

**CITY COUNCIL MEETING
TUESDAY, JULY 2, 2019**

PRESENTATIONS

ITEM 10 – PH 19-066

**AMENDMENT OF THE FISCAL YEAR 2020
MASTER FEE SCHEDULE TO UPDATE THE FEES
ASSOCIATED WITH ADMINISTRATION OF THE
NEW RESIDENTIAL RENT STABILIZATION AND
TENANT PROTECTION ORDINANCE
AND THE MOBILEHOME SPACE RENT
STABILIZATION ORDINANCE**

A nighttime photograph of a large, modern building with a fountain in the foreground. The building has a curved facade with large glass windows and a central entrance. The fountain is a circular structure with water spraying upwards. The scene is illuminated by streetlights and building lights, creating a warm glow. The text is overlaid on the upper portion of the image.

Amendment of the Fiscal Year 2020 Master Fee Schedule to Update the Rent Stabilization Administration Fee

Christina Morales, Housing Division Manager | Tuesday, July 2, 2019

Recommendation

That the City Council approve an increase in the rent stabilization administration fee to cover the cost of administration of the rent stabilization ordinances.

Background

- July 18-25, 2019
 - Introduction and adoption of a new Residential Rent Stabilization and Tenant Protection Ordinance (RRSO)
- July 18, 2019
 - Council approved a total budget allocation of \$633,000
 - Council approved increasing the fee associated with administration of the RRSO.
 - Decision on fee associated with mobilehome stabilization postponed.

Background (*cont.*)

- Staff is requesting approval of the fee again:
 - To properly agendaize as a public hearing; and
 - To include mobilehome park stakeholders.
- Fees are normally updated with approval of master fee schedule.
- Notification sent to Mobilehome park owners and residents.

Rent Stabilization Administration Fees

Applicability

- A. Applies to:** All rental units (amount varies by unit type)
- B. Paid by:** Landlord and then half of the fee can be passed through to the tenant

Description

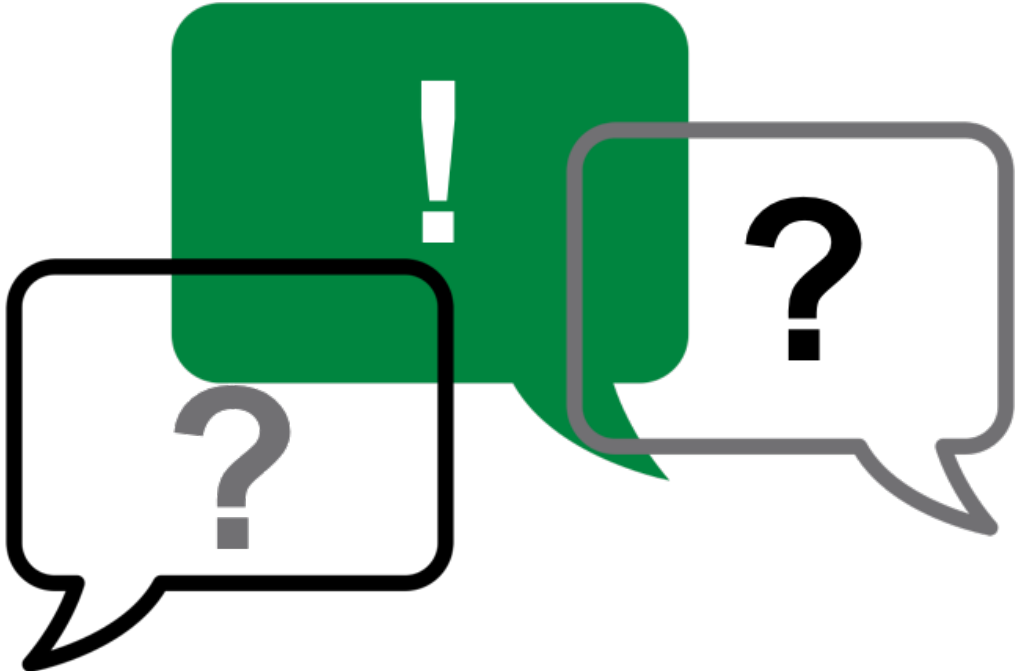
1. **Objective:** Updated fee to recover expected expenses for both rent stabilization programs to ensure no adverse fiscal impact to the general fund.
2. **RRSO:** Increased based on the cost of expanded services and new responsibilities, and charged based on the level of service provided.
3. **MobileHOME:** Increased based on actual costs from last year plus a proportional share of personnel costs.

FEE	MOBILE HOME	RENTAL UNIT	COVERED UNIT
FY 2019	\$1.62	\$0.00	\$3.59
Proposed	\$5.00	\$19.00	\$40.00

Recommendations

That the City Council approve an increase in the Rent Review Fee to cover the cost of administration of the Ordinances.

Questions



Rental Housing Program Administration

Anticipated Increases to Program & Administrative Responses

RRSO Expanded services:

- A.** Response to increased public inquiries regarding applicability of RRSO to ≈ 22,200 units.
- B.** Increased number of mediation/arbitration petitions expanded to serve ≈ 9,500 units.
- C.** Develop new marketing materials and implement outreach plan.

RRSO New administrative responsibilities:

- A.** Receive and catalogue rent increase/evictions for ≈ 22,200 units
- B.** Maintaining Rental Housing Database for ≈ 22,200 units
- C.** Create and implement educational workshops/webinars for tenants and landlords

Rental Housing Program Administration

Proposed Budget Appropriation of \$359 K*

1. **Staffing** - add (1) Program Specialist (\$154K) to work solely on Rent Review Program.
2. **Consultant Services:** increase of (\$159K) to cover professional services.
3. **Overhead Expenses** – increase of (\$46K) for supplies, postage, printing, public notice publication, correspondence, billing, etc.

*It is anticipated that these costs will be offset by revenue generated by the Rental Housing Program Fees

Rental Housing Program Fee

Other Jurisdictions

- **The following are examples of rent review charges in neighboring jurisdictions:**
 - **City of Richmond:** \$207 for Fully Covered Rental Units, \$100 for Partially Covered Rental Units (single family homes, condos, new construction), and \$50 for Governmentally Subsidized Rental Units (Section 8 Voucher Program).
 - **City of Berkeley:** \$250 per unit and applies to all units subject to the City's Rent Stabilization Ordinance.
 - **City of Oakland:** \$68 applies to all units subject to the City's Rent Adjustment Program.
 - **City of San Jose:** \$77.30 per unit for all units subject to the Apartment Rent Ordinance, \$6.20 per unit for non-covered units.



ITEM 11 – PH 19-064

**ADOPT A RESOLUTION AMENDING THE
MASTER FEE SCHEDULE AND
APPROVING THE PROPOSED RECYCLED WATER
RATES AND CONNECTION FEES**

A photograph of a water treatment facility. The main feature is a large, white, cylindrical storage tank with a spiral staircase on its side. In the foreground, there is a complex network of pink pipes and valves. To the right, there is a smaller, vertical pink tank. The background shows a clear blue sky and some distant hills. The text is overlaid on the right side of the image.

FISCAL YEARS 2020 and 2021 RECOMMENDED RECYCLED WATER RATES

Alex Ameri, Director of Public Works
July 2, 2019

Introduction

- Council established a new Recycled Water Enterprise Fund
- Council held a work session on May 14
- Proposed rate information distributed to potential recycled water parcel owners and rate payers of record on May 17 (64 notices mailed)
- This public hearing is to consider proposed FY 2020 and FY 2021 recycled water rates

Recycled Water Project

Project Element	Description	Status
Distribution System	9 miles of pipeline	Completed
Storage Tank and Pump Station	1 MG storage tank, 0.5 MGD pump station	Scheduled completion July 2019
Treatment Facility	0.5 MGD package membrane treatment facility	Scheduled completion December 2019
Customer Connections	31 sites converted to recycled water	Scheduled for advertising July 2019

Recycled water deliveries scheduled to begin spring 2020

Recycled Water Rate Overview

- Pay for treatment and distribution of recycled water
 - Service Fee – fixed
 - Recycled Water Usage Charge – variable, based on consumption

Fixed Service Fees

- Pay for costs that do not vary with recycled water purchases, including:
 - Billing
 - Customer service
 - Repairs
 - Debt service
- Based on meter size
- Same as potable water proposed meter service fees

Fixed Service Fees

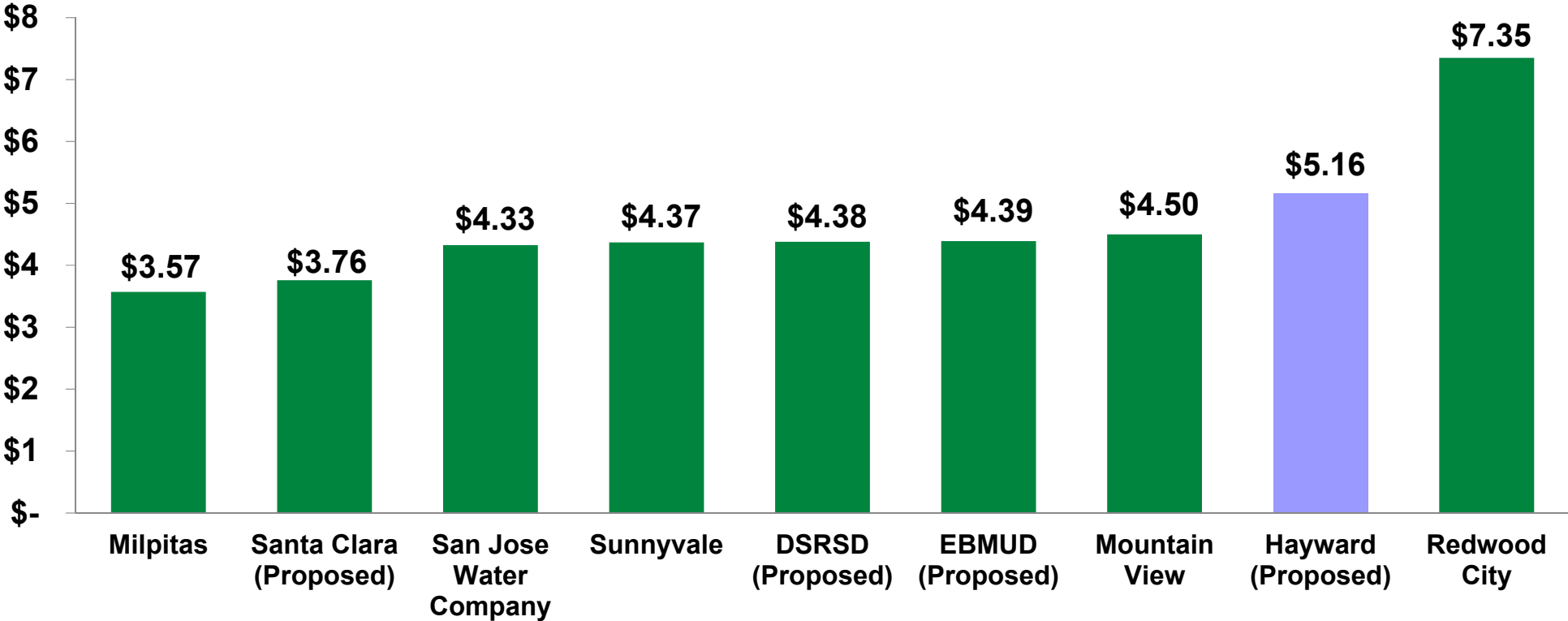
Meter Size	Proposed FY 2020	Proposed FY 2021
5/8"	\$28.00	\$32.00
3/4"	\$38.07	\$43.51
1"	\$57.67	\$65.91
1.5"	\$126.27	\$144.31
2"	\$222.25	\$254.00
3"	\$560.88	\$641.00
4"	\$1,111.08	\$1,269.80
6"	\$1,960.00	\$2,240.00
8"	\$2,713.38	\$3,101.00

Proposed Usage Rate

Proposed Recycled Water Rate (\$/CCF)	Current Non-Residential Drinking Water Rate (\$/CCF)	% Difference
\$5.16	\$6.95 (1-200 CCF)	-25.8%
	\$8.29 (200+ CCF)	-37.8%

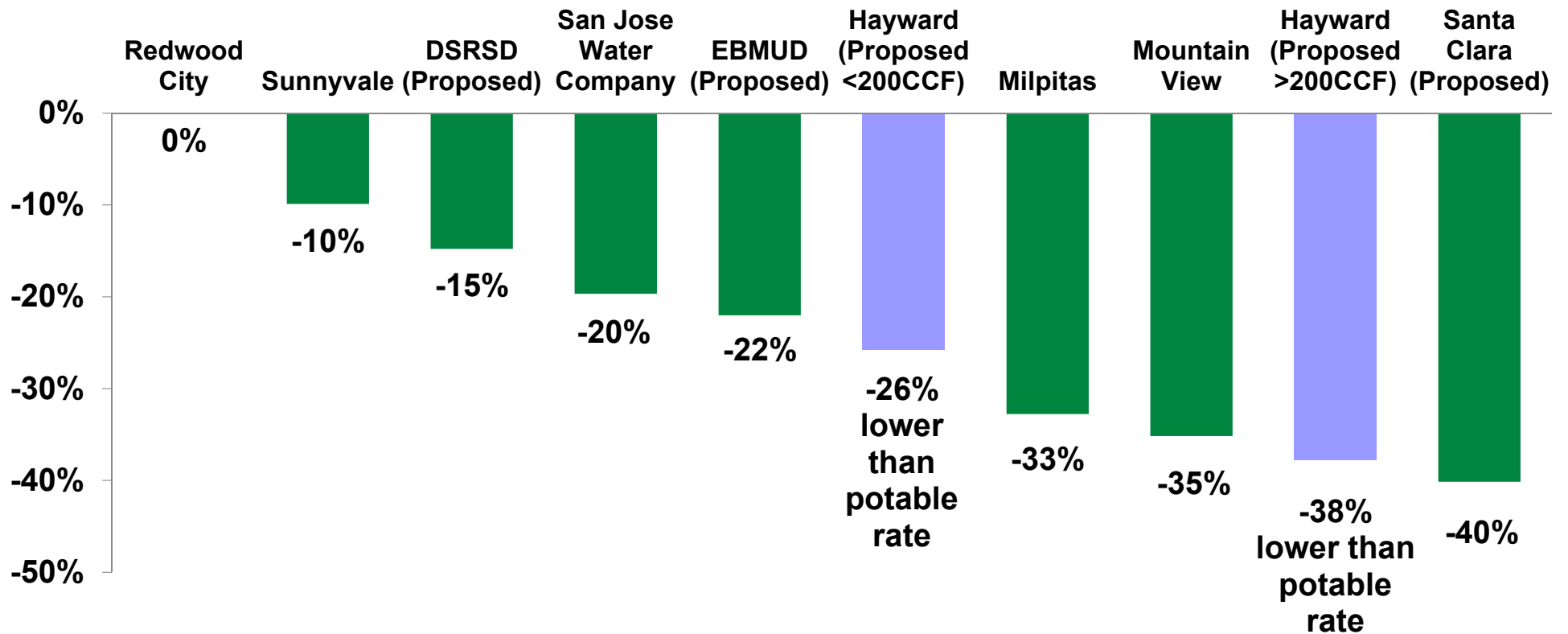
Usage Rate Comparison

Recycled Water Usage Rates



Recycled Water Usage Rate Comparison

Recycled Water Rates Compared to Non-Residential Potable Rates



Recycled Water Connection Fees

- No connection fee for existing water customers
- New recycled water customers
 - Proposed same connection fee as potable water
 - Development of Recycled Water Master Plan may recommend adjusting this fee



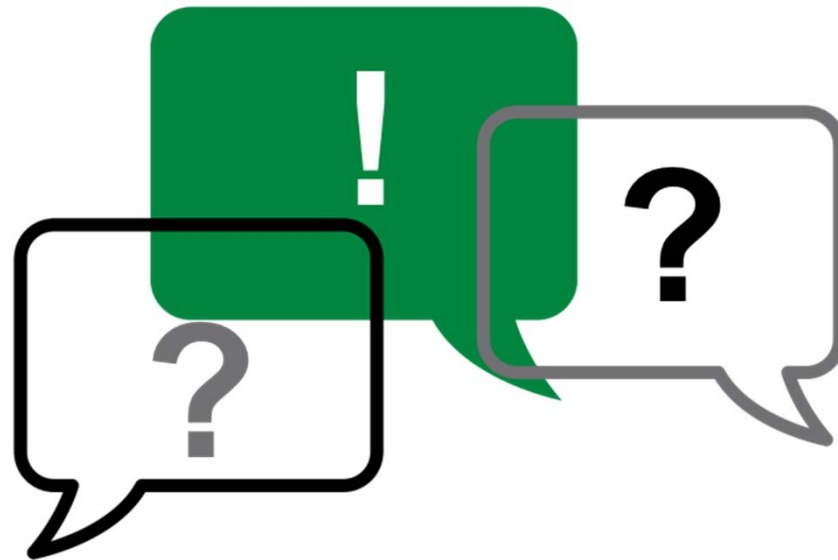
Public Outreach and Response

- Public hearing notices sent to potential recycled water parcel owners and rate payers of record (Proposition 218 only requires notification of owners)
- Proposed rates published twice in newspaper
- Zero (0) written protest notice received up until this meeting
- Council cannot adopt rates if protests are received from a majority of property owners (15 protests)

Schedule

- Public Hearing and Council action on rates: July 2
- Effective dates: October 1, 2019 & October 1, 2020

Questions



ITEM 13 – LB 19-037

**ADOPT A RESOLUTION TO APPROPRIATE
\$30,000 TOWARDS PUBLIC HERITAGE ART AND
INTERPRETIVE SIGNAGE AND RECEIVE AN
UPDATE ON HAYWARD HERITAGE PLAZA
CONSTRUCTION**



FISCAL YEARS 2020 and 2021 RECOMMENDED WATER AND SEWER RATES

Alex Ameri, Director of Public Works
July 2, 2019

Introduction

- Council held a work session on May 14
- Proposed rate information distributed to property owners, tenants, and bill payers on May 17 (over 61,000 notices mailed)
- This public hearing is to consider proposed FY 2020 and FY 2021 water and sewer rates



Water Usage Rates

- Pay for purchase and distribution of water
- Variable, based on consumption
- No increase recommended for water usage charges in the next two years

Fixed Service Fees

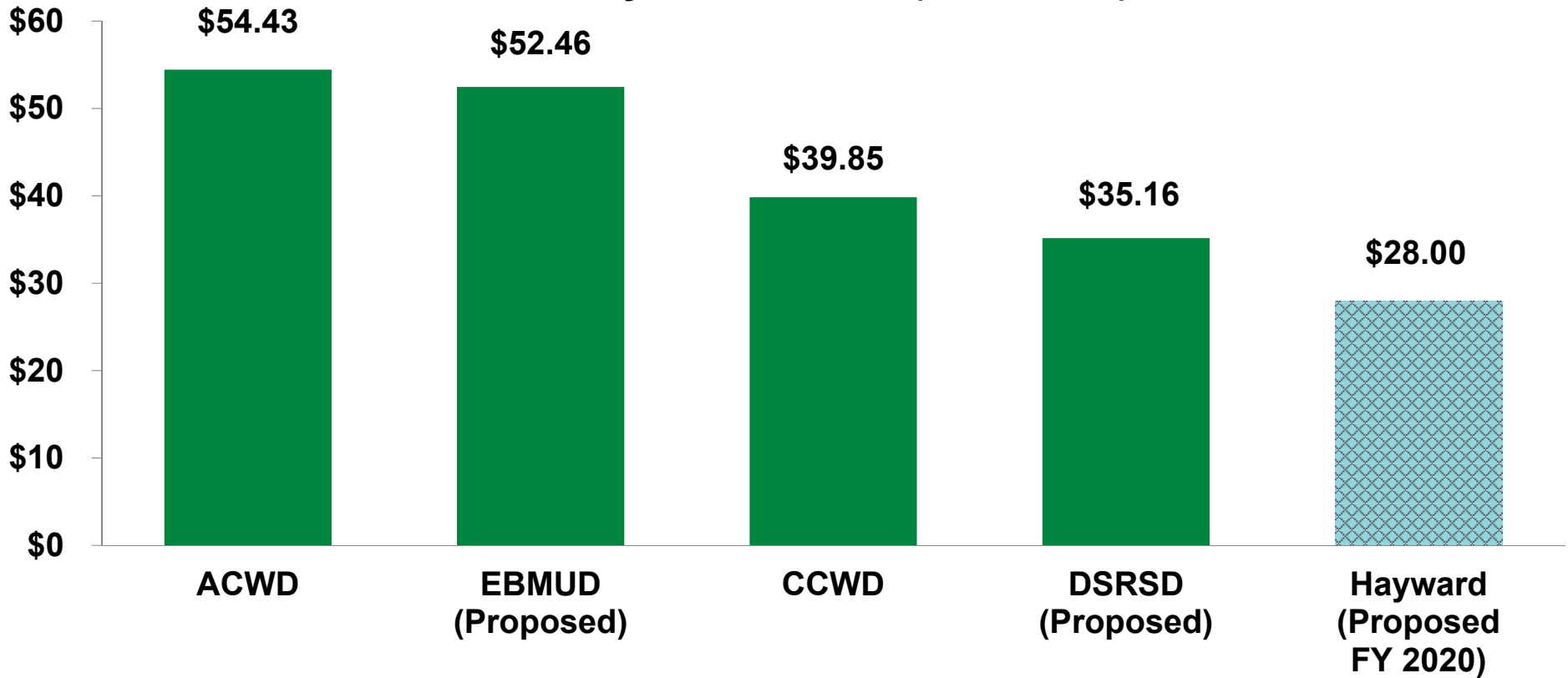
- Pay for costs that do not vary with water purchases, including:
 - Billing
 - Customer service
 - Repairs
 - Debt service
- Based on meter size
- Low income discount for qualified single-family residential customers
- Recommendation:
 - \$2 per month increase (\$4 bimonthly) proposed in FY 2020 and FY 2021

Fixed Service Fees

Meter Size	Current Bimonthly	Proposed FY 2020	Proposed FY 2021
Low Income - 5/8"	\$8.40	\$9.80	\$11.20
5/8"	\$24.00	\$28.00	\$32.00
3/4"	\$32.63	\$38.07	\$43.51
1"	\$49.43	\$57.67	\$65.91
1.5"	\$108.23	\$126.27	\$144.31
2"	\$190.50	\$222.25	\$254.00
3"	\$480.75	\$560.88	\$641.00
4"	\$952.35	\$1,111.08	\$1,269.80
6"	\$1,680.00	\$1,960.00	\$2,240.00
8"	\$2,325.75	\$2,713.38	\$3,101.00

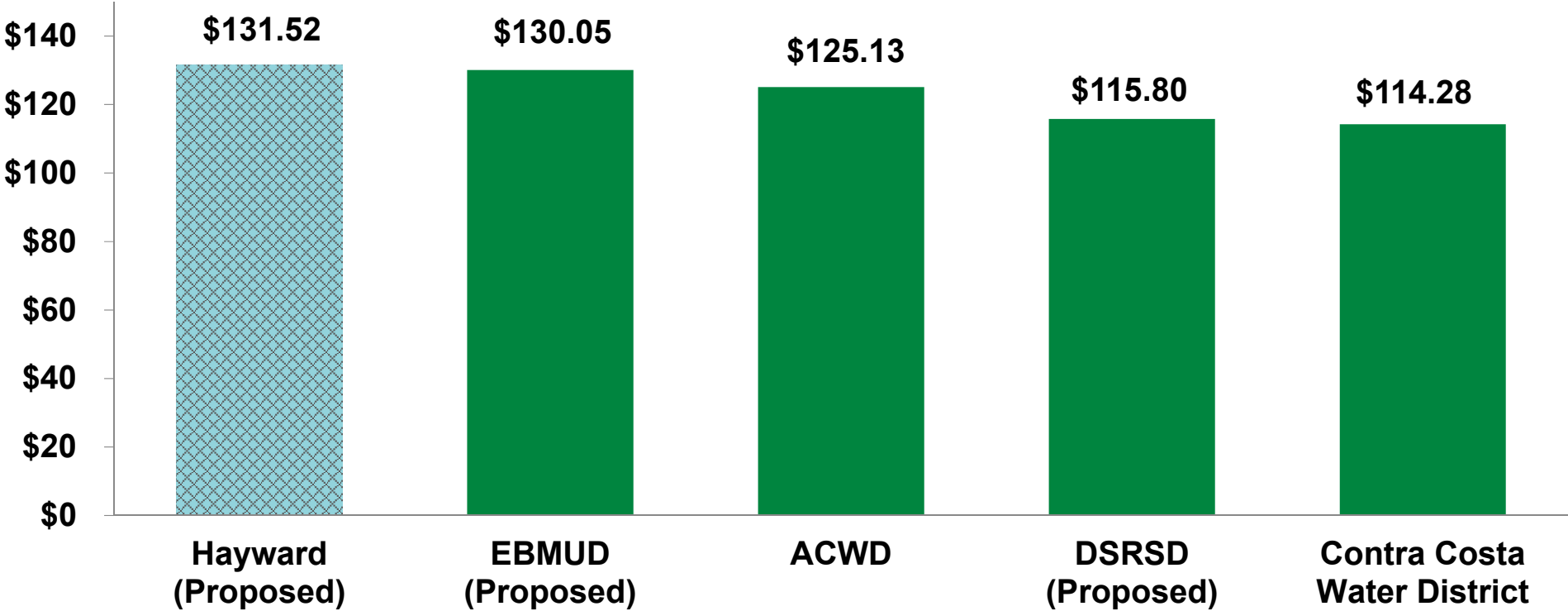
Fixed Service Fees

Bimonthly Service Fees (5/8" meter)



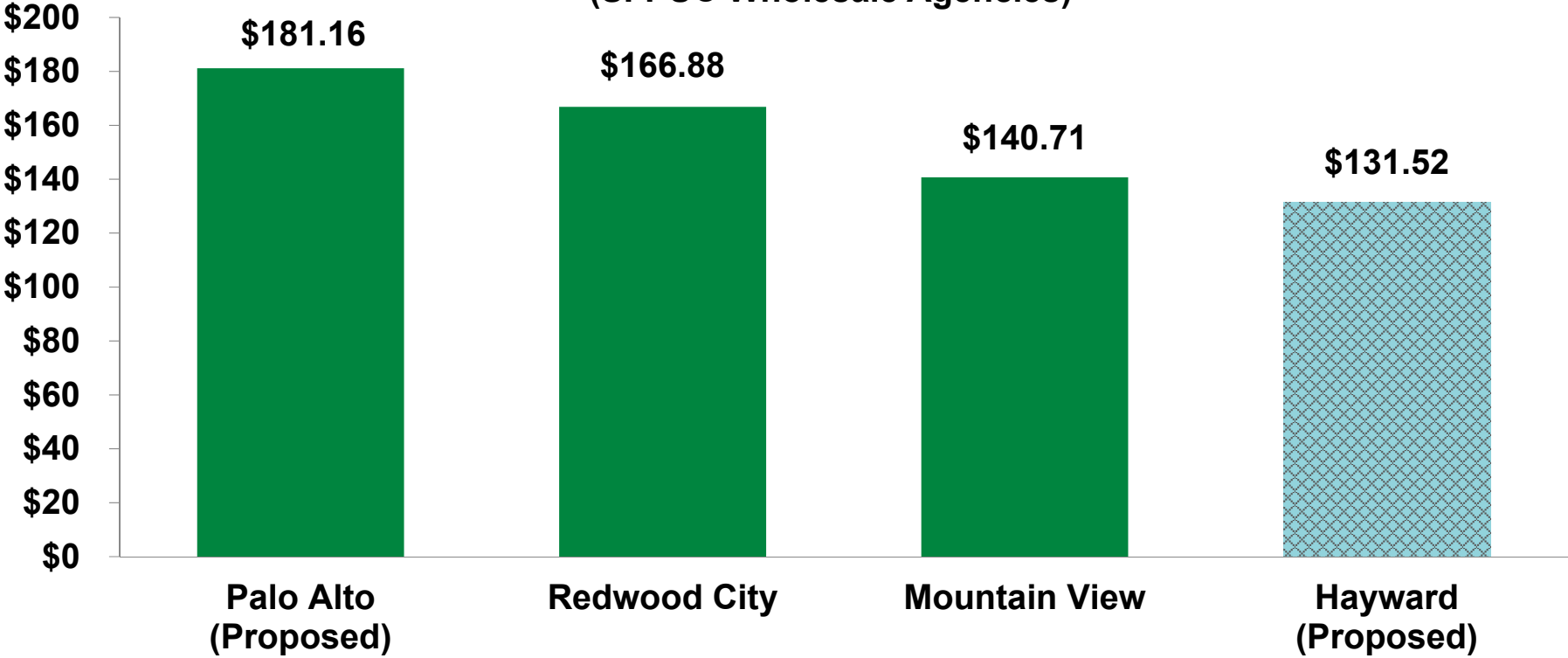
Water Bill Comparison

Single-Family Residential Bills for 16 ccf (200 gpd)
(Local Agencies with little or no SFPUC water)



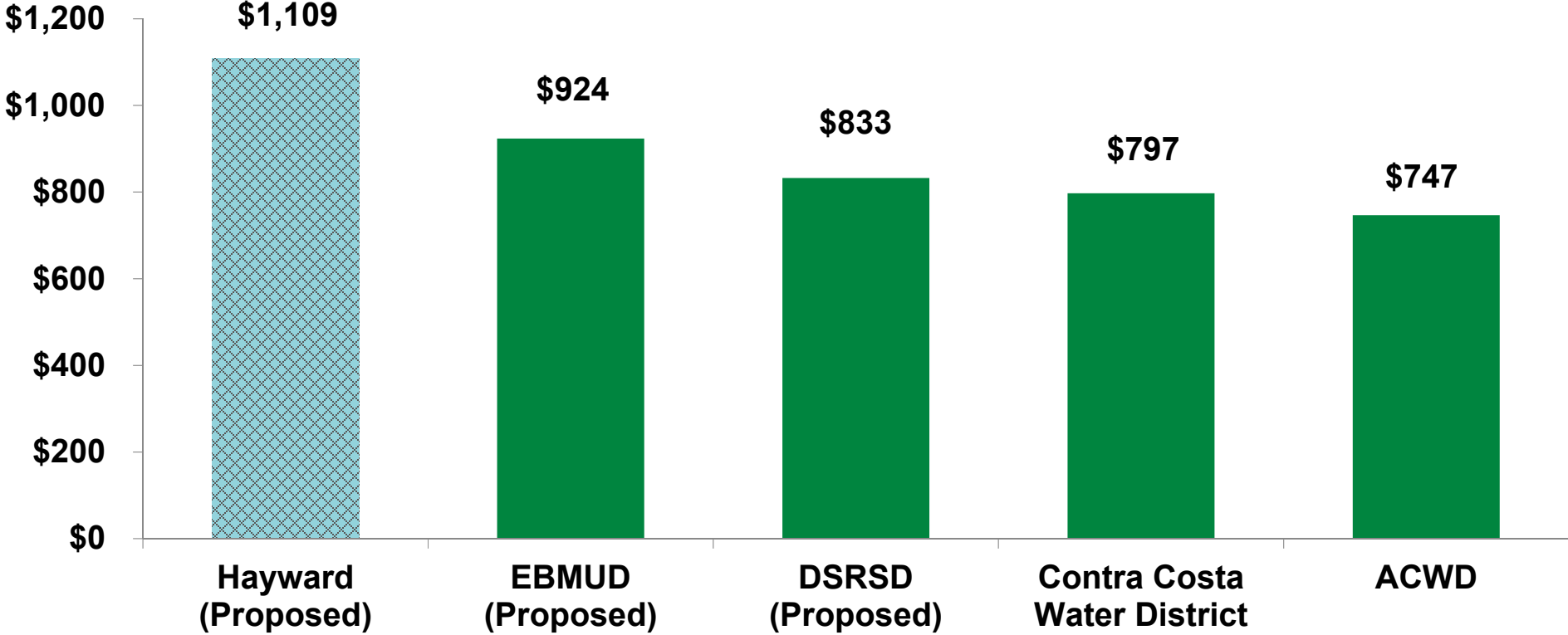
Water Bill Comparison

Single-Family Residential Bills for 16 ccf (200 gpd)
(SFPUC Wholesale Agencies)



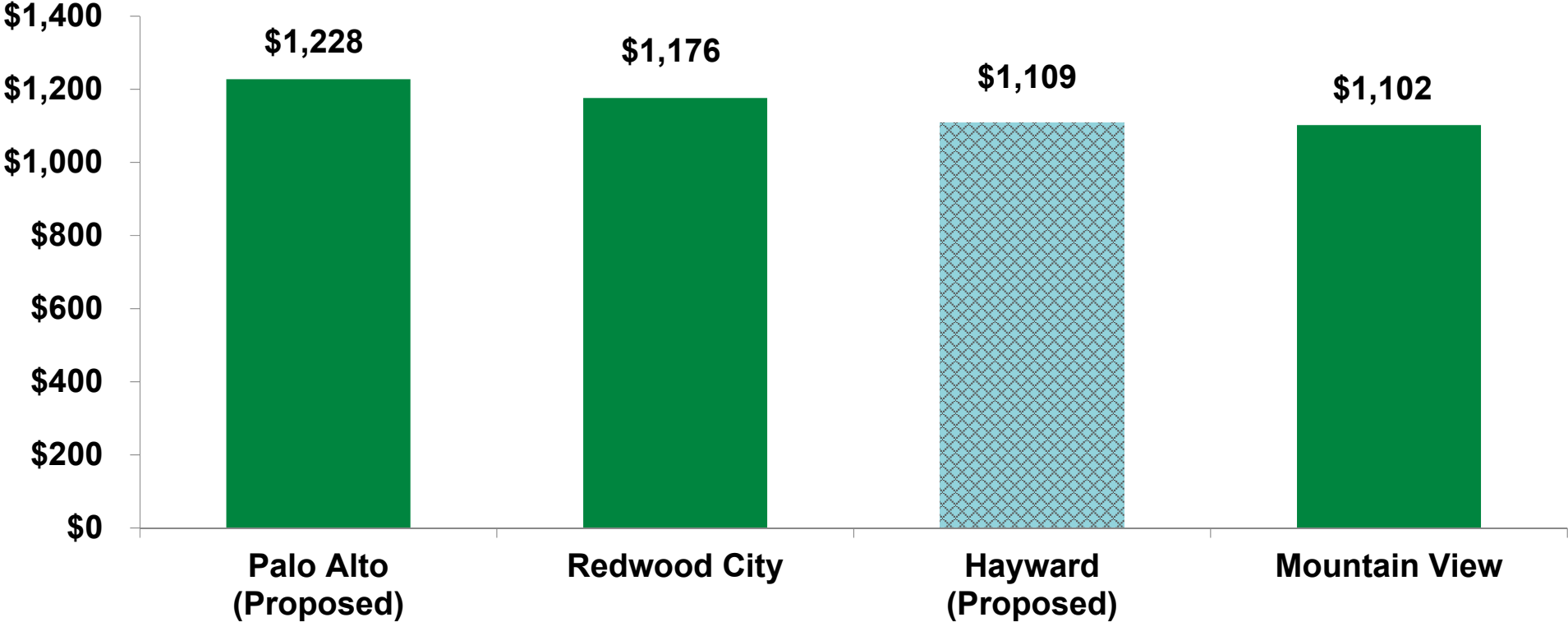
Water Bill Comparison

Commercial Bills for 150 ccf (1875 gpd) and 1-inch meter
(Local Agencies with little or no SFPUC water)



Water Bill Comparison

Commercial Bills for 150 ccf (1875 gpd) and 1-inch meter
(SFPUC Wholesale Agencies)





Water Cost for Everyday Activities

- 10 minutes of irrigation: 28¢
- 8 minute shower: 15¢
- 1 load of laundry: 21¢
- 1 toilet flush: 2¢
- 1 gallon drinking water: 1¢

Sewer Rate Overview

- Pay for collection, treatment, and disposal of wastewater
 - Residential – three tiers (Standard, Economy, Lifeline)
 - Non-residential – based on water consumption and wastewater strength
- Factors Affecting Sewer Rates:
 - Operating, maintenance, and replacement costs
 - Changes in industrial wastewater discharge

Recommended FY 2020 and FY 2021 Sewer Rate Changes

Standard Single Family Residential Multifamily Residential Mobile Homes	Economy Single Family Lifeline Single Family	Non-Residential <i>Depends on discharge volume and waste strength</i>
4.4% Increase	4.3% Reduction	3-7% Increase

Residential Sewer Service Fees

Customer	Current	Proposed FY 2020	% Change	Proposed FY 2021	% Change
Single Family	\$32.85	\$34.30	4.4%	\$35.81	4.4%
Multifamily	\$29.24	\$30.53	4.4%	\$31.87	4.4%
Mobile Home	\$22.99	\$24.00	4.4%	\$25.06	4.4%
Economy ¹	\$18.33	\$17.54	-4.3%	\$16.78	-4.3%
Lifeline ²	\$9.16	\$8.77	-4.3%	\$8.39	-4.3%

1. Qualifying water usage between 5 – 8 ccf per bimonthly bill period

2. Qualifying water usage up to 4 ccf per bimonthly bill period

Non-Residential Sewer Service Fees

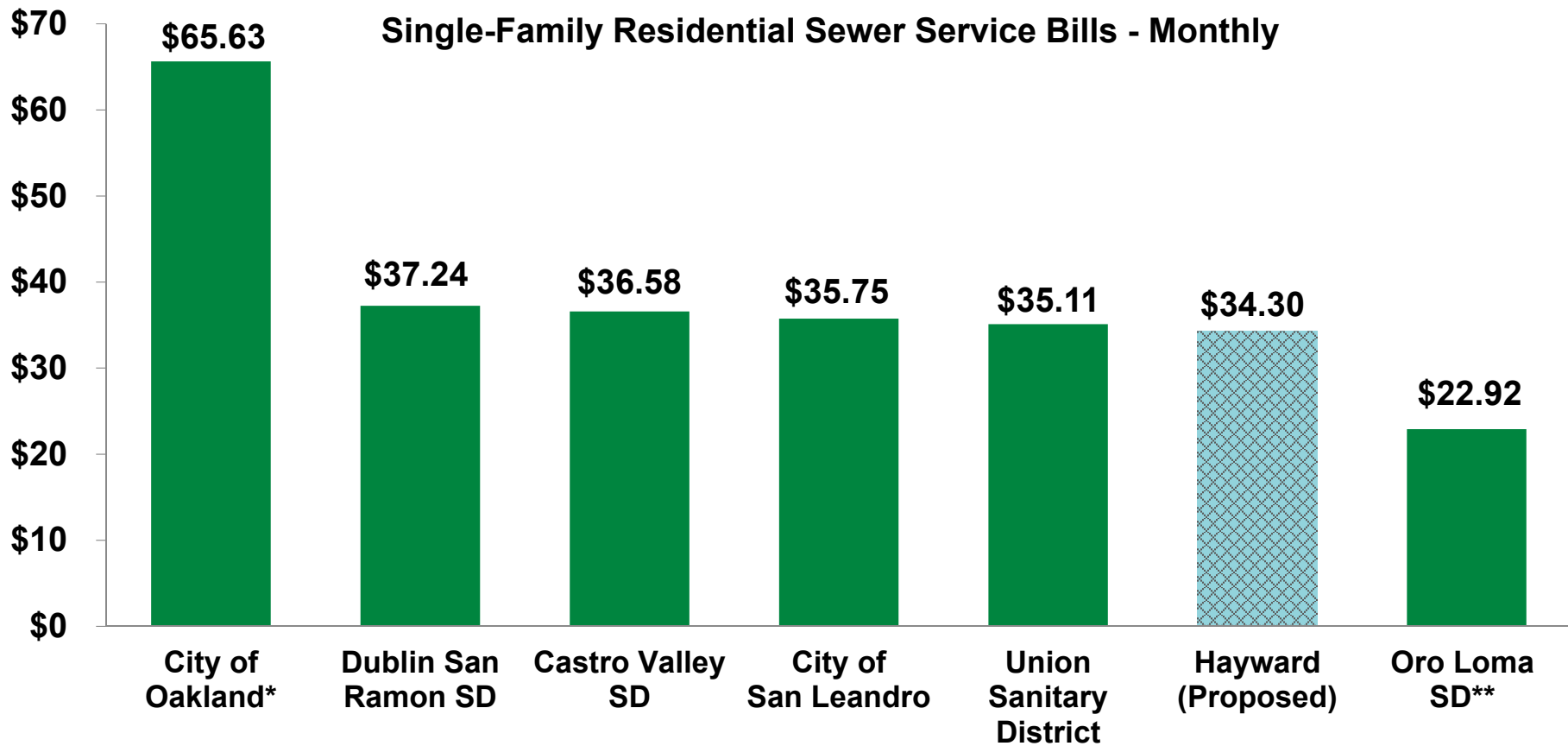
Customer	Current	Proposed FY 2020	% Change	Proposed FY 2021	% Change
Volume (per ccf)	\$2.69187	\$2.88165	7.05%	\$3.08518	7.05%
CBOD ¹ (per pound)	\$0.71758	\$0.71887	0.18%	\$0.72029	0.18%
SS ² (per pound)	\$0.83300	\$0.89564	7.52%	\$0.96338	7.52%

1. CBOD = carbonaceous biochemical oxygen demand

2. SS = suspended solids

Sewer Bill Comparison

Single-Family Residential Sewer Service Bills - Monthly



* Includes updated EBMUD treatment charges (\$25.55) & City of Oakland collection charges (\$40.08)

** Receives lump sum payment from CVSD



Water and Sewer Connection Fees

- Pay for infrastructure needed to serve new development
- No fee increases recommended

Outside City Surcharge

- 200+ customers outside of City limits receive Hayward water, most in the Castle Homes area
- A surcharge is applied to these customers' bills to recover additional service costs
 - Currently 15%
 - Revised from 50% in 2013
- Staff will re-evaluate the current surcharge rate with updated costs
- Results of analysis will be presented for review

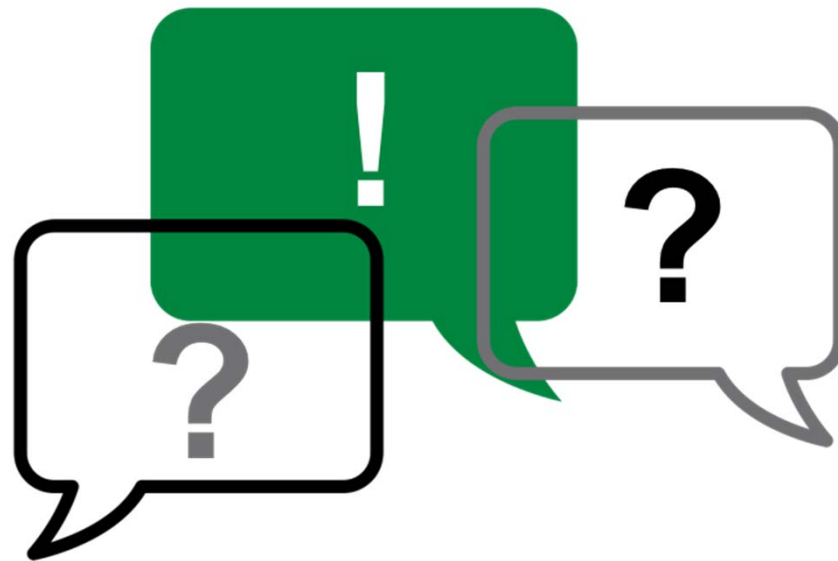
Public Outreach and Response

- Public hearing notices sent to all property owners, tenants, and bill payers of record (Proposition 218 only requires notification of owners)
- Proposed rates published twice in newspaper
- 132 written protest notices received up until this meeting
 - 68 were form letters or letter template
 - 21 cited economic conditions
 - 4 cited new remote-read meters
 - 4 cited current water supply/end of drought
 - The rest provided no specific reason
 - Approximately 25 phone calls received (mostly for translation services)
- Council cannot adopt rates if protests are received from a majority of property owners (about 19,000 protests)

Schedule

- Public Hearing and Council action on rates: July 2
- Bill insert notification: August and September 2019
- Effective dates: October 1, 2019 & October 1, 2020

Questions



ITEM 13 – LB 19-037

**ADOPT A RESOLUTION TO APPROPRIATE
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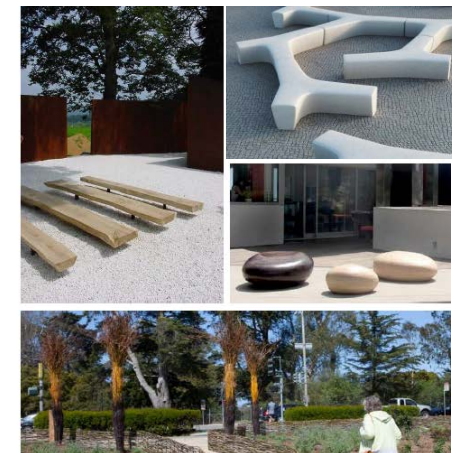
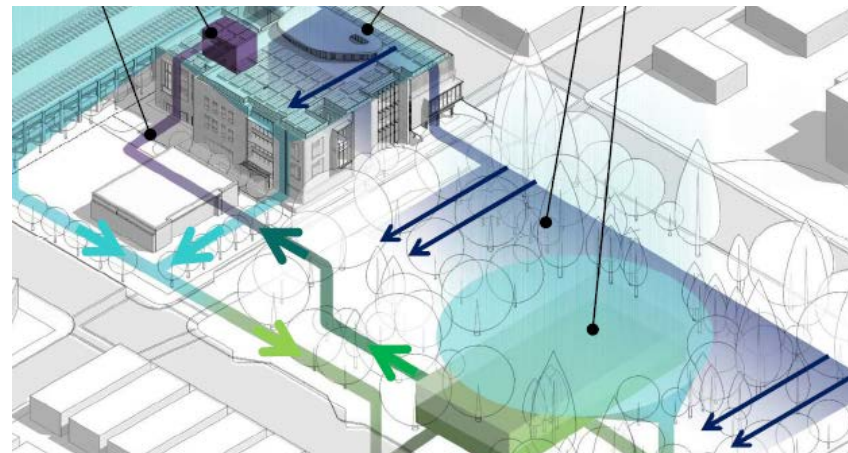
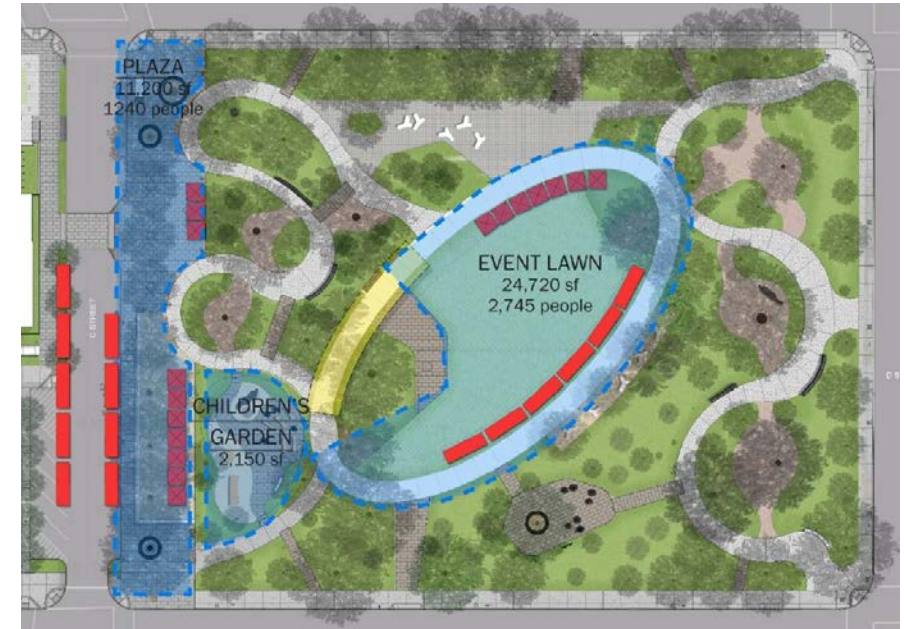
An aerial view of a park plan for Heritage Plaza. The plan shows a central green lawn area, several circular paved walkways, and various landscaping elements like trees and shrubs. A prominent yellow highlighted path runs diagonally across the central lawn area. The entire image is overlaid with a semi-transparent dark green filter.

Update on the Heritage Plaza

July 2, 2019

Key Plaza Features

- Gathering & Event Spaces
- Arboretum Walk & Signs
- Children's Garden
- Rainwater Catchment System
- Heritage Elements



Construction Update and Plaza Name

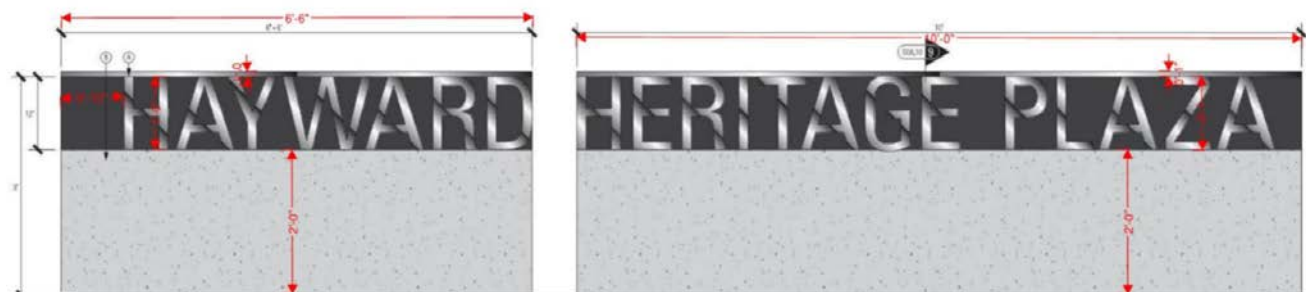


Construction Update

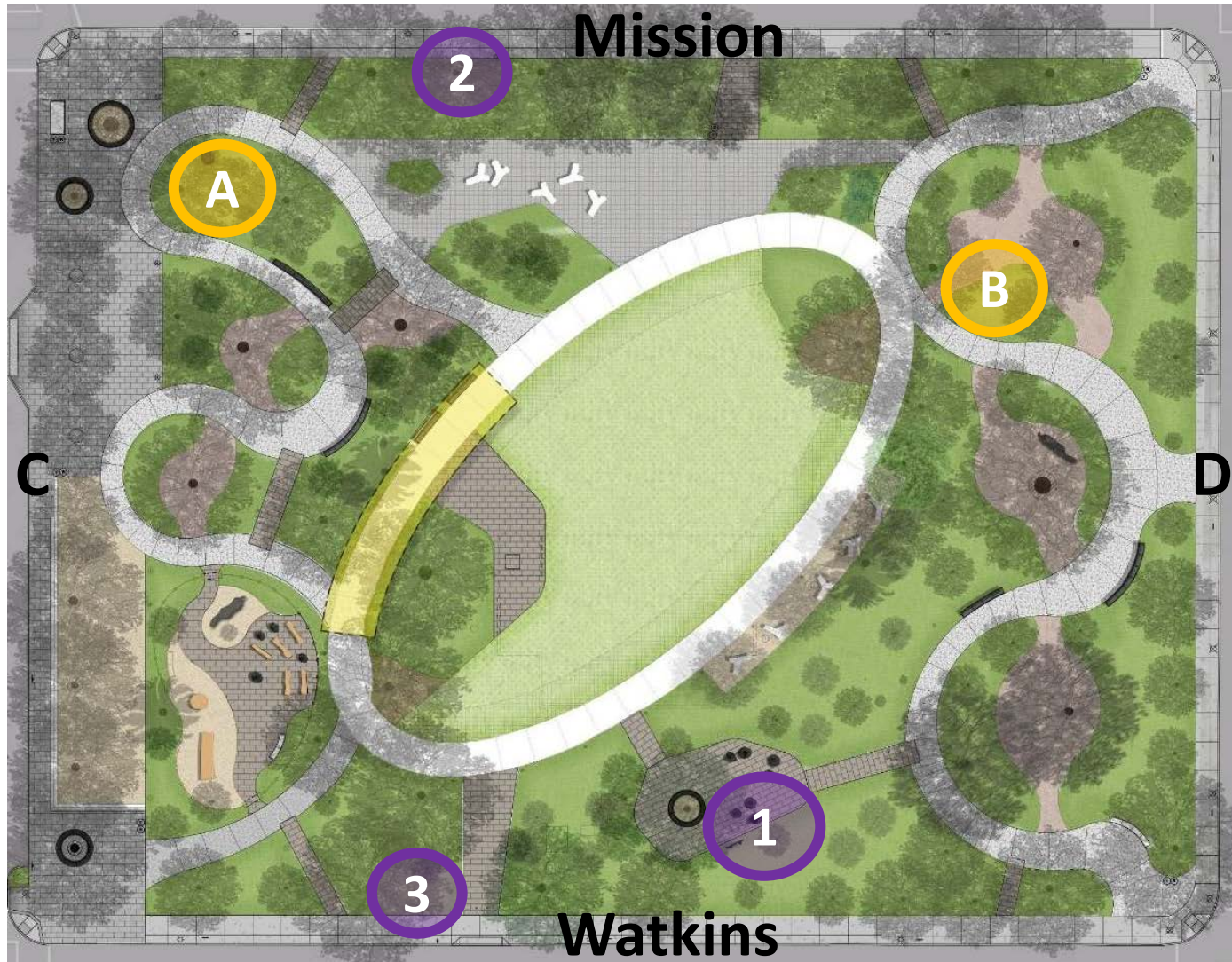
- Deconstruction and rainwater catchment cistern complete
- Working on utilities, curb, gutter, sidewalks, and other amenities
- Anticipated completion fall 2019

Plaza Name

- Confirmation: "Heritage Plaza"
- Sign will match Library signs



Proposed Plaza Heritage Features



Confirmed Locations

1. Japanese-American Internment Memorial
2. El Camino Real Bell and Sign
3. Historic Terminus of the Railroad Marker

Potential Locations

- A. Tribute to Native Yrgin and other Local Indigenous Peoples
- B. Tribute to Russell City

Japanese-American Internment Memorial Sign

C. E. Order 34

WESTERN DEFENSE COMMAND AND FOURTH ARMY
WARTIME CIVIL CONTROL ADMINISTRATION
Presidio of San Francisco, California

INSTRUCTIONS TO ALL PERSONS OF JAPANESE ANCESTRY

LIVING IN THE FOLLOWING AREA:

All of that portion of the County of Alameda, State of California, within the boundary beginning at the point where the southerly limits of the City of Oakland meet San Francisco Bay; thence easterly and following the southerly limits of said city to U. S. Highway No. 50; thence southerly and easterly on said Highway No. 50 to its intersection with California State Highway No. 21; thence southerly on said Highway No. 21 to its intersection, at or near Warm Springs, with California State Highway No. 17; thence southerly on said Highway No. 17 to the Alameda-Santa Clara County line; thence westerly and following said county line to San Francisco Bay; thence northerly, and following the shoreline of San Francisco Bay to the point of beginning.

Pursuant to the provisions of Civilian Exclusion Order No. 34, this Headquarters, dated May 3, 1942, all persons of Japanese ancestry, both alien and non-alien, will be evacuated from the above area by 12 o'clock noon, P.W.T., Saturday, May 9, 1942.

No Japanese person living in the above area will be permitted to change residence after 12 o'clock noon, P.W.T., Sunday, May 3, 1942, without obtaining special permission from the representative of the Commanding General, Northern California Sector, at the Civil Control Station located at:

920 - "C" Street,
Hayward, California.

Such permits will only be granted for the purpose of uniting members of a family, or in cases of grave emergency.

The Civil Control Station is equipped to assist the Japanese population affected by this evacuation in the following ways:

1. Give advice and instructions on the evacuation.
2. Provide services with respect to the management, leasing, sale, storage or other disposition of most kinds of property, such as real estate, business and professional equipment, household goods, boats, automobiles and livestock.



On May 8, 1942, more than 600 people of Japanese ancestry boarded buses on Watkins Street bound for a detention center at the Tanforan racetrack...



Heritage Elements

Native Yrgin and Other Indigenous Peoples Tribute

- Staff is working with representatives from Indigenous groups and history faculty at Chabot College
- Potential Indigenous artist identified for an interpretive art piece
- Anticipated installation summer 2020

Russel City Tribute

- Staff is identifying the appropriate steering group to oversee creation of an art piece and sign
- Anticipated installation summer 2020

Council Discussion

- Confirm Plaza Name
- Process for creating heritage features
- Location of heritage features
- Resolution to appropriate \$30,000 for heritage features