postal Service and US Department of State respectively.

Development Services (See Attachments IV, V, VI and Exhibit A)

1. Create Review of Ministerial Planning Applications under the “Planning” section of the Master Fee Schedule. *(See Attachment IV and Exhibit A)*
 - Add new fee

New Fee	Amount
Deposit for applications that do not include a Tentative Map	\$4,000
Deposit for applications that involve a Tentative Map	\$6,000

2. Affordable Housing In-Lieu Fees (See Attachment V)

Residential Development Projects Ten Units or More	Current Fee	Proposed Fee
High Density Condominiums (35 units per acre or more)	\$19.39	\$19.33
Lower Density Ownership Housing (Less than 35 units per acre)	\$26.05	\$25.97
All Other Dwelling Unit Types	\$23.51	\$23.44

3. Create Building Permit Review Fees to recover staff costs associated with review of building permit applications to ensure compliance monitoring of the Affordable Housing Ordinance. (See Attachment V)

- Add new fee

Fee	Amount
ADU Plan Review	\$158 (50% cost recovery-flat rate)
Single Family Home and Multifamily 4 unites or less Plan Review	\$474 (flat rate)
Multifamily Plan Review	\$790 (flat rate)
Master Plan Review	\$316 (flat rate)
Plot Plan Review	\$474 (flat rate)

- Revised multi-department fee calculation worksheet

4. Code Enforcement

- Administrative cleanup of Code Enforcement Community Preservation Programs
 - a. Consolidation of duplicate re-inspection fees
 - b. Separation of Administrative cost fees from Penalty fees
 - c. Consolidation of general fees to the General Administration Fees Section

5. Housing

- Administrative cleanup of Rent Stabilization Administration and Loan Servicing sections

6. Park Impact Fees (See attachment VI)

This increase reflects Resolution 19-245 to adopt updated Park Impact Fees based on the percentage change in the Engineering News-Record Construction Cost Index, San Francisco Area.

Residential	Old Fee	Proposed Fee
ADU that is 750+ sq. ft.	\$3,823	\$3,812
Studio/0 bedroom Unit	\$3,823	\$3,812
1 Bedroom Unit	\$5,985	\$5,967
2 Bedroom Unit	\$10,796	\$10,764
3 Bedroom Unit	\$18,855	\$18,798

Residential	Old Fee	Proposed Fee
4+ Bedroom Unit	\$26,227	\$26,148
Industrial Development	Old Fee	New Fee
Gross Floor Area	\$0 .96 per sq. ft.	\$0.96

Based on the nexus study completed by Community Attributes, Inc (CAI) IN 2018, the fees remain below the maximum allowable amount, they align with current economic and development activities within Hayward and competition for new developments with neighboring jurisdictions.

Library (See Attachment VII)

1. New fee for Library of Things

Item	LOT Category	Actual Cost	Fee Schedule
Puzzles	LOT GAME	\$16.99	Original cost of item plus processing fee
Ukuleles	LOT MUSIC	\$50.00	Original cost of item plus processing fee
Binoculars	LOT RECREATION	\$59.99	Original cost of item plus processing fee
Backpacks (Hiking)	LOT RECREATION	\$112.86	Original cost of item plus processing fee
Stargazing Kits	LOT RECREATION	\$504.38	Original cost of item plus processing fee
Trekking Poles	LOT RECREATION	\$34.99	Original cost of item plus processing fee
SunJack Solar Chargers	LOT TECHNOLOGY	\$79.95	Original cost of item plus processing fee
IFixit Pro Tech Kits	LOT TOOLS	\$94.94	Original cost of item plus processing fee

Maintenance Services (See Exhibit A)

Changes to the Bail and Fine Schedule

1. **Add New Code:** Assembly Bill 413, known as the "daylighting" law, made parking within 20 feet of corners illegal, even if the curb isn't painted red. The concept is designed to open intersections and eliminate blind spots, making it easier for drivers to see pedestrians and other vehicles that may otherwise be hidden. The law went into effect on January 1, 2025.
 - a. Add CVC 22500 n: prohibits parking within 20 feet of the vehicle approach side of any marked or unmarked crosswalk, or within 15 feet of a crosswalk where a curb extension is present
2. Increase all \$75 parking fines to \$79. Raising Hayward's \$75 parking fines to \$79 would align it with the average fine amount for no-parking violations in neighboring cities while remaining sensitive to community needs.

Police Administration

- Administrative cleanup of Police Administration and Animal Control sections

Engineering & Transportation and Utilities & Environmental Services (See Attachment VIII)

Updates were made in the following sections of the Proposed FY 2025 – 2026 Master Fee Schedule for Engineering and Transportation and Utilities and Environmental Services. Due to the numerous updates, the memos for the updates in each section are provided in Attachment VIII.

- Sewer Connection Fees/Interest Rates on Sewer Connection Fee Payment Agreements
- Sanitary Sewer Service Charges and Fees Language
- Minimum Charges for Water Meter Hydrant Usage
- Airport Services
- Monthly Meter Service Charges for Water Hydrant Meters
- Traffic Impact Fee
- Utilities & Environmental Services

ENVIRONMENTAL REVIEW

This item is exempt from CEQA review pursuant to Section 15273 of the California Environmental Quality Act (CEQA) Guidelines which states that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purposes of:

1. Meeting operating expenses, including employee wage rates and fringe benefits;
2. Purchasing or leasing supplies, equipment, or materials;
3. Meeting financial reserve needs and requirements;
4. Obtaining funds necessary for capital projects necessary to maintain service within existing service areas; or
5. Obtaining funds necessary to maintain intra-city transfers as are authorized by City Charter.

ECONOMIC IMPACT

Approval of the attached resolution will have a minor economic impact on our community in that only certain fees will be increased or added.

STRATEGIC ROADMAP

This agenda item is a routine operational item and does not specifically relate to any of the six priorities outlined in the Council's Strategic Roadmap.

FISCAL IMPACT

Adopting these fee changes will minimally impact overall City revenues and will offset the staff time spent performing the various activities supported by the fees.

PUBLIC CONTACT

A public notice was published in The Daily Review on March 14, 2025 and March 21, 2025. The public notice contained the meeting date announcing the time, location, and subject matter of this public hearing.

NEXT STEPS

Upon approval of the attached resolution the fees will be effective as of July 1, 2025, to allow for the required sixty-day notice period.

Prepared by: Nicholas Mullins, Senior Management Analyst

Recommended by: Sharif Etman, Interim Director of Finance

Approved by:



Dr. Ana M. Alvarez, City Manager