

# **CITY OF HAYWARD**

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)



CITY OF  
**HAYWARD**  
HEART OF THE BAY

## **Agenda**

**Tuesday, October 25, 2016**

**7:00 PM**

**Council Chambers**

## **City Council**

**Mayor Barbara Halliday**  
**Mayor Pro Tempore Sara Lamnin**  
**Council Member Francisco Zermeño**  
**Council Member Marvin Peixoto**  
**Council Member Al Mendall**  
**Council Member Elisa Márquez**  
**Council Member Mark Salinas**

**CONCURRENT MEETING OF THE JOINT HAYWARD CITY COUNCIL/  
HAYWARD REDEVELOPMENT SUCCESSOR AGENCY AND THE  
HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT BOARD**

**CALL TO ORDER Pledge of Allegiance: Council Member Zermeño**

**ROLL CALL**

**CLOSED SESSION ANNOUNCEMENT**

**PUBLIC COMMENTS**

*The Public Comment section provides an opportunity to address the City Council on items not listed on the agenda or Work Session or Information Items. The Council welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Council is prohibited by State law from discussing items not listed on the agenda, your item will be taken under consideration and may be referred to staff.*

**ACTION ITEMS**

*The Council will permit comment as each item is called for the Consent Calendar, Public Hearings, and Legislative Business. In the case of the Consent Calendar, a specific item will need to be pulled by a Council Member in order for the Council to discuss the item or to permit public comment on the item. Please notify the City Clerk any time before the Consent Calendar is voted on by Council if you wish to speak on a Consent Item.*

**CONSENT**

1. [MIN 16-094](#) Minutes of the Special City Council Meeting on October 13, 2016

**Attachments:** [Attachment I Draft Minutes of October 13, 2016](#)

2. [CONS 16-636](#) Approval of the City's Participation in the Alameda County Waste Management Authority's Reusable Bag Ordinance Expansion

**Attachments:** [Attachment I Staff Report](#)  
[Attachment II Draft Resolution](#)  
[Attachment III Ordinance 2016-2 Amending Ordinance 2012-2](#)

3.     [CONS 16-651](#)     Approval of a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with the Hayward Area Recreation and Park District and the Hayward Unified School District for Various Programs in an amount not to exceed \$221,594
- Attachments:**     [Attachment I Staff Report](#)  
                          [Attachment II Resolution](#)  
                          [Attachment III Draft Agreement](#)
4.     [CONS 16-667](#)     Resolution Accepting the Resignation of Mr. Sid Hamadeh from the Downtown Hayward Business Improvement Area Advisory Board
- Attachments:**     [Attachment I Staff Report](#)  
                          [Attachment II Resolution](#)  
                          [Attachment III Resignation Letter](#)
5.     [CONS 16-668](#)     Amendment to Professional Services Agreement with RossDrulisCusenbery for Police Administration Building Needs Assessment Study
- Attachments:**     [Attachment I Staff Report](#)  
                          [Attachment II Resolution](#)

#### WORK SESSION

*Work Session items are non-action items. Although the Council may discuss or direct staff to follow up on these items, no formal action will be taken. Any formal action will be placed on the agenda at a subsequent meeting in the action sections of the agenda.*

6.     [WS 16-062](#)     Report Regarding Updates to the Patient Protection and Affordable Care Act and Impacts to the City of Hayward (Report from Human Resources Director Collins)
- Attachments:**     [Attachment I Staff Report](#)

**PUBLIC HEARING**

7. [PH 16-105](#) Adoption of City of Hayward User Fee Study (Report will be available no later than Monday, October 24, 2016)

**LEGISLATIVE BUSINESS**

8. [LB 16-103](#) Request for the Council to Interview, Select, and Appoint Four (4) Members to the Personnel Commission and Provide Feedback on the Proposed Revisions to the Scope of the Personnel Commission (Report from Human Resources Director Collins)

**Attachments:** [Attachment I Staff Report](#)

9. [LB 16-104](#) Approval of the Preliminary and Final Official Statements for the Redevelopment Successor Agency of the City of Hayward 2016 Tax Allocation Refunding Bonds (Refunding the Outstanding 2004 and 2006 Tax Allocation Bonds), a Bond Purchase Agreement with the Underwriters and Confirming the Issuance of the Bonds (Report from Acting Finance Director Claussen)

**Attachments:** [Attachment I Staff Report](#)  
[Attachment II Authorizing Resolution](#)  
[Attachment III Draft Preliminary Official Statement](#)  
[Attachment IV Draft Bond Purchase Agreement](#)

**CITY MANAGER'S COMMENTS**

An oral report from the City Manager on upcoming activities, events, or other items of general interest to Council and the Public.

**COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS**

Oral reports from Council Members on their activities, referrals to staff, and suggestions for future agenda items.

**City Council Meeting Adjourns and Reconvenes into the Meeting of the  
Hayward Geologic Hazard Abatement District**

**HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT MEETING**

1. [MIN 16-093](#) Minutes of the Special Joint City Council/Hayward Geologic Hazard Abatement District Board Meeting on September 13, 2016 (Consent GHAD Item No. 5)

**Attachments:** [Attachment I GHAD Draft Minutes](#)

2. [PH 16-108](#) Consideration of Resolution to Approve Hayward GHAD Plan of Control for the La Vista Development (No. 16-03) and Declare the GHAD's Intent to Order an Assessment for the La Vista Development and Set a Public Hearing for December 13, 2016 to Consider the Proposed Assessment and any Protests thereto (No. 16-04) (Report from GHAD Manager Harrell and GHAD Attorney Curtin)

**Attachments:** [Attachment I Hayward GHAD Staff Report](#)  
[Attachment II Hayward GHAD Resolution 16-03](#)  
[Attachment III Hayward GHAD Resolution 16-04](#)  
[Attachment IV Plan of Control](#)

**ADJOURNMENT**

**COUNCIL MEETING, November 1, 2016 CANCELED**

**PUBLIC COMMENT RULES**

*The Mayor may, at the beginning of the hearing, limit testimony to three (3) minutes per individual and five (5) minutes per an individual representing a group of citizens or organization. Speakers will be asked for their name before speaking and are expected to honor the allotted time. Speaker Cards are available from the City Clerk at the meeting.*

**PLEASE TAKE NOTICE**

*That if you file a lawsuit challenging any final decision on any public hearing or legislative business item listed in this agenda, the issues in the lawsuit may be limited to the issues that were raised at the City's public hearing or presented in writing to the City Clerk at or before the public hearing.*

**PLEASE TAKE FURTHER NOTICE**

*That the City Council adopted Resolution No. 87-181 C.S., which imposes the 90-day deadline set forth in Code of Civil Procedure section 1094.6 for filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure section 1094.5.*

*\*\*\*Materials related to an item on the agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, City Hall, 777 B Street, 4th Floor, Hayward, during normal business hours. An online version of this agenda and staff reports are available on the City's website. Written comments submitted to the Council in connection with agenda items will be posted on the City's website. All Council Meetings are broadcast simultaneously on the website and on Cable Channel 15, KHRT.\*\*\**

*Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400 or TDD (510) 247-3340.*



# CITY OF HAYWARD

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**File #:** MIN 16-094

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**DATE:** October 25, 2016

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Minutes of the Special City Council Meeting on October 13, 2016

**RECOMMENDATION**

That the City Council approves the minutes of the City Council meeting on October 13, 2016.

**ATTACHMENTS**

Attachment I Draft Minutes of October 13, 2016



**MINUTES OF THE SPECIAL CITY COUNCIL MEETING  
OF THE CITY OF HAYWARD  
Conference Room 2A  
777 B Street, Hayward, CA 94541  
Thursday, October 13, 2016, 7:00 p.m.**

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The City Council meeting was called to order by Mayor Halliday at 7:00 p.m., followed by the Pledge of Allegiance led by Scouts Eddy and Stephen Bentley.

**ROLL CALL**

Present: COUNCIL MEMBERS Zermeño, Márquez, Mendall, Peixoto, Lamnin, Salinas  
MAYOR Halliday  
Absent: None

**PUBLIC COMMENTS**

Mr. Jim Drake, Hayward resident, asked about the status of the personnel investigation related to Police Chief Urban.

Mr. Frank Burton, East Bay Clean Power Alliance member, advocated for Hayward to take the lead and be one of the first cities to set policies for the Community Choice Energy program in Alameda County and have local electricity generation and local economic development.

Ms. Barbara Stebbins, East Bay Clean Power Alliance member, encouraged Hayward to join the Community Choice Energy program.

Ms. Leticia Garcia Bradford, Castro Valley resident, thanked the City for fostering community literacy artists, and shared a poem entitled *Fly With Me*.

At the request of City Attorney Lawson, the City Council unanimously approved to add a third item to the closed session agenda pursuant to Government Code Section 54954.2(b)(2). The item was a conference with property negotiators pursuant to Government Code Section 54956 regarding Assessor's Parcel No. 078C0801001 with negotiators City Manager McAdoo, Development Services Director Rizk and City Attorney Lawson.

**WORK SESSION**

1. East Bay Community Energy Update (Report from Director of Utilities and Environmental Services Ameri) **WS 16-061**

Staff report submitted by Utilities and Environmental Services Director Ameri dated October 13, 2016, was filed.



Environmental Services Manager Pearson announced the report and introduced Mr. Bruce Jensen from the Alameda County Planning Department and Mr. Seth Baruch from Carbonomics.

Mr. Bruce Jensen provided an update on the Community Choice Energy (CCE) program in Alameda County. Mr. Seth Baruch delivered a presentation which covered the technical study results conducted by MRW & Associates, the status of other CCE programs in the Bay Area, and the formation of the East Bay Community Energy (EBCE) and a Joint Powers Agreement.

Discussion ensued among Council members, City staff, Alameda County staff, and Carbonomics representative related to: the EBCE Study and the four scenarios with varying levels of renewable energy; the favored scenario and financial saving to customers and job generation; CCE's governance; staff's impact should the City join the EBCE; renewable energy availability; Russell City Energy Center and CCE; stakeholders' meetings; the "just transition" as it relates to liability and risk; opt-out options for customers; community outreach; cost associated with procurement of power; and level of compensation for solar users.

Council members were in general support of joining the EBCE for local control and customer savings opportunity. There was some concern about liabilities associated with the Joint Powers Agreement and the "voting shares vote" structure. Council members offered the following recommendations: reach out to local community banks when selecting banking partners; consider instructing the City's representative to support the holding of the voting shares vote; encourage the joint powers authority to go for the highest amount of renewables that is feasible and the highest amount of locally produced energy.

It was noted that Council Member Mendall serves as the delegate to the Alameda County East Bay Community Energy Steering Committee and Council Member Márquez serves as the alternate delegate.

#### **CITY MANAGER'S COMMENTS**

City Manager McAdoo announced the Alameda Local Agency Formation Commission (LAFCo) was holding a public meeting on October 18, 2016 at City Hall to discuss the Eden Township Healthcare District.

#### **COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS**

Council Member Salinas announced the Hayward Promise Neighborhood survey for the Jackson Triangle had been completed and thanked those who participated.

Council Member Zermeño urged everyone to attend the Hayward Executive Airport Open House on October 16, 2016.



**MINUTES OF THE SPECIAL CITY COUNCIL MEETING  
OF THE CITY OF HAYWARD  
Conference Room 2A  
777 B Street, Hayward, CA 94541  
Thursday, October 13, 2016, 7:00 p.m.**

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Council Member Lamnin spoke about her attendance at the Annual League of California Cities Conference in Long Beach; and noted she had recently been appointed as the Policy Committee Chair for the Employee Relations and Administrative Services Policy Committee.

Mayor Halliday noted she would be attending the Alameda Local Agency Formation Commission (LAFCo) meeting on October 18, 2016.

**ADJOURNMENT**

At 8:31 p.m., Mayor Halliday adjourned the meeting to a Closed Session.

**APPROVED:**

\_\_\_\_\_  
Barbara Halliday  
Mayor, City of Hayward

**ATTEST:**

\_\_\_\_\_  
Miriam Lens  
City Clerk, City of Hayward



# CITY OF HAYWARD

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**File #:** CONS 16-636

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**DATE:** October 25, 2016

**TO:** Mayor and City Council

**FROM:** Director of Utilities & Environmental Services

**SUBJECT**

Approval of the City's Participation in the Alameda County Waste Management Authority's Reusable Bag Ordinance Expansion

**RECOMMENDATION**

That Council adopts the attached resolution approving the City's participation in Alameda County Waste Management Authority Ordinance No. 2012-2 as amended by Ordinance No. 2016-2, expanding the regulation of carryout bags and promoting the use of reusable bags.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Draft Resolution
Attachment III	Ordinance 2016-2 Amending Ordinance 2012-2



DATE: October 25, 2016

TO: Mayor and City Council

FROM: Director of Utilities & Environmental Services

#### SUBJECT

Approval of the City's Participation in the Alameda County Waste Management Authority's Reusable Bag Ordinance Expansion

#### RECOMMENDATION

That Council adopts the attached resolution approving the City's participation in Alameda County Waste Management Authority Ordinance No. 2012-2 as amended by Ordinance No. 2016-2, expanding the regulation of carryout bags and promoting the use of reusable bags.

#### SUMMARY

The City, alongside other Alameda County jurisdictions, adopted the County-wide Reusable Bag Ordinance in January 2013. Implementation of the Ordinance resulted in a significant decrease in the use of single-use plastic and paper bags at grocery, drug, and liquor stores. Due to the effectiveness of the ordinance, the Waste Management Authority (WMA) Board initiated preparations to expand the ordinance coverage, to include all retail stores and restaurants in Alameda County. As drafted, all WMA member agencies will be considered opted in at the time of the second reading and adoption of the ordinance expansion by the WMA Board on October 26, 2016. The City, along with other member agencies, can choose to opt out of the expanded ordinance via resolution adoption by December 9, 2016.

#### BACKGROUND

Reusable Bag Ordinance 2012-2, which went into effect in January 2013, applies to approximately 1,300 grocery, drug and liquor stores in Alameda County that traditionally distributed a high volume of single-use bags. The ordinance promotes the use of reusable bags to reduce waste and litter, and minimize plastic bags in local waterways.

### Ordinance Requirements

As of January 1, 2013, affected stores can only distribute reusable bags or bags made of recycled content paper, and only if the store charges a minimum price of 10 cents per bag, itemized on the receipt.

### Ordinance Effectiveness

Since implementation, the reusable bag ordinance has had dramatic results:

- Overall bag purchases by affected Alameda County retail stores have declined by 85%.
- The number of shoppers bringing a reusable bag, or not using a bag at all, has more than doubled.
- Stores are participating with a compliance rate of 90%.
- Plastic bags found in Alameda County Storm drains has decreased 44%.

### Ordinance Expansion

The current ordinance does not apply to retail stores other than grocery, drug, and liquor stores. In light of the effectiveness of the current ordinance, the WMA Board directed its staff to plan for an expansion of the reusable bag ordinance to include all retail stores and restaurants.

### Timeline

In January 2012, Reusable Bag Ordinance 2012-2 was adopted by WMA Board, effective January 2013 for all Alameda County jurisdictions. In October 2014, the WMA Board approved ordinance expansion activities to be conducted by StopWaste, the public agency governed by WMA among other governing bodies. Upon approval of the draft ordinance expansion language in March 2016, StopWaste staff began offering assistance to member agency governing boards.

The Reusable Bag Ordinance Expansion was presented during the May 9, 2016 Council Sustainability Committee meeting. Staff presented draft ordinance language and discussed possible implications of adopting the ordinance expansion in Hayward. During the meeting, a StopWaste staff member was present to answer the questions posed by the Committee members. The Committee was in favor of the reusable bag ordinance expansion and requested that staff bring it before Council as a consent item.

In September 2016, the ordinance was introduced via the first reading by WMA Board, thereby finalizing all ordinance language and provisions. During the September 2016 meeting, the WMA also approved the necessary Addendum to the Environmental Impact Report. The ordinance second reading and adoption by WMA Board has been scheduled for October 26, 2016, and all member agencies will be considered "opted in".

## DISCUSSION

The ordinance expansion changes were developed together with legal counsel and with input from member agency staff via the Technical Advisory Committee. The expanded ordinance affects all retail stores County-wide (an estimated 9,000 additional stores) and restaurants (estimated 4,000). It is estimated that roughly 10% of these stores are located in Hayward.

### Revised definitions:

- Store: Any commercial establishment operating from a permanent enclosed structure that sells perishable or nonperishable goods including, but not limited to, clothing, food and personal items directly to a customer (Intent: to capture all types of retail stores. Any place where you can walk into a “brick and mortar” store and purchase a tangible item is covered by the ordinance).
- Public Eating Establishment: Any restaurant, take-out food establishment or other business (including but not limited to food sales from vehicles or temporary facilities open to the public) that receive 90% or more of its revenue from the sale of prepared and ready-to-consume foods and/or drinks to the public (Intent: to cover food trucks and vendors who distribute food in bags).

### Exemptions:

- Produce/Product Bags: bags that are integral to the packaging of the product, or bags without handles provided to the Customer (i) to transport produce, bulk food or meat from a produce, bulk food or meat department within a Store to the point of sale, (ii) to hold prescription medication dispensed from a pharmacy, or (iii) to segregate food or merchandise that could damage or contaminate other food or merchandise when placed together in a Reusable Bag or Recycled Content Paper Bag.
- Stores operating in a certified farmers’ market registered in accordance with Section 47020 of the California Food and Agricultural Code (Twenty California certified markets operate in the county, and many use the produce bags without handles, which are already exempt from the 2012 ordinance).

Public Eating Establishments are not required to charge customers if distributing recycled content paper bags, but must charge a minimum of 10 cents for a compliant reusable bag.

### Other Changes:

- Recordkeeping requirements for bag sales and purchasing are removed.
- Switch routine inspections to complaint-based inspection only.

### Opt-Out Provisions:

Jurisdictions may choose not to participate in the ordinance by December 9, 2016. Should Council elect not to participate, staff would bring this matter back with the appropriate resolution for Council adoption.

## Related State Legislation

The California Plastic Bag Ban Veto Referendum (Proposition 67), will be on the November 8, 2016 ballot. If passed, Proposition 67 will uphold contested legislation, Senate Bill 270 banning distribution of single-use plastic bags. SB 270 was signed into law September 2014 but suspended via referendum by the American Progressive Bag Alliance. Proposition 67 would prohibit pharmacies, grocery, convenience, and liquor stores from providing plastic single-use carryout bags. Additionally, it will mandate stores to charge 10 cents for recycled, compostable, and reusable grocery bags. On September 20, 2016, Council adopted a resolution in support of Proposition 67.

Proposition 65, also on the November 8, 2016 ballot, is a competing ballot initiative that would, if passed, direct any fees retailers collect for bags to an environmental fund for environmental projects. Proposition 65 does not include the plastic bag ban provision as outlined in Proposition 67. However, in the event that both propositions pass, and Proposition 65 receives more votes than Proposition 67, then the Proposition 65 funding convention would be used. However, if Proposition 67 receives more votes, then the revenue would be kept by stores, as originally implemented in SB270, to help cover compliance costs.

If either Proposition is passed, neither would directly affect the local Alameda County ordinance expansion. The original ordinance, passed in 2012, will be grandfathered in. The ordinance expansion, if adopted on October 26, 2016, would also be grandfathered in. Therefore, the ordinance parameters in place prior to November 8, 2016 would remain in place, and if either Proposition is passed on that date, it would only limit future changes to the local ordinance. Specifically, even if Proposition 65 is passed, all Alameda County jurisdictions opted into the local ordinance expansion will continue to allow fees collected by retailers to stay with the store.

## ECONOMIC IMPACT

The economic impacts to customers as a result of the proposed single-use carryout bag ordinance include: (1) the additional store charge at retail stores required for paper and reusable bags in order to deter requests for paper and encourage use of reusable bags; and (2) the additional costs for restaurants and retail stores to purchase reusable bags. As a result of the regulation, the retail stores' own costs will be slightly less (no more free single-use bags handed out) and consumers' costs slightly more (for those who choose not to bring their own reusable bags and, instead, pay for single-use paper bags). Consumers using reusable bags will not incur increased transaction costs, aside from the nominal initial cost of purchasing reusable bags.

## FISCAL IMPACT

Fiscal impacts to the City would include staff time to educate local retail stores and restaurants on the expanded ordinance. There would be no impact to the General Fund. Existing Solid Waste Program staff would provide some assistance to restaurants and retail stores to comply with the ordinance.

Opting in to the county-wide expanded ordinance as it is written will place the majority of the fiscal impact and responsibility of enforcement on StopWaste staff. The ordinance language was finalized at the first reading by the WMA Board in September 2016. Including additional provisions or modifications to the ordinance would require that the jurisdiction opt out of the county-wide ordinance and develop a local ordinance. If directed by Council to opt out of the county-wide ordinance expansion and develop Hayward-specific ordinance provisions, the responsibility of enforcement and dedication of resources would fall on the City.

## SUSTAINABILITY FEATURES

1. **Energy**: The proposed ordinance expansion may further encourage shoppers to use reusable bags and restaurants and stores to minimize use of bags, which could minimize energy-use attributed to plastic-bag manufacturing and transportation.
2. **Water**: The ordinance would help the City meet storm water permit requirements to reduce trash in storm drains and creeks.
3. **Solid Waste**: The ordinance expansion will decrease the amount of plastic bags purchased by stores and restaurants in the City, as well as promote the use of reusable bags among shoppers, decreasing the use of single-use plastic bags overall. This will result in less litter in the community.

## PUBLIC CONTACT

StopWaste staff conducted outreach activities to inform and solicit input from potentially affected stores. StopWaste staff reached out to all member agency economic development staff, contacted key business stakeholders such as retail groups, downtown associations, mall operators, restaurant associations, chambers of commerce, and others throughout the county.

StopWaste staff presented potential expansion concepts at meetings and events (though opportunities were minimal). Reactions to presentations were generally supportive, with little opposition. Most were grateful for update but did not voice opposition to an expansion of the ordinance.

Outreach to the California Retailers Association revealed support for an expanded ordinance as long as the definition of compliant bags was the same as identified in proposed statewide reusable bag veto referendums Proposition 67 and Proposition 65 to ensure consistency amongst key definitions in ordinances across the state.

### Regional Meetings

StopWaste staff hosted a series of regional meetings throughout the county (Oakland, Union City and Pleasanton) to solicit input from retail and restaurant operators. Despite rigorous promotion of the meetings by agency and local jurisdiction staff (including handing out flyers to retailers), no one showed up at the meetings.



## Business Surveys

To ensure that retailers and restaurant owners have an opportunity to voice their concerns even if they could not attend an in-person meeting, StopWaste staff developed an eight question online survey to receive feedback. Sixty-one surveys (representing eleven Alameda County cities) were completed; almost three quarters of those surveys came from restaurant and clothing store operators.

In general, survey responses show an almost even split between support and opposition for expansion of the Ordinance. Expansion to all retail resulted in 45% support, 45% oppose and 10% “don’t care” responses whereas the expansion to all retail plus restaurants showed 40% support, 50% oppose and 10% “don’t care.”

As 35% of survey respondents came from restaurants, further discussions with the restaurant industry were conducted. The biggest concern was related to charging customers for bags. Restauranters felt that an ordinance will penalize their type of businesses, especially take-out/fast-food/to-go restaurants where there is little opportunity to change behavior as food is bagged either prior to the customer’s arrival or in the back of the house; neither activity conducive to incorporating reusable bags. In addition, many restaurants said it is too complicated to charge for a “doggy” bag after a bill has been paid. Incorporating this feedback, language was included in the ordinance expansion to clarify that Public Eating Establishments are not required to charge customers for distribution of recycled content paper bags, and are only required to charge 10 cents for a compliant reusable bag. Including this language bolstered restaurant support.

## NEXT STEPS

The following timeline details the remaining key expansion activities:

<u>December 2016</u>	Any member agency choosing to opt out must do so by a resolution of its governing body by December 9, 2016.
<u>May 2017</u>	Ordinance effective for expanded retail stores.
<u>November 2017</u>	Ordinance effective for all restaurants.

Staff is seeking approval from Council on participation in the ordinance expansion. Staff has included a resolution of adoption in this report. If directed by Council, staff can draft a resolution to opt out of the ordinance, to be brought to Council prior to the December 9<sup>th</sup>, 2016 deadline.

Prepared by: Jennifer Yee, Sustainability Technician

Recommended by: Alex Ameri, Director of Utilities & Environmental Services

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', is positioned above a horizontal line.

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Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

Introduced by Council Member \_\_\_\_\_

RESOLUTION APPROVING PARTICIPATION OF THE CITY OF  
HAYWARD IN ALAMEDA COUNTY WASTE MANAGEMENT  
AUTHORITY ORDINANCE NO. 2012-2 AS AMENDED BY ORDINANCE NO. 2016-2  
TO EXPAND REGULATION OF SINGLE -USE CARRYOUT BAGS AND  
PROMOTE THE USE OF REUSABLE BAGS

WHEREAS, on October 26, 2016, the Board of the Alameda County Waste Management Authority (ACWMA) adopted Ordinance No. 2012-2 as amended by Ordinance No. 2016-2 to expand regulation of carryout bags and promote the use of reusable bags, which is attached hereto as "Attachment III"; and

WHEREAS, the ACWMA Board certified the final Environmental Impact Report for Ordinance No. 2012-2 as amended by Ordinance No. 2016-2 at its meeting on September 28, 2016; and

WHEREAS, the City Council for the City of Hayward considered the ACWMA Ordinance No. 2012-2 as amended by Ordinance No. 2016-2 at its October 25, 2016 meeting; and

WHEREAS, for the reasons in Section 2, Findings, of ACWMA Ordinance No. 2012-2 as amended by Ordinance No. 2016-2, the City Council finds it in the best interest of the residents of the City of Hayward that the City participate in ACWMA Ordinance No. 2012-2 as amended by Ordinance No. 2016-2.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the participation of the City of Hayward in Alameda County Waste Management Ordinance No. 2012-2 as amended by Ordinance No. 2016-2.

BE IT FURTHER RESOLVED that the City Council hereby reserves the right to enact local legislation and to opt-out of ACWMA Ordinance No. 2012-2 as amended by Ordinance No. 2016-2 by December 9, 2016 should it determine such action to be in the best interest of the City.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward

**ATTACHMENT A**  
**ORDINANCE 2016-02**  
**AMENDING ORDINANCE 2012-02**

**ORDINANCE REGULATING THE USE OF CARRYOUT BAGS  
AND PROMOTING THE USE OF REUSABLE BAGS**

The Board of the Alameda County Waste Management Authority (“Authority”) finds that:

1. In 2012 the Authority adopted Ordinance 2012-02, the Ordinance Regulating The Use Of Carryout Bags and Promoting the Use of Reusable Bags. For the reasons set forth in the findings in Exhibit A, the Authority wishes to amend the ordinance to apply its requirements to stores not subject to the original ordinance and to make minor clarifying changes.
2. The Board of the Alameda County Waste Management Authority held a public meeting on September 28, 2016, and after considering all testimony and written materials provided in connection with that meeting introduced this ordinance and waived the reading thereof.

Therefore, the Board of the Authority hereby ordains as follows:

Section 1. Adoption.

Ordinance 2012-02, the Ordinance Regulating The Use Of Carryout Bags and Promoting the Use of Reusable Bags is hereby amended as set forth in Exhibit A. Text to be added is indicated in bold double underlined font (e.g., **underlined**) and text to be deleted is indicated in strikeout font (e.g., ~~strikeout~~).

Section 2. Severability.

If any provision of this Ordinance or its application to any situation is held to be invalid, the invalidity shall not affect other provisions or applications of this Ordinance, which can be given effect without the invalid provision or application, and to this end, the provisions of this Ordinance are declared to be severable.

Section 3. Publication.

Within 15 days after adoption of a summary of the ordinance with the names of those voting for and against, the ordinance shall be published and a certified copy of the full text with the names of those voting for and against the ordinance shall either (i) be posted on the Authority’s website or (ii) be posted in the Authority offices.

- Continued on following page -

**Following introduction on September 28, 2016, passed and adopted October 26, 2016 by the following vote:**

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

I certify that under the penalty of perjury that the foregoing is a full, true and correct copy of the ORDINANCE NO. 2016-02.

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Wendy Sommer  
EXECUTIVE DIRECTOR

*Exhibit A***ORDINANCE 2012-2  
AS AMENDED BY ORDINANCE 2016-2****ORDINANCE REGULATING THE USE OF CARRYOUT BAGS  
AND PROMOTING THE USE OF REUSABLE BAGS**

The Board of the Alameda County Waste Management Authority (“Authority”) ordains as follows:

SECTION 1 (Enactment)

The Board of the Authority does hereby enact this Ordinance in full consisting of Section 1 through Section ~~10~~10.

SECTION 2 (Findings)

- (a) The purpose of this Ordinance is to reduce the use of single use carryout bags and promote the use of reusable bags at the point of sale in Alameda County.
- (b) The Authority has the power to enact this Ordinance pursuant to the Joint Exercise of Powers Agreement for Waste Management (“JPA”). The JPA grants the Authority the power, duty, and responsibility to prepare, adopt, revise, amend, administer, enforce and implement the County Integrated Waste Management Plan (“CoIWMP”), and pursuant to Section 5.m of the JPA, the power to adopt ordinances necessary to carry out the purposes of the JPA.
- (c) Reducing single use bag use is reasonably necessary to carry out the purposes of the JPA and implement the CoIWMP, including the following goals and policies.
- (d) Goal 1 of the CoIWMP is to promote environmental quality, ensure protection of public health and safety, and to minimize environmental impacts in all aspects of solid waste management. Policy 1.4.1 includes reduction of hard to recycle materials.
- (e) Goal 2 of the CoIWMP calls on the Authority and its member agencies to achieve maximum feasible waste reduction and to reduce the amount of waste disposed at landfills through improved management and conservation of resources.
- (f) Policy 2.1.1 adopts a waste management hierarchy that ranks management of waste through source reduction and then recycling and composting above landfill disposal.
- (g) Goal 7 of the CoIMWP is to Promote Inter-jurisdictional Cooperation. Policy 7.1.3 states that the Authority shall coordinate with other organizations as needed to fulfill its countywide role including coordinating on related issues such as water and litter. Objective 7.8 states that the Authority will coordinate and facilitate program implementation by individual or subregional groupings of member agencies.

- (h) Numerous studies have documented the prevalence of plastic carry-out bags littering the environment, blocking storm drains and fouling beaches.
- (i) Plastic bags are a substantial source of marine debris.
- (j) Plastic bags cause operational problems at County landfills and transfer stations and contribute to litter countywide.
- (k) ~~The Authority has participated in a campaign with The Bay Area Recycling Outreach Coalition to promote reusable bags countywide for several years. Despite these efforts, plastic bags comprise 9.6% of litter collected during coastal cleanup days (based on 2008 data) in Alameda County. Additionally, plastic bags continue to cause processing equipment problems at County transfer stations.~~ **Agency studies show that as a result of Ordinance 2012-2, there has been a 44% decrease in plastic bags found in Alameda County Storm drains and a 69% decrease in paper and plastic bags at point of sale, and the number of shoppers bringing a reusable bag to affected stores, or not using a bag at all, has more than doubled.**
- (l) **Member Agencies are required by the Municipal Regional Permit (MRP) for storm water to reduce trash by 70% by 2017 and 100% by 2022, with cities having the option to implement plastic bag bans to achieve these requirements.**
- (m) There are several alternatives to single-use carry-out bags readily available.
- (n) ~~Studies document that banning single use plastic bags and charging for single use paper bags will dramatically reduce the single use of both types of bags.~~ **Despite the positive impacts of the existing ordinance, it is estimated that 62% of the projected 764 million bags distributed in Alameda County are distributed by currently affected stores. Further efforts are needed to decrease single-use checkout bags.**
- (o) The Authority prepared the Mandatory Recycling and Single Use Bag Reduction Ordinances Environmental Impact Report, which considered two separate projects and included the environmental review required by the California Environmental Quality Act for this Ordinance. The Authority certified those portions of the EIR relevant to this Ordinance. **The Authority prepared an Addendum that analyzed the environmental impacts associated with amending the reusable bag ordinance and found that the amendments would not result in any new significant environmental impacts that were not addressed in the EIR and will not cause any impacts to be substantially greater than were identified in the EIR. Nor do changed circumstances or new information reveal the ordinance would have any significant impacts not considered in the EIR or result in increases in the severity of any impacts identified in the EIR.**
- (p) **This ordinance will be enforced using the principle of progressive enforcement with the objective of bringing the regulated community into compliance.**



**Progressive enforcement measures shall be used in the following order in order to promote compliance: (i) official notification of non-compliance, (ii) warning of an impending administrative citation and related fine, (iii) issuance of an administrative citation and fine, and (iv) civil enforcement and/or criminal enforcement if warranted by the nature of the violation.**

### SECTION 3 (Definitions)

The definitions set forth in this Section shall govern the application and interpretation of this ordinance.

- (a) “Alameda County” means all of the territory located within the incorporated and unincorporated areas of Alameda County.
- (b) “Authority” means the Alameda County Waste Management Authority created by the Joint Exercise of Powers Agreement for Waste Management (JPA).
- (c) “Authority Representative” means any agent of the Authority designated by the Enforcement Official to implement this Ordinance, including Member Agency employees, or private contractors hired for purposes of monitoring and enforcement.
- (d) “Covered Jurisdiction” means a Member Agency of the JPA that has not opted out of coverage under **Ordinance 2012-02 or Ordinance 2016-02** this Ordinance pursuant to Section ~~98~~ of this Ordinance. **“2012 Covered Jurisdiction” means a Member Agency. “2016 Covered Jurisdiction” means a Member Agency that has not opted out of coverage under Ordinance 2016-02.**
- (e) “Customer” means any Person obtaining goods from a Store.
- (f) “Enforcement Official” means the Executive Director of the Authority or his or her authorized designee.
- (g) “Executive Director” means the individual appointed by the Authority Board to act as head of staff and perform those duties specified by the Authority Rules of Procedure and by the Board.
- (h) “Member Agency” means a party to the JPA. Current member agencies are the County of Alameda, the Cities of Alameda, Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Newark, Oakland, Piedmont, Pleasanton, San Leandro, Union City, and the Castro Valley and Oro Loma Sanitary Districts. The service areas for the purpose of Section ~~98~~ of this Ordinance are:
  - (1) The legal boundaries of each of the 14 incorporated municipalities within Alameda County.
  - (2) The unincorporated sections of the County.

- (i) “Nonprofit Charitable Reuse Organization” means a charitable organization recognized as having Section 501 (c)(3) status by the Internal Revenue Code of 1986, or a distinct operating unit or division of the charitable organization, that reuses and recycles donated goods or materials and receives more than fifty percent (50%) of its revenues from the handling and sale of those donated goods or materials.
- (j) “Person” means an individual, firm, public or private corporation, limited liability company, partnership, industry or any other entity whatsoever.
- (k) “Postconsumer recycled material” means a material that would otherwise be destined for solid waste disposal, having completed its intended end use and product life cycle. Postconsumer recycled material does not include materials and byproducts generated from, and commonly reused within, an original manufacturing and fabrication process.
- (l) “Primary Enforcement Representative” is the chief executive of a Covered Jurisdiction or a qualified designee who will coordinate with the Authority regarding implementation of the Ordinance. A qualified designee shall have at least two years of municipal code enforcement experience or have undergone at least the level one municipal code compliance training program of the California Association of Code Enforcement Officers, or equivalent training program approved by the Enforcement Official.
- (m) **“Produce/Product Bags” are bags that are integral to the packaging of the product, or bags without handles provided to the Customer (i) to transport produce, bulk food or meat from a produce, bulk food or meat department within a Store to the point of sale, (ii) to hold prescription medication dispensed from a pharmacy, or (iii) to segregate food or merchandise that could damage or contaminate other food or merchandise when placed together in a Reusable Bag or Recycled Content Paper Bag.**
- (n) “Public Eating Establishment” means a restaurant, take-out food establishment or other business **(including, but not limited to, food sales from vehicles or temporary facilities open to the public)** that receives 90% or more of its revenue from the sale of **prepared and ready-to-consume** foods and/or drinks **to the public** ~~prepared on the premises.~~
- (o) “Recycled **Content** Paper Bag” means a paper bag provided by a Store to a Customer at the check stand, cash register, point of sale, or other location for the purpose of transporting food or merchandise out of the Store and that contains no oldgrowth fiber and a minimum of forty percent (40%) postconsumer recycled material; is one hundred percent (100%) recyclable and compostable, consistent with the timeline and specifications of the American Society of Testing and Materials (ASTM) Standard D6400; and has printed in a highly visible manner on the outside of the bag the words “Recyclable,” the name and location of the manufacturer, and the percentage of post-consumer recycled content.

- (p) "Reusable Bag" means a bag with handles that is specifically designed and manufactured for multiple reuse and meets all of the following requirements: 1) has a minimum lifetime of 125 uses, which for purposes of this subsection, means the capability of carrying a minimum of 22 pounds 125 times over a distance of at least 175 feet; 2) has a minimum volume of 15 liters; 3) is machine washable or is made from a material that can be cleaned or disinfected; 4) does not contain lead, cadmium or any other heavy metal in toxic amounts, as defined by applicable state and federal standards and regulations for packaging or reusable bags; 5) has printed on the bag, or on a tag that is permanently affixed to the bag, the name of the manufacturer, the location (country) where the bag was manufactured, a statement that the bag does not contain lead, cadmium, or any other heavy metal in toxic amounts, and the percentage of postconsumer recycled material used, if any; and 6) if made of plastic, is a minimum of at least 2.25 mils thick.
- (q) "Single-Use Carryout Bag" means a bag other than a Reusable Bag provided at the check stand, cash register, point of sale or other location for the purpose of transporting food or merchandise out of the Store. Single-Use Carryout Bags do not include **Produce/Product Bags**, ~~bags that are integral to the packaging of the product, or bags without handles provided to the Customer (i) to transport produce, bulk food or meat from a produce, bulk food or meat department within a Store to the point of sale, (ii) to hold prescription medication dispensed from a pharmacy, or (iii) to segregate food or merchandise that could damage or contaminate other food or merchandise when placed together in a Reusable Bag or Recycled Paper Bag.~~
- (r) "Store" means any of the following stores located within Covered Jurisdictions:
- (1) **Within 2012 Covered Jurisdictions a** A full-line, self-service retail store with gross annual sales of two million dollars (\$2,000,000), or more, that sells a line of dry grocery, canned goods, or nonfood items and some perishable items;
  - (2) **Within 2012 Covered Jurisdictions a** A store of at least 10,000 square feet of retail space that generates sales or use tax pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code) and that has a pharmacy licensed pursuant to Chapter 9 (commencing with Section 4000) of Division 2 of the Business and Professions Code; or
  - (3) **Within 2012 Covered Jurisdictions a** A drug store, pharmacy, supermarket, grocery store, convenience food store, foodmart, or other entity engaged in the retail sale of goods that include milk, bread, soda, and snack foods, including those stores with a Type 20 or 21 license issued by the Department of Alcoholic Beverage Control.
  - (4) **Within 2016 Covered Jurisdictions on and after May 1, 2017 the stores listed in sections 3(r)(1), (2) and (3) above and any other commercial establishment operating from a permanent enclosed structure that sells perishable or nonperishable goods including, but not limited to, clothing, food and personal items directly to a customer; and**

**(5) Within 2016 Covered Jurisdictions on and after November 1, 2017 any Public Eating Establishment.**

**SECTION 4 (Carryout Bag Restrictions)**

- (a) No Store shall provide a Single-Use Carryout Bag or Reusable Bag to a Customer at the check stand, cash register, point of sale or other location for the purpose of transporting food or merchandise out of the Store ~~after January 1, 2013~~ except as provided in this Section.
- (b) ~~On or before January 1, 2015, a~~ **A** Store may make available for sale to a Customer a Recycled **Content** Paper Bag or a Reusable Bag for a minimum price of ten cents (\$0.10).
- (c) **A Store that is a Public Eating Establishment may make available to a Customer a Recycled Content Paper Bag at no charge, or a Reusable Bag for a minimum price of ten cents (\$0.10).** ~~On or after January 1, 2015, a Store may make available for sale to a Customer a Recycled Paper Bag or a Reusable Bag for a minimum price of twenty five cents (\$0.25). This restriction, however, shall not apply if the Authority finds, after January 1, 2014, that the Ordinance has achieved its goal to substantially reduce the environmental impacts of the use of Single Use Carryout Bags, in which case the minimum ten cents (\$0.10) per bag price provided in Section 4(b) shall apply.~~
- (d) No Store may make available for sale a Recycled **Content** Paper Bag or Reusable Bag unless the amount of the sale of the Recycled **Content** Paper Bag and Reusable Bag is separately itemized on the sales receipt.
- (e) A Store may provide a Reusable Bag at no charge if it is distributed as part of an infrequent and limited time promotion. An infrequent and limited time promotion shall not exceed a total of 90 days in any consecutive 12 month period.
- (f) A Store may provide free Reusable Bags or free Recycled **Content** Paper Bags at the point of sale to a Customer participating in the California Special Supplemental Food Program for Women, Infants, and Children pursuant to Article 2 (commencing with Section 123275) of Chapter 1 of Part 2 of Division 106 of the California Health and Safety Code; **a Customer participating in Calfresh pursuant to Chapter 1 commencing with Section 18900) of Part 6 of Division 9 of the California Welfare and Institutions Code;** and a Customer participating in the Supplemental Food Program pursuant to Chapter 10 (commencing with Section 15500) of Part 3 of Division 9 of the California Welfare and Institutions Code, as necessary to carry the items purchased at the Store by each such Customer.

SECTION 5 (Permitted Bags)

Nothing in this Ordinance prohibits Customers from using bags of any type that they bring to the Store themselves or from carrying away goods that are not placed in a bag.

SECTION 6 (Exemptions)

This Ordinance does not apply to:

- (a) ~~Single-Use Carryout Bags or Reusable Bags~~ **Produce/Product Bags** distributed to Customers by food providers for the purpose of safeguarding public health and safety during the transportation of take-out foods and drinks prepared on the food provider's premises but intended for consumption at or away from the food provider's premises.
- (b) Single-Use Carryout Bags or Reusable Bags used by ~~Public Eating Establishments~~ or Nonprofit Charitable Reuse Organizations.
- (c) **Stores operating in a certified farmers' market registered in accordance with Section 47020 of the California Food and Agricultural Code.**

SECTION 7 (Recordkeeping and Inspection)

- (a) ~~Every Store shall keep complete and accurate records of the number of Recycled Paper Bags and the number of Reusable Bags purchased and sold each month at the Store during the period commencing July 1, 2012 and ending December 31, 2013. The store shall also keep complete and accurate records of the days on which free Reusable Bags are distributed pursuant to section 4(e) of this Ordinance. All records required by this Ordinance shall be available for inspection within 7 days of the Authority's request at no cost to the Authority during regular business hours by any Authority Representative authorized to enforce this Ordinance. Unless an alternative location or method of review is mutually agreed upon, the records or documents shall be available at the Store address.~~
- (b) ~~The provision of false information including incomplete records or documents to the Authority shall be a violation of this Ordinance.~~
- (c) ~~Authority Representatives are authorized to conduct any other inspections reasonably necessary to further the goals of this Ordinance, subject to applicable laws.~~

SECTION 87 (Enforcement and Phasing)

- (a) **Pre-enforcement Consultation.** An enforcement action shall not be taken in any Covered Jurisdiction without written approval from the Primary Enforcement Representative of that Covered Jurisdiction. The Primary Enforcement Representative

shall provide approval or disapproval of a proposed enforcement action in a timely manner.

- (b) **Administrative Enforcement.** Violation of any provision of this Ordinance shall constitute grounds for assessment of a notice of violation and fine by an Authority Representative in accordance with Government Code § 53069.4 or as the code shall subsequently be amended or reorganized. Where an enforcement action is necessary to enforce this Ordinance, the Enforcement Official will typically issue a notice of violation as authorized in this subsection prior to taking the actions authorized pursuant to sections ~~78~~(c) or ~~78~~(d) of this Ordinance. A separate notice of violation and fine may be imposed for each day on which a violation occurs. The fine shall not exceed the amounts detailed for misdemeanors in Section ~~78~~(d) of this Ordinance. The notice of violation shall list the specific violation and fine amount and describe how to pay the fine and how to request an administrative hearing to contest the notice of violation. The fine must be paid within 30 days of the notice of violation and must be deposited prior to any requested hearing. A hearing, by a hearing officer, will be held only if it is requested within 30 days of the notice of violation. Evidence may be presented at the hearing. If it is determined that no violation occurred, the amount of the fine shall be refunded within 30 days. The Authority shall serve the final order on the Person subject to the notice of violation by first class, overnight or certified mail.
- (c) **Civil Action.** Violation of any provision of this Ordinance may be enforced by a civil action including an action for injunctive relief.
- (d) **Infractions and Misdemeanors.** Violation of any provision of this Ordinance shall constitute a misdemeanor punishable by a fine not to exceed \$500 for the first violation, a fine not to exceed \$750 for the second violation within one year and a fine not to exceed \$1000 for each additional violation within one year. Violation of any provision of this Ordinance may also be enforced as an infraction punishable by a fine not to exceed \$100 for the first violation, a fine not to exceed \$200 for the second violation within one year and a fine not to exceed \$500 for each additional violation within one year. There shall be a separate offense for each day on which a violation occurs.
- (e) **Authorized Representatives.** Enforcement pursuant to this Ordinance may be undertaken by the Authority through its Executive Director, counsel, or any Authority Representative. In any enforcement action, the Authority shall be entitled to recover its attorneys' fees and costs from any Person who violates this Ordinance. **Authority Representatives are authorized to conduct any inspections reasonably necessary to further the goals of this Ordinance, subject to applicable laws.**
- (f) **Phasing. Notwithstanding the foregoing inspection and enforcement authorization** ~~Enforcement of this ordinance~~ **the amendments to this ordinance adopted by Ordinance 2016-02** shall be phased on the following schedule. Prior to January 1, 2013, **the date that a type of establishment will be considered a Store, those establishments** Stores will be notified and public education and outreach activities will take place. ~~Warnings and enforcement~~ **Enforcement** actions will be

taken as needed **beginning November 1, 2017 for Stores described in Section 3(r)(4) and beginning May 1, 2018 for Stores described in Section 3(r)(5)** January 1, 2013.

**SECTION 98** (Local Regulation and Opt-Out and Opt-In Provisions)

- (a) Local Regulation. Nothing in this Ordinance shall be construed to prohibit any Member Agency from enacting and enforcing ordinances and regulations regarding the distribution of Single-Use Carryout Bags and Reusable Bags, including more stringent requirements than those in this Ordinance.
- (b) Opt-Out Provision. Any Member Agency by a resolution of its governing body prior to ~~March 2, 2012 may choose to exclude its service area from this Ordinance~~ **December 9, 2016 may choose to exclude its service area from the amendments to Ordinance 2012-02 adopted by Ordinance 2016-02 on October 26, 2016.**
- (c) Opt-In Provision. Any Member Agency that chooses to exclude its service area may request of the Authority by a resolution of its governing board to be re- included in coverage of the Ordinance at any subsequent time. Such coverage under the Ordinance, however, shall not occur unless it is accepted in writing by the Enforcement Official or the Authority Board, and shall become effective only on the date specified in such written acceptance. Such acceptance shall not be unreasonably withheld or delayed.
- (d) Dispute Resolution. In the event of a dispute between the Authority and a Covered Jurisdiction regarding the implementation of this Ordinance, either party may request a meeting, in which case the Enforcement Official and the Primary Enforcement Representative for the Covered Jurisdiction (or other designee of the chief executive of the Covered Jurisdiction) shall meet to discuss implementation of the Ordinance. After such meeting, the parties may agree to enter into mediation to resolve any disputes between the parties related to implementation of the Ordinance. In addition, after meeting to seek to resolve any disputes between the parties and possible mediation, the Authority Board or the governing body of the Covered Jurisdiction, with at least 30 days public notice, may by resolution choose to exclude the service area of the Covered Jurisdiction from this Ordinance.

**SECTION 40 9** (Severability)

If any provision of this Ordinance or its application to any situation is held to be invalid, the invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

**SECTION 4110** (Notice and Verification)

This Ordinance shall be posted at the Authority Office after its second reading by the Board for at least thirty (30) days and shall become effective thirty (30) days after the second reading.



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
www.Hayward-CA.gov

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**File #:** CONS 16-651

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**DATE:** October 25, 2016

**TO:** Mayor and City Council

**FROM:** City Manager

**SUBJECT**

Approval of a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with the Hayward Area Recreation and Park District and the Hayward Unified School District for Various Programs in an amount not to exceed \$221,594

**RECOMMENDATION**

The Council approves a resolution (Attachment II) authorizing the City Manager to negotiate and execute an agreement with the Hayward Area Recreation and Park District (HARD) and the Hayward Unified School District (HUSD) for various programs in an amount not to exceed \$221,594.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Draft Agreement





DATE: October 25, 2016  
TO: Mayor and City Council  
FROM: City Manager

## SUBJECT

Approval of a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with the Hayward Area Recreation and Park District and the Hayward Unified School District for Various Programs in an amount not to exceed \$221,594

## RECOMMENDATION

The Council approves a resolution (Attachment II) authorizing the City Manager to negotiate and execute an agreement with the Hayward Area Recreation and Park District (HARD) and the Hayward Unified School District (HUSD) for various programs in an amount not to exceed \$221,594.

## BACKGROUND AND DISCUSSION

For the past seven years, the City, HARD, and HUSD have come together to provide funding for the operations for the Matt Jimenez Community Center (MJCC), operations for the Sunset Swim Center, and the personnel of the Volunteer Hayward Program. Below provides a summary of the services this contract will fund annually.

### Matt Jimenez Community Center (MJCC)

Total City Funding: \$178,620

The City will fund the operational costs the MJCC requires. This includes funding for program staff, communications, utilities, building repair and maintenance, and all other indirect (administrative) costs.

Under this contract, HARD will manage and facilitate the daily operations of the facility and will manage various programs including, but not limited to, after-school and summer programming.

### Sunset Swim Center

Total City Funding: \$9,000

The City will fund the operational costs the Sunset Swim Center requires. This includes funding for summer swim programs (i.e. instructors) as well as funding for maintenance, lifeguarding, and management personnel costs. This funding will also cover any costs for pool supplies, equipment, maintenance, permit fees, and security costs.

Under this contract, HARD will manage and facilitate the daily operations of the facility for a minimum of eight (8) weeks from June to August. HARD will also oversee all aquatic programs and services like swim lessons, and other aquatic programs.

Volunteer Hayward Program

Total City Funding: \$33,974

The City will fund 50% of the Volunteer Coordinator position with HUSD providing the remaining 50%. Specifically, for the City, this person will help assist in the coordination and implementation of the City's community engagement and emergency preparedness initiatives as well as other initiatives as assigned. Additionally, this person will develop and implement City and community-wide volunteer recognition activities and strategies as well as coordinate and assist in community outreach for other City sponsored programs, events and activities in coordination with other duties with HARD and HUSD.

Additionally, the Volunteer Coordinator will also help assist in HARD and HUSD volunteer programs, and assist in various programs like HUSD's "Made in Hayward" campaign and HARD's various annual special events like 10K on the Bay.

Attachment III is a copy of the agreement which includes all specifics for the Volunteer Coordinator position as well as funding obligations for the MJCC and Sunset Swim Center.

**FISCAL IMPACT**

The total annual cost of this contract is \$221,594. The contract contains provisions for automatic renewals up until June 30, 2019. The City will continue to budget for this contract up until that time. Funding will come from the City Manager's Office, Neighborhood Services Division.

**NEXT STEPS**

Following Council approval, the City Manager will execute the agreement, with all contractual services and responsibilities commencing immediately thereafter.

Prepared and Recommended by: John Stefanski, Management Analyst

Approved by:



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Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH THE HAYWARD AREA RECREATION AND PARK DISTRICT AND THE HAYWARD UNIFIED SCHOOL DISTRICT FOR VARIOUS PROGRAMS IN AN AMOUNT NOT TO EXCEED \$221,594.

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to negotiate and execute a joint services agreement with the Hayward Area Recreation and Park District and the Hayward Unified School District to provide funding for various programs as outlined in the accompanying staff report and attachments in an amount not to exceed \$221,594 annually, for a period not to exceed three (3) years, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward



City of Hayward,  
Hayward Area Park and Recreation School District, and  
Hayward Unified School District  
**SERVICES AGREEMENT**

THIS AGREEMENT, for convenience dated July 1, 2016, is entered into by and between:

- A. The CITY OF HAYWARD, a municipal corporation, hereinafter referred to as "CITY";
- B. The HAYWARD AREA RECREATION AND PARK DISTRICT, a special recreation and park district, separate and distinct from the CITY, hereinafter referred to as "HARD"; and
- C. The Hayward Unified School District, a public school district, hereinafter referred to as "HUSD."

**WITNESSETH**

WHEREAS, the City Council of the City of Hayward, by Resolution No. 16-###, dated October 25, 2016, directed the City Manager to negotiate and execute a joint agreement with HARD and HUSD to provide funding for various programs and activities; and,

WHEREAS, incorporated into this Services Agreement is a provision that creates a Volunteer Coordinator position; and,

WHEREAS, HUSD has indicated its interest and ability to contribute financial resources equal to that of the CITY, in the amount of \$33,974 per year, in order to provide the capacity to make the Volunteer Coordinator position a full time [40 hours per week] position that will equally serve the CITY, HARD, and HUSD; and,

WHEREAS, both the CITY and HARD stand to benefit from, and are agreeable to, the addition of HUSD as a partner agency in this Agreement as it pertains to the Volunteer Hayward Program; and,

WHEREAS, all of the programs and services described herein are permissible expenditures; and,

WHEREAS, the CITY, HARD and HUSD desire and are capable of performing the duties described in the attached Exhibit A, Work Program;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. The CITY, HARD and HUSD agree to perform all work and provide all services set forth in the Work Program (Exhibit A). All funds received by HARD from the CITY and HUSD under this Agreement shall be used for the sole purpose of carrying out the Work Program herein.
2. HARD agrees to maintain on a current basis complete records including books of original entry, source documents supporting accounting transactions, service records, a general ledger, canceled checks, and related documents and records to assure proper accounting of funds and performance of this Agreement. Such records and accounts shall include, but not be limited to an accounting of all other funds, receipts, and expenditures, of HARD. Such records shall be kept in a form approved by the CITY and HUSD, and shall be made available upon request to the City and / or HUSD.
3. HARD shall furnish any and all information and reports required by CITY and /or HUSD. HARD shall permit access to books, records, and accounts by CITY or HUSD or either party's representatives and employees, for the purposes of investigation to ascertain compliance with all applicable rules, regulations, and orders and for the purpose of evaluating and monitoring HARD's compliance with the provisions of this Agreement.
4. HARD shall submit performance reports in a format prescribed by the CITY and HUSD, at intervals as reflected in the Work Program (Exhibit A) describing the nature of services delivered and number of persons served in accordance with Exhibit A, Work Program. Such cash disbursement shall be in accordance with Exhibit B, Program Budget. The CITY and HUSD, respectively, will release funds after the performance report has been reviewed for compliance with standards set forth in Exhibit A.
5. CITY, HUSD, and HARD shall have access to the names, addresses, and phone numbers, if any, of all persons served under this Agreement, which may be used exclusively for the sole purpose of soliciting client comments relevant to the evaluation and monitoring authorized by Paragraph 3. Provided further, that each party shall have the authority to waive this provision in cases where bona fide interests of confidentiality will be served thereby.

6. Allowable compensation for services rendered by HARD to CITY and HUSD is set forth in Exhibit B, Program Budget. CITY and HUSD shall provide funding to HARD in accordance with all applicable regulations and procedures for amounts not to exceed the levels shown below for satisfactory performance of each part of Exhibit A, as follows:

	<u>Description:</u>	<u>Amount:</u>	<u>Source:</u>
Part A:	Matt Jimenez Community Center: Operations Subsidy.....	\$178,620	CITY
Part B:	Sunset Swim Center.....	\$9,000	CITY
Part C:	Volunteer Hayward Volunteer Coordinator .....	\$33,974 \$33,974	CITY HUSD
Sub-total Paid by City to HARD:		\$221,594	CITY
Sub-total Paid by HUSD to HARD:		\$33,974	HUSD
<b>Total Paid to HARD:</b>		<b>\$255,568</b>	<b>CITY and HUSD</b>

7. This Agreement shall be subject to the availability of the funds identified above.
8. HARD shall not apply sums received from the CITY or HUSD with respect to that portion of any of its obligations which has been or should be paid by another source of revenue.
9. Any amounts paid to HARD from State or Federal agencies as rebates (e.g., for overpayment of employee benefits), from utility or insurance companies, or from any other source for which the CITY or HUSD has paid under this Agreement shall be refunded to CITY or HUSD as applicable within ten (10) days of receipt by HARD.
10. HARD shall be provided CITY and HUSD funds only for services outlined in the Work Program for eligible Hayward residents during the period of this Agreement which shall begin on July 1, 2016 and end on June 30, 2017. Additionally, if funds are available, and if all terms and conditions agreed to under this Agreement remain unchanged, all parties agree to an automatic extension of this Agreement for the subsequent one year period that shall begin on July 1, 2017 and end on June 30, 2018; and again for the subsequent one year period beginning July 1, 2018 through June 30, 2019. Any change in the terms and conditions must be agreed to in writing and signed by authorized representatives of all concerned parties to this Agreement prior to going into effect. Furthermore, the CITY and HUSD shall have the authority to extend the program period for no more than 60 days in any case where amounts obligated pursuant to this Agreement remain unexpended at the end of the Agreement periods established hereby.

11. HARD agrees to maintain, and fully disclose to the CITY and HUSD upon request, records of all program income derived from activities partially or fully funded under this Agreement. Program income includes, but is not limited to, proceeds from the sale of real or personal property, gross income from sale of services or commodities, usage or rental fees, interest, and royalties on patents and copyrights. In accordance with applicable federal regulations, program income received by the HARD for services rendered under this Agreement, where City administered federal funds (including Community Development Block Grant - CDBG - funds) are used in support of said program or services, must either be returned to the City or authorized each year by the City for HARD'S use which must benefit CDBG eligible – low-income – people.
12. HARD shall provide for its employees' income tax withholding and benefits as may be required by State and Federal law.
13. HARD agrees to hold harmless, indemnify, and to defend the CITY and HUSD and their respective officers, employees, agents, and volunteers from any and all claims for injury or damage of whatever type brought by or on behalf of any third party, including, but not limited to, HARD's officers, employees, and agents, arising from or connected with any acts or omissions in the performance of this Agreement by HARD and to pay all claims, damages, judgments, legal costs, adjuster fees, and attorney fees related thereto, except from any such claim arising solely out of negligent acts or omissions attributable to the CITY or HUSD or their respective officers, employees, agents, and volunteers. HARD shall maintain insurance policies of the type and on the conditions described in Exhibit C.
14. None of the work to be performed by HARD shall be subcontracted without prior written consent of CITY and HUSD. HARD shall be as fully responsible to CITY and HUSD for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as he/she is for the acts and omissions of persons directly employed by him/her. Subcontractors shall procure and maintain in full force and effect all insurances, endorsements, and applicable limits as are required of HARD in Exhibit C or otherwise approved by CITY and HUSD. These insurances shall fully protect the CITY, HUSD, HARD, and Subcontractors until the completion and acceptance of Subcontractor's work, as a whole. Subcontractor shall, prior to commencement of work, deliver HARD certificates of insurance affording full information as to coverage and HARD shall deliver the certificates to the CITY and HUSD for approval. HARD shall be properly insured to a minimum of having workers' compensation, comprehensive general liability, comprehensive automobile liability, and professional liability. HARD shall not transfer any interest in this Agreement (whether by assignment or novation) without the prior written approval of CITY and HUSD. No party shall, on the basis of this Agreement, encumber or in any way contract on behalf of, or in the name of, the other party to the Agreement, and any attempted violation of the provisions of this sentence shall confer no rights, and shall be void.
15. If, through any cause, HARD, the City, or HUSD shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if any party to this Agreement shall violate any of the covenants, agreements, or stipulations of the Agreement, the other parties shall thereupon have the right to terminate this Agreement by giving written notice to the other

parties of such termination by specifying the effective date thereof, which shall be at least five days before the effective date of such termination. Without prejudice to the foregoing, HARD agrees that if prior to the termination or expiration of this Agreement upon any final or interim audit by CITY or HUSD, or otherwise, it shall be disclosed to, or determined by CITY or HUSD, that HARD shall have failed in any way to comply with any requirements of this Agreement, HARD shall forthwith bring itself into compliance and shall pay to CITY and HUSD forthwith whatever sums are so disclosed to be due to CITY or HUSD respectively (or shall, at CITY's and HUSD's election permit CITY and HUSD to deduct such sums from whatever amounts remain undisbursed by CITY and HUSD to HARD pursuant to this Agreement). If this Agreement shall have terminated or expired, and it shall be disclosed upon such audit, or otherwise, that such failure shall have occurred, then HARD shall pay to CITY and HUSD forthwith whatever sums are so disclosed to, or determined by CITY and HUSD, to be due to CITY and/or HUSD. Anything in this Agreement to the contrary notwithstanding, all parties to this Agreement shall have the right to terminate this Agreement with or without cause at any time upon giving the other parties at least 30 days written notice prior to the effective date of such termination.

16. If not already adopted, within 30 days following the date of this Agreement, HARD's Board of Directors shall adopt a resolution or have in place an active policy and procedure that is substantially similar to the following:
  - a. Be it resolved by the Hayward Area Recreation and Park District that it shall not discriminate against any employee or applicant for employment because of race, color, national origin, religion, gender, sexual orientation, age, marital status, familial status, disability, or human immunodeficiency virus (HIV) status.
  - b. In addition, the Hayward Area Recreation and Park District shall provide no religious instruction or counseling, conduct no religious worship services, engage in no religious proselytizing, and exert no other religious influence in the provision of services paid for by the CITY or HUSD.
  - c. As used in this Agreement, the term "human immunodeficiency virus status" includes any perception that a person is suffering from the medical conditions commonly referred to as AIDS (Acquired Immune Deficiency Syndrome). A copy of said resolution or policy and procedure shall be submitted to CITY and/or HUSD upon request.
17. HARD agrees that no person shall, on the grounds of race, color, national origin, religion, sex, sexual orientation, human immunodeficiency virus (HIV) status, age, marital status, familial status, or handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available to HARD pursuant to this Agreement. HARD shall not, on the grounds of race, color, national origin, religion, sex, sexual orientation, human immunodeficiency virus (HIV) status, age, marital status, familial status, or handicap:
  - a. Deny any service or other benefit provided under the program or activity;



- b. Provide any service or other benefit which is different, or is provided in a different form from that provided to others under the program or activity;
  - c. Subject to segregated or separate treatment in any facility, or in any matter or process related to receipt of any service or benefit under the program or activity;
  - d. Restrict in any way the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit under the program or activity;
  - e. Treat an individual differently from others in determining whether he/she satisfies any admission, enrollment, eligibility, membership or other requirement or condition which individuals must meet in order to be provided any service or other benefit provided under the program or activity; or
  - f. Deny an opportunity to participate in a program or activity as an employee; provided, however, that nothing in this paragraph shall prevent HARD from taking any action to ameliorate an imbalance in services or facilities provided to any geographic area or specific group of persons, where the purpose of such action is to overcome prior discriminatory practice or usage, and provided, further, that nothing in this paragraph shall be construed to prohibit HARD from maintaining or constructing separate living facilities or restroom facilities for the different sexes.
18. HARD shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, human immunodeficiency virus status, national origin, age, marital status, familial status, or handicap. HARD shall make every effort to insure that applicants for employment are employed and employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, human immunodeficiency virus (HIV) status, national origin, age, marital status, familial status, or handicap. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. HARD shall post in conspicuous places, available to employees and applicants for employment, notices of this nondiscrimination clause. HARD shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, human immunodeficiency virus (HIV) status, national origin, age, marital status, familial status, or handicap. HARD shall incorporate the foregoing requirements of this paragraph in all of its Agreements for program work, and shall require all of its subcontractors for such work to incorporate such requirements in all subcontracts for program work.
19. No qualified handicapped person shall, solely on the basis of handicap, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity receiving funds under this Agreement. HARD shall not, solely on

the basis of handicap, deny a qualified handicapped person the opportunity to participate in or benefit from the aid, benefit, or service provided under this Agreement. The aid, benefit, or service must be equivalent to and as effective as that provided to others, and may be different or separate from that provided to others, only if such action is necessary to provide equivalent and effective aid, benefit, or service to qualified handicapped persons. HARD may not deny a qualified handicapped person the opportunity to participate in programs or activities that are not separate or different despite the existence of separate or different programs or activities designed specifically for the handicapped. Also HARD shall ensure that communications with their applicants, employees, and beneficiaries are available to persons with impaired vision and/or hearing and that access to HARD's services is in compliance with the requirements of the American's with Disabilities Act of 1990.

- a. If reasonable accommodation of disabled employees or beneficiaries poses an undue hardship on the operation of HARD or the funded program, HARD may apply in writing to the Director of the City Manager for a waiver.
  - b. Nothing in the above paragraph prohibits HARD from applying for and receiving any exception or waiver available by law.
  - c. HARD shall make available to employees, participants, beneficiaries, and other interested persons, such information regarding HARD's nondiscrimination policies, procedures, and responsibilities, as HARD or CITY or HUSD finds necessary to apprise such persons of the protections against discrimination assured them under this Agreement. HARD shall also notify such persons of their right to seek redress of alleged violations, under this Agreement, of 31 C.F.R. 51.55 (d) (2) implementing Section 504 of the Rehabilitation Act of 1973 or violations of 24 C.F.R. Part 41 by filing a written complaint with the City Manager within 90 days of the date the complainant becomes aware of the alleged discrimination.
20. HARD agrees that no Federal appropriated funds have been paid, or will be paid by, or on behalf of, HARD, to any person for influencing, or attempting to influence, an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement as noted in Exhibit D.
21. HARD agrees that if any funds other than Federal appropriated funds have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, HARD shall complete and submit Standard Form-LLL, "Anti-Lobbying Certification", or Exhibit D, in accordance with its instructions.
22. HARD agrees that no member, officer or employee of CITY, or its designees or agents, no member of the governing body of CITY and no other public official of CITY who exercises any functions of responsibilities with respect to the HARD and its programs and services

during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in this Agreement, or the process thereof. "Interest" here includes, but is not limited to, serving on the Board of Directors of HARD, leasing property to HARD, and being employed by HARD under this Agreement.

23. HARD, and any CITY and HUSD approved subcontractors, shall not hire, or permit the hiring of, any person if that person or a member of that person's immediate family has an administrative or policy making position with the HARD. The term "immediate family" means wife, husband, son, daughter, mother, father, grandmother, grandfather, brother, sister, and in-law relationships. The term "administrative capacity" means persons who have selection, hiring, or supervisory responsibilities for employees of HARD. The term "policy making" capacity means membership on the board of directors, advisory boards and committees or a similar position with HARD any parent or subsidiary organization of the HARD.
24. HARD agrees that the language in paragraph 22 and 23 shall be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.
25. HARD shall comply with the "City of Hayward Nondiscriminatory Employment Practices Provision" and "Special Affirmative Action Provision for Supply and Service Contracts", copies of which are attached hereto and incorporated herein by reference as Exhibit E and, where applicable, cause its subcontractors in excess of \$10,000 to do the same.
26. HARD agrees to the terms and conditions of the Affirmation of Non-Involvement in Development or Production of Nuclear Weapons, an executed copy of which is attached hereto as Exhibit F and incorporated herein.
27. Because the amount set forth in Section 6 of this Agreement is \$25,000 or greater, HARD agrees to comply with the City of Hayward Living Wage Ordinance, Article 14 of Chapter 2 of the Hayward Municipal Code, a copy of which is attached hereto, and incorporated herein by reference as Exhibit G.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the day and year set forth below their respective signatures.

Hayward Area Recreation and  
Park District - 1099 E Street,  
Hayward, CA 94541

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Paul McCreary, General Manager

Hayward Unified School District  
24411 Amador Street  
Hayward, CA 94544

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Matt Wayne, Acting Superintendent  
Hayward Unified School District  
Board of Education Approved  
August 10, 2016

City of Hayward  
777 B Street  
Hayward, CA 94541

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Kelly McAdoo, City Manager

Attest: \_\_\_\_\_  
City of Hayward - City Clerk

Approved as to Form:  
City of Hayward - City Attorney's Office:

By: \_\_\_\_\_  
Raymond Rollan, Deputy City Attorney

**WORK PROGRAM  
HAYWARD AREA RECREATION AND PARK DISTRICT (HARD)**

**STATEMENT OF PURPOSE**

This Agreement is entered into between the CITY and the HAYWARD AREA RECREATION AND PARK DISTRICT (HARD) and the Hayward Unified School District (HUSD) in order to define the levels of participation and expectations of each Agency in continued support of the public services described in parts herein.

**Part A: Matt Jimenez Community Center (MJCC) – Operations:**

- 1. City of Hayward:** The City will pay up to \$178,620 to help maintain the programs, events and additional costs associated with operating a community center (including program staff, communications (phone, alarm, internet access, etc.), PG&E, building repair and maintenance, operation supplies, custodial services, waste management services, water, and other indirect administrative costs required to operate MJCC events, programs and services as described in Part A. 2. below).
  
- 2. Hayward Area Recreation and Park District:** Will manage and facilitate the day-to-day operations of the MJCC facility, including all record keeping as may be required by the City and other applicable funding agents, and the provision of events, programs and services at the facility that meet identified community needs. A mixture of social, education, and recreation programming and community services that may include fee-based, reduced fee-based, and free programming will be offered in accordance with the requirements of this Agreement. The core programs that will be provided include:
  - A. After-school programs:** Will operate on Monday, Tuesday, Thursday, and Friday during the school year from 3pm to 7pm, and on Wednesdays from 1pm to 7pm (in order to accommodate early school release days); and
  
  - B. Summer Programs:** Will operate for school-age Hayward youth (7 yrs. to 17 yrs. of age) from 12 noon to 6pm, Monday – Friday of each week during the summer months when public schools are not in session.

**Part B: Sunset Swim Center – Operations:**

1. **City of Hayward:** The City will pay up to **\$9,000** to help maintain a Summer Swim Programs, including: Personnel expenses associated with Pool Maintenance Staff, Lifeguards, Instructors and Pool Managers; and related Pool Equipment, Maintenance/Repair Services, Permit Fees, Supplies, and Security costs.
2. **Hayward Area Recreation and Park District:** Will manage and facilitate the day-to-day operations of the Hayward Sunset Swim Center in accordance with related health and safety laws and regulations during the Summer Season for a minimum of 8 weeks (June 2016 to August 2016 for the first period, June 2017 to August 2017 for the second period, and June 2018 to August 2018 for the third year) and will offer the following service hours: Monday - Thursday, 9am to 7pm; Friday, 9am to 3pm; Saturday, 10am to 3pm; and closed on Sundays (Service Dates and Hours are subject to change upon mutual documented agreement between the City and HARD).
3. **Aquatic programs and services:** Will be designed to meet the aquatic needs and interests of the community and will include, but not be limited to: Open Public Swim, Swim Lessons for children and adults, Competitive Swim Lessons/Events, and other related pool programs and services. Fee-based, reduced fee-based, and free aquatic programs and services will be offered.

**Part C: VOLUNTEER HAYWARD PROGRAM:**

1. **Hayward Area Recreation and Park District:** Will serve as the Lead Agency for the *Volunteer Hayward!* (Program), and as such will serve as the Employer of Record for the Volunteer Coordinator position. The Volunteer Coordinator will be primarily responsible for program implementation on behalf of HARD, HUSD and the City. It is hereby mutually agreed that:
  - A. The selection of the individual employed to serve as the *Volunteer Hayward!* (Volunteer) Coordinator must be selected by, and mutually acceptable to, HARD, CITY, and HUSD, during the term of this Agreement; and
  - B. HARD will pay applicable employment taxes and employee benefits in accordance with HARD Personnel Policies and Procedures in support of a Volunteer Coordinator to carryout activities described in Section 3 below on behalf of HUSD and the City. Additionally, HARD will provide to the Volunteer Coordinator:
    - 1) Office space and associated equipment to include clerical support and volunteer support (interns, etc.).
    - 2) Office supplies and telephone and cell phone reimbursement.

- 3) Mileage reimbursement.
- 4) Use of HARD volunteer program and recording formats.
- 5) Printing of volunteer applications, flyers, and related promotional materials.
- 6) Postage and other associated overhead expenses.

C. Additionally, a HARD representative shall be appointed who will:

- 1) Serve as the direct supervisor of the Volunteer Coordinator with regard to the services provided to HARD under this Agreement;
- 2) Serve as HARD's representative on the *Volunteer Hayward!* Program Advisory and Coordination Committee;
- 3) Coordinate with HUSD and the City on the implementation of mutual Program goals, and Program goals that are specific to each agency, as outlined in Section 3 below; and
- 4) Serve as HARD's liaison between the Volunteer Coordinator and various HARD Departments/Programs as appropriate.

2. **CITY and HUSD:** The City and HUSD will, respectively, pay up to **\$33,974** in support of a Volunteer Coordinator to carryout activities described in Section 3 below on behalf of the CITY and HUSD, respectively. Additionally, a CITY and an HUSD representative shall be appointed to:

- A. Serve as the direct oversight manager to the Volunteer Coordinator with regard to services provided to the City and HUSD, respectively;
- B. Serve as the City's and HUSD's representative on the *Volunteer Hayward!* Program Advisory and Coordination Committee;
- C. Coordinate with one another and HARD on the implementation of mutual Program goals, and Program goals that are specific to each agency, as outlined in Section 3 below; and
- D. Serve as liaisons between the Volunteer Coordinator and other Departments/Programs for each respective agency as applicable.

### **3. Scope of Work: VOLUNTEER HAYWARD PROGRAM GOALS:**

#### **A. Mutual Agency Goals for Jointly Coordinated Volunteer Hayward Program: The Volunteer Coordinator will:**

- 1) Provide equal time to each agency to develop volunteer program opportunities, related administrative procedures, and the placement of volunteers at each Agency. When appropriate and feasible, the Volunteer Coordinator will also refer volunteer applicants to other known volunteer opportunities in nonprofit service agencies serving the Hayward community.
- 2) Develop annual calendar for anchor events.
- 3) Develop consistent recruiting campaigns, strategies and marketing efforts to recruit volunteers for each agency. This includes outreach for volunteers from diverse cultures represented in the Hayward community, including communities that speak languages other than English. Also includes volunteer opportunity publication materials targeted to corporate, college and university volunteer participation.
- 4) Keep each agency's Volunteer Manuals, Brochures, Flyers and other related volunteer recruitment media, forms and materials current.
- 5) Match volunteers' skills, knowledge, interests, and availability with ongoing and special project volunteer opportunities within each agency.
- 6) Insure that each agency's volunteer policies and procedures are in accordance with applicable laws, regulations, and other legal requirements.
- 7) Provide information and technical assistance to "Site Volunteer Supervisors" in each agency as needed.
- 8) Maintain a database of vacant and filled volunteer positions within each agency, as well as related financial and volunteer records – including referral and placement information in a standardized form.
- 9) Coordinate and disseminate information regarding volunteer awards, training, and other relevant information to Site Volunteer Supervisors.
- 10) Provide an annual report, in consultation with each Agency Liaison, summarizing performance accomplishments.



- 11) Secure and coordinate the delivery of resources for the annual Adopt-A-Family, Week of Caring, Celebrity Waiter, and/or other programs/ community events as may be mutually established by all parties to this Agreement in the future. This includes outreach to corporate, small businesses, and service/community groups as appropriate to support these and other *Volunteer Hayward!* activities.
- 12) Update volunteer manual for all three agencies.
- 13) Develop and implement internship Service- Learning Program resulting in the placement of student volunteers in various departments within each agency (based on the opportunities developed within each agency), and which provides both a learning experience appropriate for the student “interns” and provides assistance to each agency in terms of carrying out programs and services to the public (without undermining, interfering with, or substituting for the duties and functions of each agency’s personnel).
- 14) Seek additional grant funding and donations of financial and other resources to supplement and expand the *Volunteer Hayward!* Program. This includes the development of proposals to each agency to implement new volunteer programs and services.
- 15) Serve on the Annual Volunteer Recognition Dinner Planning Committee and the Annual Martin Luther King Day Event Planning Committee.

**B. Agency Specific Goals:**

**1) Hayward Area Recreation and Park District:**

- a. Assist with the coordination of the district-wide Volunteer Program Administration.
- b. Establish partnerships and conduct fundraising efforts with area corporations, businesses and community groups in support of annual on-going programs and special events to include, but not limited to (the specific events are subject to change): Holiday-Adopt-A-Family, Latter Day Saints, Easter Egg Bonnet Parade, HARD Volunteer Recruitment Event, 10K on the Bay, HARD’s Liaison to Youth Commission, and other HARD sponsored events.
- c. Coordinate and assist in community outreach for other HARD sponsored programs, events, and activities as appropriate, and in coordination with, other duties performed for all parties under the AGREEMENT.

**2) City of Hayward:**

- a. Under the supervision of the Assistant to the City Manager/ Neighborhood Services Manager, or other assigned City personnel, assist with the coordination and implementation of the City's community engagement, emergency preparedness, and other activities as assigned.
- b. Develop and implement City and community-wide volunteer recognition activities and strategies, including: National Volunteer Week, the Annual City Volunteer Reception and Recognition Ceremony; and other volunteer related special projects and special events as assigned.
- c. Coordinate and assist in community outreach for other CITY sponsored programs, events, and activities as appropriate, and in coordination with, other duties performed for all parties under the AGREEMENT.

**3) Hayward Unified School District:**

- a. Under the supervision of assigned HUSD personnel, assist with the coordination and implementation of the "*Made in Hayward*" Campaign, and other future HUSD initiatives that may be developed.
- b. Establish partnerships with other community organizations and public agencies to collaborate with, and assist with the outreach and implementation of the HUSD Child Welfare and Attendance Department's Attendance Program, and other HUSD programs as assigned.
- c. Coordinate and assist in community outreach for other HUSD sponsored programs, events, and activities as appropriate, and in coordination with, other duties performed for all parties under the AGREEMENT.

**REPORTING REQUIREMENTS****Part A: Matt Jimenez Community Center (MJCC); and****Part B: Sunset Swim Center:****1. Demographics - (Please report for each person served):**

- A. Number of total (unduplicated) persons served
- B. Residency of each person served
- C. For Each Hayward Resident Served:
  - 1) Racial/Ethnic (per format provided by City)

- 2) Gender
- 3) Age
- 4) Number of Hayward residents served with disabilities.

**REPORTING REQUIREMENTS, Part A and Part B, continued:**

**2. Household Characteristics:**

- A. Income Level (by categories noted below):
  - 1) low (50%-80% of Median Income)
  - 2) very low (30%-50% of Median Income)
  - 3) extremely low (less than 30% of Median Income)
- B. Number of single female heads of household with minor children
- C. Number of families with children under 18 years
- D. Size of Household:
  - 1) 5 or more
  - 2) 4 or less

**3. Program Outcomes:**

- A. A listing of each program component for Part A and Part B respectively;
- B. A description of program achievements; and
- C. A description of challenges experienced during the reporting and strategies developed to address the noted challenges.

**REPORTING REQUIREMENTS, PART C: VOLUNTEER HAYWARD PROGRAM:**

The Volunteer Coordinator will be responsible for the submission of the reporting requirements for this portion of the Agreement in accordance with the Reporting Periods described below. The content of each report shall include, but not necessarily be limited to:

1. The ***number of volunteers recruited and placed*** at each agency (i.e., HARD, HUSD and the CITY), and a description of the recruitment activities conducted;
2. A brief description of all ***Special Events*** and ***Special Projects*** conducted during the reporting period for each agency, including dates and location of each; the number of volunteers working at each event / project; and (if feasible) the number of residents participating/benefitting from each event / project;
3. The ***resource development activities conducted***, including: the fund development strategies carried out, and the amount of funds requested and received from each funding source; and

4. A brief description of the *Administrative Activities conducted*, including: any recommended policies and procedures developed pertaining to the Volunteer Hayward Program, record keeping systems developed and implemented; and a listing of submitted reports to other funding agents.

#### **MONITORING AND EVALUATION**

The CITY and /or HUSD may assign a staff liaison to visit the project site periodically to review records and observe activities. HARD will provide clients' names, addresses, and telephone numbers to designated City / HUSD liaison(s) in accordance with applicable federal laws and regulations.

#### **REPORTING PERIODS FOR PARTS A, B, AND C:**

The above reports shall be submitted at least twice a year, once after the first 6 months of operation (due by January 31 for the prior six months – July through December); and a year-end report due by August 31 for the prior 12 month period – July through June). A City and HUSD approved invoice will be submitted with each report, and payment made in accordance with Exhibit B for each service area rendered based on satisfactory performance. Alternative, mutually agreeable, reporting and payment periods may be established.

#### **PAYMENT TERMS:**

Payment will be made within 30 days of receipt of an approved invoice and performance report, in accordance with the terms and conditions of this executed Agreement.

**PROGRAM BUDGETS**

	<u>Description:</u>	<u>Amount:</u>	<u>Source:</u>
Part A:	Matt Jimenez Community Center: Operations Subsidy.....	\$178,620	CITY
Part B:	Sunset Swim Center.....	\$9,000	CITY
Part C:	Volunteer Hayward Volunteer Coordinator .....	\$33,974 \$33,974	CITY HUSD
Sub-total Paid by City to HARD:		\$221,594	CITY
Sub-total Paid by HUSD to HARD:		\$33,974	HUSD
<b>Total Paid to HARD:</b>		<b>\$255,568</b>	<b>CITY and HUSD</b>



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** CONS 16-667

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**DATE:** October 25, 2016

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Resolution Accepting the Resignation of Mr. Sid Hamadeh from the Downtown Hayward Business Improvement Area Advisory Board

**RECOMMENDATION**

That the City Council adopts a resolution accepting the resignation of Mr. Sid Hamadeh from the Downtown Hayward Business Improvement Area Advisory Board.

**ATTACHMENTS**

Attachment I Staff Report  
Attachment II Resolution  
Attachment III Resignation Letter



DATE: October 25, 2016  
TO: Mayor and City Council  
FROM: City Clerk

**SUBJECT**

Resolution Accepting the Resignation of Mr. Sid Hamadeh from the Downtown Hayward Business Improvement Area Advisory Board

**RECOMMENDATION**

That the City Council adopts a resolution accepting the written resignation of Mr. Sid Hamadeh from the Downtown Hayward Business Improvement Area Advisory Board.

**BACKGROUND AND DISCUSSION**

Mr. Sid Hamadeh was appointed to the Downtown Hayward Business Improvement Area Advisory Board on September 16, 2014. Mr. Hamadeh's resignation letter is provided as Attachment III. Mr. Hamadeh's resignation becomes effective immediately and his vacated position will be filled as part of the annual appointment process for the City's appointed officials to Boards, Commissions, Committees and Task Forces.

Prepared and Recommended by: Miriam Lens, City Clerk

Approved by:

---

Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION No. 16-

Introduced by Council Member \_\_\_\_\_

RESOLUTION ACCEPTING THE RESIGNATION OF SID HAMADEH FROM THE  
DOWNTOWN HAYWARD BUSINESS IMPROVEMENT AREA ADVISORY BOARD

WHEREAS, Mr. Sid Hamadeh was appointed to the Downtown Hayward Business  
Improvement Area Advisory Board on September 16, 2014;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that  
the Council hereby accepts the resignations of Sid Hamadeh from the Downtown Hayward  
Business Improvement Area Advisory Board; and commends her for her civic service to the  
City.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2016.

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward



Dear Mayor Halliday and distinguished city council members,

This is to inform you that as of October 18 I am resigning as a co-chair and a member of DBIA.

I thank you for the opportunity and in putting your trust in me for this role.

It was a great opportunity to serve Hayward's Downtown business community and being part of many programs and events.

I also would like to thank the staff of Economic Development office for their support.

Sincerely

Sid Hamadeh



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** CONS 16-668

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**DATE:** October 25, 2016

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT**

Amendment to Professional Services Agreement with RossDrulisCusenbery for Police Administration Building Needs Assessment Study

**RECOMMENDATION**

That Council adopts a resolution authorizing the City Manager to amend the Police Needs Assessment agreement with RossDrulisCusenbery for an increase of \$75,000 to cover additional study costs.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution



DATE: October 25, 2016  
TO: Mayor and City Council  
FROM: Director of Public Works

## SUBJECT

Amendment to Professional Services Agreement with RossDrulisCusenbery for Police Administration Building Needs Assessment Study

## RECOMMENDATION

That Council adopts a resolution authorizing the City Manager to amend the Police Needs Assessment agreement with RossDrulisCusenbery for an increase of \$75,000 to cover additional study costs.

## BACKGROUND

The approximately 39,000 square-foot Hayward Police Department administration facility on Winton Avenue was completed in 1975. In 2003, almost 2,000 square feet of additional office space was added to the administration building to accommodate the Youth and Family Services program, as well as the Communications Center. This forty-one year old building and the subsequent expansion no longer meets the space, operational, and security needs of the department. Policing operations are hampered by lack of space and outdated interior planning. Teams that should work closely together are separated with the use of modular buildings outside the main building. Further, there is insufficient parking to accommodate department and staff vehicles. Prudent investment in an adequately sized replacement building in the near future will ensure that the department can efficiently and cost-effectively meet the needs of the community for many years into the future and ensure that the department has the facilities to accommodate the most up to date policing technology and service methodologies.

On December 17, 2013, the City Council authorized the City Manager to negotiate and execute an agreement with RossDrulisCusenbery Architecture (RDC) for Professional Services for the facilities needs assessment study and master planning for the Police Administration Building, along with a similar study for six Fire Stations and the Fire Training Center.

## DISCUSSION

On April 26, 2016, the City Council received a report on the Police Administration Building Needs Assessment Progress and provided direction for additional study. The additional scope

has been defined and staff now recommends approval of a resolution authorizing the City Manager to amend the agreement with RDC. The additional scope would provide an evaluation of the existing building’s structural system and options for its renovation and/or expansion as follows:

- 1) Renovation/expansion with the current projected space needs for 2040, including a construction phasing plan and a Police Department temporary accommodation plan;
- 2) Renovation/expansion with consolidation of other remotely located facilities. Same as Item 1 with additional expansion to accommodate functions such as the Animal Shelter, Property and Evidence Warehouse, Fitness Room and/or Long-Gun Range;
- 3) Update the completed study option to demolish and reconstruct the existing building based on any new information; and
- 4) Explore the potential adaptation and reuse of the existing hospital building at the previous Kaiser Hospital Campus.

### FISCAL IMPACT

The estimated cost to complete the initial study is as follows:

Initial Professional Services Agreement (Police & Fire Needs Assessment Study):	\$200,000
City Staff:	\$20,000
This Amendment (Police):	\$75,000
City Staff:	\$10,000
<b>Total</b>	<b>\$305,000</b>

The City Facilities Needs Assessment Project in the adopted FY17 Capital Improvement Program has sufficient funds for this amendment.

### PUBLIC CONTACT

Upon completion of the Needs Assessment Study and identification of feasible options, staff will return to Council for further direction. As the project moves forward from that point, staff will conduct appropriate community meetings for comments and input on next steps.

### NEXT STEPS

After completion of the draft study, staff will report findings to City Council during the spring of 2017.

Prepared by: Yaw Owusu, Assistant City Engineer

Recommended by: Morad Fakhrai, Director of Public Works

Approved by:

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

---

Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH ROSSDRULISCUSENBERRY ARCHITECTURE FOR ADDITIONAL SERVICES ASSOCIATED WITH THE POLICE ADMINISTRATION BUILDING NEEDS ASSESSMENT STUDY

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to negotiate and execute, on behalf of the City of Hazard, an amendment to the agreement with RossDrulisCusenbery Architecture for additional professional services associated with the Police Administration Needs Assessment Study, in an additional amount not-to-exceed \$75,000, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward



# CITY OF HAYWARD

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**File #:** WS 16-062

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**DATE:** October 25, 2016

**TO:** Mayor and City Council

**FROM:** Director of Human Resources

**SUBJECT**

Report Regarding Updates to the Patient Protection and Affordable Care Act and Impacts to the City of Hayward

**RECOMMENDATION**

That the City Council reviews and comments on this report regarding updates to the Patient Protection and Affordable Care Act and impacts to the City of Hayward and its employees.

**ATTACHMENTS**

Attachment I Staff Report



DATE: October 25, 2016  
TO: Mayor and City Council  
FROM: Director of Human Resources

## SUBJECT

Report Regarding Updates to the Patient Protection and Affordable Care Act and Impacts to the City of Hayward

## RECOMMENDATION

That the City Council reviews and comments on this report regarding updates to the Patient Protection and Affordable Care Act and impacts to the City of Hayward and its employees.

## BACKGROUND

In March 2010, President Obama signed comprehensive health reform, the Patient Protection and Affordable Care Act (PPACA), into law with the stated intention of assuring that all Americans have access to affordable health insurance by increasing the quality and affordability of health insurance.

The goal of the PPACA is to achieve a necessary transformation of health insurance in the United States. Three major elements to assist in achieving this reform were identified: 1) shared responsibility with employers; 2) complete insurance market reform; and 3) enrollment by all Americans in health coverage. While Human Resources staff is actively monitoring and participating in regional discussions and efforts to reform the health insurance market, this report will focus on the impacts of shared responsibilities of the employer as mandated by the PPACA.

## DISCUSSION

The City of Hayward contracts with the California Public Employees Retirement System (CalPERS) as its plan administrator to provide medical benefits for nearly 875 employees and 600 retirees and survivors enrolled in medical benefits. As the City's administrator, CalPERS has actively monitored the law and implemented changes accordingly. For example, new fee requirements have been factored into the health plan premiums, eliminating the need for employers to take action related to these provisions of the PPACA.

Table 1 summarizes the major components of the PPACA impacting the City and is followed by a detailed discussion of each.



Table 1: Components of PPACA impacting City of Hayward

Provisions of Affordable Care Act	Responsible Party	Effective Date	Cost to City
Pay or Play – Employers with more than 50 employees must offer "minimum essential coverage" to "substantially all" full-time employees and dependents or pay tax penalties	City of Hayward	1/1/2015	Up to \$2,000/Per Employee Per Month
IRS Reporting – Employers are required to report information about coverage to covered employees and to the IRS; CalPERS is required to provide enrollment information (for employees and retirees) to covered individuals and to the IRS; individuals are required to show proof of coverage for self and dependents	City of Hayward; CalPERS; and individuals	2016	Approx. \$12,600 Annually
Cadillac Tax – a 40% excise tax on health plan premiums exceeding the estimated thresholds in 2020 <sup>1</sup> (\$10,200 Single/\$27,500 Family)	City of Hayward	Delayed to 2020	Approx. \$568,000 Annually

<sup>1</sup> Thresholds are as of 2016 and are subject to change

Pay or Play – Employer Shared Responsibility

Pay or Play is a requirement for large employers to offer comprehensive and affordable benefits to “substantially all” full-time employees. A large employer is defined as having 50 or more full-time employees and full-time employees are those employees working 30 hours or more per week, or 130 hours or more per month. As a large employer, the City of Hayward must offer comprehensive and affordable benefits to all full-time employees.

In order to comply with the requirements of Pay or Play, the health plans offered to employees must be affordable. For a plan to be considered “affordable” under the PPACA, it must pass a “Safe Harbor Test.” Safe harbor tests are all based on the cost of single coverage for the least expensive plan offered by the employer. To pass the safe harbor test, the employee cost of the plan must be less than 9.5% of either: 1) The Federal Poverty Level; 2) Employees hourly wage x 130; or 3) W-2 Earnings. The City has the right to determine which test to apply to its employees to determine affordability and can apply different tests to different employee groups. Table 3 shows examples of the various safe harbor calculations using City of Hayward data.

Table 3 Safe Harbor Calculations<sup>2</sup>

Safe Harbor Test Methodology	Test Calculation	Max Annual Employee Contribution	Max Monthly Employee Contribution
Federal Poverty Line (138% in CA) <sup>3</sup>	\$16,242 x 9.5%	\$1,542.99	\$128.58
Rate of Pay	\$15.84 <sup>4</sup> x 130 x 9.5%		\$195.62
W-2 Earnings	\$33,727 <sup>5</sup> x 9.5%	\$3,204.08	\$267.01

<sup>2</sup> Safe Harbor tests apply to employee only coverage

<sup>3</sup> Increased due to Medicaid availability in California

<sup>4</sup> Lowest paid, full-time City of Hayward position, step A.

<sup>5</sup> Lowest paid, full-time City of Hayward position, Step A, bilingual pay, annualized

The City offers at least one “affordable” health plan that is less expensive than the safe harbor limits based on all three of the methodologies, regardless of employees’ negotiated contributions. Some of the “affordable” health plans offered by the City include PORAC, PERS Select, Anthem Select, and Kaiser where employee contributions range from \$34.95 to \$44.46 monthly for those with a five percent contribution rate. For employees with a ten percent cost share, contributions for these same plans range from \$69.90 to \$74.65 monthly.

In addition to being affordable, an employer-based plan must offer coverage that meets “minimum value” standards. A health plan meets the minimum value standard if it is designed to pay at least 60 percent of medical costs; the individual pays the other 40 percent. All CalPERS plans offered by the City of Hayward are in the 80 to 90 percent minimum value range and thus far exceed the minimum value standard established by the PPACA. Therefore, the medical plans offered by the City of Hayward will meet all the requirements set forth under the PPACA and thus avoid a tax penalty.

The City of Hayward is also in compliance with the requirement that the affordable plans be offered to substantially all full-time employees. The requirement for 2015 was that employers offer minimum essential coverage to at least 70 percent of all full-time employees. For 2016, this increased to 95 percent of all full-time employees.

To determine if the City is compliant, Human Resources staff periodically conducts an analysis of staffing. In 2014, the City made changes to relevant policies and procedures to ensure that the City is in compliance with the Pay or Play requirements. Some of these changes include a staffing model that limits the hours for temporary employees to 25 hours or less, weekly; in instances where an exception is made due to operational needs, temporary employees hired to work 30 hours or more per week, are offered coverage equivalent to that of a regular employee in a similar position as required by the PPACA.

Moreover, the City uses employment agencies to fill temporary assignments. This allows for more flexibility and gives departments the option to have temporary workers working more

than 30 hours per week because the agency is the actual employer and the City is not required to provide health care coverage or other benefits. Agency employees are used to cover vacancies, illness, leaves, or limited term assignments, and the agency offers medical insurance in compliance with the PPACA. In exchange for the reduced liability, the City pays the agency a mark-up price. For part-time and temporary employees that are not hired through an agency, Human Resources implemented an internal tracking system to monitor temporary assignments and ensure temporary workers are not reaching the 30-hour weekly or 130-hour monthly thresholds. The City also contracted with a third party vendor, ACAWorks, to assist with tracking hours and the determination of projected eligibility based on hours worked.

### IRS Reporting

The PPACA created two reporting requirements effective in 2015: Minimum Essential Coverage (MEC) reporting, and Applicable Large Employer (ALE) reporting. MEC reporting requires providers of MEC to report information about their coverage to covered individuals and to the Internal Revenue Service (IRS). ALE reporting requires the applicable large employers, those subject to Pay or Play, to identify their full-time employees, and report on the coverage they are offered, ensuring affordability and minimum value.

The deadline for IRS reporting was extended from February 1, 2016 to March 31, 2016. Because the City contracts with CalPERS for medical coverage, CalPERS and its respective medical carriers are responsible for reporting on MEC. The City is responsible for ALE reporting to employees and the IRS. Because of the complexity associated with reporting, preparation and submission of these forms would require additional training and hours of labor between Human Resources, Finance and Information Technology staff. As a result, management personnel opted to outsource this task to a third party vendor, ACAWorks, who has an established software program designed to complete the forms. During the last four months of 2015, Human Resources staff worked in collaboration with Finance and Information Technology personnel to provide the necessary reporting information for 2015 in a timely fashion. The City is in full compliance with its IRS reporting requirements under the PPACA.

### Cadillac Tax

The Cadillac Tax, previously scheduled to go in effect in 2018, has been delayed until 2020. It is a 40 percent excise tax on health care premiums in excess of the limits formerly established by the government for 2018 (\$10,200/individual and \$27,500/family). These thresholds are benchmarked to the Federal Employee Health Benefit Plan (FEHBP) and may increase by 2020. An exception to these thresholds is for retired individuals age 55 or older that are not eligible for Medicare, and potentially for employees in high risk professions such as public safety; higher limits for these groups has been set at \$11,850/individual and \$30,950/family.

If an insurance company or Third Party Administrator (TPA) offers health care plans that exceed these thresholds, a tax will be assessed for 40 percent of the difference in value between the actual plan cost and the PPACA threshold. CalPERS, as the insurance carrier, will be assessed this tax. However, there is nothing in the legislation that restricts CalPERS from pushing the cost of this tax to Hayward as a plan participant of CalPERS.

Tables 4, 5, and 6 illustrate what the estimated annual tax penalty will be by plan in 2020 based on insurance premium only.

Table 4

CalPERS - Rates	Single-Party Monthly Premium <sup>6</sup>					Annual 2020	Subject to Tax <sup>7</sup>	Annual Tax 40%
	2016	2017	2018	2019	2020			
Monthly Plan Rates	2016	2017	2018	2019	2020	2020		
Anthem HMO Select	\$722	\$783	\$830	\$880	\$933	\$11,197	\$997	\$399
Anthem HMO Traditional	\$855	\$990	\$1,049	\$1,112	\$1,179	\$14,150	\$3,950	\$1,580
Blue Shield Access + Blue Shield NetValue	\$1,016 \$1,034	\$1,025	\$1,086	\$1,152	\$1,221	\$14,647	\$4,447	\$1,779
HealthNet Smart Care	\$808	\$733	\$777	\$824	\$873	\$10,480	\$280	\$112
Kaiser	\$746	\$733	\$777	\$824	\$873	\$10,482	\$282	\$113
UnitedHealthcare	\$955	\$1,062	\$1,126	\$1,194	\$1,265	\$15,182	\$4,982	\$1,993
PERS Choice	\$798	\$830	\$880	\$933	\$989	\$11,867	\$1,667	\$667
PERS Select	\$730	\$736	\$780	\$827	\$877	\$10,523	\$323	\$129
PERSCare	\$889	\$932	\$988	\$1,048	\$1,110	\$13,326	\$3,126	\$1,250
PORAC	\$699	\$699	\$741	\$785	\$833	\$9,990	\$0	\$0
Single-Party Plan Cadillac Tax Threshold (2018) <sup>8</sup>						\$10,200		

Table 5

CalPERS - Rates	Two-Party Monthly Premium <sup>6</sup>					Annual 2020	Subject to Tax <sup>7</sup>	Annual Tax 40%
	2016	2017	2018	2019	2020			
Monthly Plan Rates	2016	2017	2018	2019	2020	2020		
Anthem HMO Select	\$1,444	\$1,567	\$1,661	\$1,761	\$1,866	\$22,395	\$0	\$0
Anthem HMO Traditional	\$1,711	\$1,980	\$2,099	\$2,225	\$2,358	\$28,300	\$800	\$320
Blue Shield Access + Blue Shield NetValue	\$2,032 \$2,068	\$2,050	\$2,173	\$2,303	\$2,441	\$29,295	\$1,795	\$718
HealthNet Smart Care	\$1,617	\$1,467	\$1,555	\$1,648	\$1,747	\$20,961	\$0	\$0
Kaiser	\$1,493	\$1,467	\$1,555	\$1,648	\$1,747	\$20,964	\$0	\$0
UnitedHealthcare	\$1,911	\$2,125	\$2,252	\$2,387	\$2,530	\$30,364	\$2,864	\$1,146
PERS Choice	\$1,597	\$1,661	\$1,760	\$1,866	\$1,978	\$23,734	\$0	\$0
PERS Select	\$1,460	\$1,473	\$1,561	\$1,655	\$1,754	\$21,046	\$0	\$0
PERSCare	\$1,779	\$1,865	\$1,977	\$2,095	\$2,221	\$26,652	\$0	\$0
PORAC	\$1,399	\$1,467	\$1,555	\$1,648	\$1,747	\$20,967	\$0	\$0
Two-Party Plan Cadillac Tax Threshold (2018)						\$27,500		

Table 6

CalPERS - Rates	Family Monthly Premium <sup>6</sup>					Annual 2020	Subject to Tax <sup>7</sup>	Annual Tax 40%	
	2016	2017	2018	2019	2020				
Monthly Plan Rates	2016	2017	2018	2019	2020	2020			
Anthem HMO Select	\$1,877	\$2,037	\$2,159	\$2,289	\$2,426	\$29,113	\$1,613	\$645	
Anthem HMO Traditional	\$2,224	\$2,574	\$2,729	\$2,892	\$3,066	\$36,790	\$9,290	\$3,716	
Blue Shield Access + Blue Shield NetValue	\$2,642	\$2,665	\$2,824	\$2,994	\$3,174	\$38,083	\$10,583	\$4,233	
HealthNet Smart Care	\$2,688	Plan eliminated effective 01/01/2017							
Kaiser	\$2,102	\$1,907	\$2,021	\$2,142	\$2,271	\$27,249	\$0	\$0	
UnitedHealthcare	\$1,941	\$1,907	\$2,021	\$2,142	\$2,271	\$27,252	\$0	\$0	
PERS Choice	\$2,484	\$2,762	\$2,928	\$3,103	\$3,289	\$39,473	\$11,973	\$4,789	
PERS Select	\$2,076	\$2,159	\$2,288	\$2,426	\$2,571	\$30,854	\$3,354	\$1,341	
PERSCare	\$1,898	\$1,914	\$2,029	\$2,151	\$2,280	\$27,360	\$0	\$0	
PORAC	\$2,312	\$2,424	\$2,570	\$2,724	\$2,887	\$34,647	\$7,147	\$2,859	
	\$1,789	\$1,876	\$1,989	\$2,108	\$2,234	\$26,812	\$0	\$0	
<b>Family Plan Cadillac Tax Threshold (2018)<sup>8</sup></b>						<b>\$27,500</b>			

<sup>6</sup> 2016 and 2017 Actuals. Remaining years assume 6% increase annually.

<sup>7</sup> Only the difference between the annual maximum premium and the 2020 threshold are subject to the 40% tax.

<sup>8</sup> Thresholds are estimated for 2018; may increase for 2020. Two-party and family plan thresholds are equivalent.

The Cadillac tax is determined by calculating forty percent of the difference between the annual maximum premium and the 2020 threshold, and multiplying by the number of enrollments. For example, current enrollment in Anthem HMO Select is the following: 13 single-party; 8 two-party; and 15 family. By using the projected premiums for 2020 (assuming a six percent annual increase) and the current annual thresholds of \$10,200 for single party, and \$27,500 for family (two-party and higher), it is estimated that the Cadillac tax for the Anthem Select HMO plan will be approximately \$14,862 annually.

Table 7 below summarizes the Cadillac Tax for those active employees currently enrolled in Anthem HMO Select:

Table 7

Anthem HMO Select				
Enrollment Level	Current Enrollment (2016)	2020 Projected Annual Premium <sup>9</sup>	Annual Tax (40%) <sup>10</sup>	Total
Single-Party	13	\$11,197	\$399	\$5,184
Two-Party	8	\$22,395 <sup>11</sup>	\$0	\$0
Family	15	\$29,113	\$645	\$9,678
<b>Estimated Cadillac Tax (Anthem HMO Select)</b>				<b>\$14,862</b>

<sup>9</sup> Total annual premium; based on 2017 Actuals and 6% projected annual increase thereafter.

<sup>10</sup> Percentage applied to the difference between the annual premium and the 2020 threshold.

<sup>11</sup> Projected annual premium for two-party does not exceed \$27,500 threshold; no tax applies.

To arrive at a total amount estimated for the Cadillac tax, each plan offered by the City was evaluated, taking into consideration current enrollment at each level and the difference between the projected annual premiums (over the next three years) and the current Cadillac Tax thresholds.

Federal Health Policy Reports in early 2016 indicate that CalPERS staff and consultants have analyzed plans and possible modifications to plans that may help mitigate or address the tax; however, due to the recent two-year delay, there is no immediate need for CalPERS to take a position. The next steps for CalPERS will be to continue to educate relevant stakeholders about the implications of the tax on CalPERS employers and employees, and continue to review, develop and promote helpful regulatory and legislative reform interventions that would mitigate against any negative impact on CalPERS plans.

## FISCAL IMPACT

Exact fiscal impact of implementation of PPACA requirements cannot be fully assessed at this time. To date, the City has incurred some costs associated with researching and implementing the necessary steps to ensure compliance with PPACA. These costs are estimated at approximately \$40,000 and include an initial cost of \$12,600 for the contract with ACAWorks in calendar year 2016 and \$10,800 annually, thereafter. Currently, there is no General Fund impact because prior year budget projections included potential cost increases associated with PPACA.

The City is in full compliance with the Pay or Play requirements and as such, will not be impacted by the "Pay or Play" tax penalty which was effective January 1, 2015.

Due to the current cost of CalPERS benefits, and the projected six percent annual increases to premiums, it is estimated that CalPERS plans will be subject to the Cadillac tax when it goes into effect in 2020. While it appears that the City is not responsible for the tax, it is estimated that CalPERS would push any increased tax liability down to the consumer through rate increases. It is estimated, with current enrollment levels, employee contribution rates, and a projected six percent annual increase in medical premiums over the next three years that the City could pay approximately \$568,000 annually as a result of the Cadillac Tax.

## NEXT STEPS

Human Resources will continue to monitor legislation regarding this provision and work closely with the Finance Department to budget accordingly for any potential cost increases and report all changes and any recommended policy revisions to the City Manager.

Additionally, Human Resources staff is working with its broker, Alliant Insurance Services to obtain information and quotes for healthcare options outside of CalPERS. Staff is also closely monitoring efforts of the League of California Cities to provide alternatives to CalPERS medical benefits. Staff anticipates receiving additional information in January 2017. At that time, staff

will prepare a subsequent report for Council if there are recommendations that require Council input and/or approval.

Prepared by: Vanessa Lopez, Senior Human Resources Analyst

Recommended by: Nina S. Collins, Director of Human Resources

Approved by:

A handwritten signature in black ink, appearing to read "K. McAdoo". The signature is fluid and cursive, with a large initial "K" and a long, sweeping underline.

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Kelly McAdoo, City Manager



# CITY OF HAYWARD

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**File #:** PH 16-105

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**DATE:** October 25, 2016

**TO:** Mayor and City Council

**FROM:** Acting Director of Finance

**SUBJECT**

Adoption of City of Hayward User Fee Study (Report will be available no later than Monday, October 24, 2016)

**RECOMMENDATION**

That Council adopts the attached resolution presenting the user fees as calculated in the City's User Fee Study completed by Willdan Financial Services.

**ATTACHMENTS:**

- Attachment I Staff Report
- Attachment II Resolution
- Attachment III Comprehensive User Fee Study Report





**DATE:** October 25, 2016

**TO:** Mayor and City Council

**FROM:** Acting Director of Finance

**SUBJECT** Adoption of the City of Hayward User Fee Study

### **RECOMMENDATION**

That Council adopts the attached resolution presenting the user fees as calculated in the City's User Fee Study completed by Willdan Financial Services.

### **SUMMARY**

Staff recently completed a comprehensive study of all of the City's User Fees; the study was conducted by Willdan Financial Services. The User Fee Study (the study) has calculated costs associated with all user fees and is presenting those amounts as the proposed fees to be charged by the City as of January 1, 2017. The proposed fees shown in the study have been calculated at a level, unless noted otherwise, to allow the City to achieve full cost recovery, and no more.

### **BACKGROUND**

The last comprehensive user fee study was completed in July 2008. Over the last eight years (FY 2009 – FY 2016), the City has undergone minor adjustments and modifications to the fee schedule (mostly cost of living adjustments and modifications to support Council policies) as part of the annual budget process. Given the changes to the City's structure, staffing levels, and the cost of operations since 2008, the study recently undertaken is more comprehensive and will provide updates to user fees throughout the City. The study has assisted in making appropriate changes to some of the methodology behind calculating user fees.

As part of a general cost recovery strategy, local governments have adopted user fees to fund programs and services that provide limited or no direct benefit to the community as a whole. As the City struggles to balance levels of service and the variability of demand, Council has become increasingly aware of subsidies provided by the General Fund for fees which do not recover full costs. To the extent that the City uses general tax monies to provide services that it has the ability to 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 charged to recover costs.

## *Legislative Requirements*

Before the voters' adoption of Proposition 13 (1978), California cities were less concerned with potential subsidies and recovering the cost of their services from individual fee payers. In times of fiscal shortages, cities simply raised property taxes, which funded everything from police and recreation to development-related services. However, this situation changed with the enactment of Proposition 13, which imposed severe constraints on the ability to increase property taxes. In 1979, with the enactment of Proposition 4, voters further constrained the ability of local government to cover the costs of doing business by strictly defining the difference between a fee and a tax: a fee can be no greater than the cost of providing the service. Propositions 218 (1996) and 26 (2010) imposed more restrictive definitions of fees and taxes, to the extent fees are presumed to be taxes unless they fall into certain categories now set forth in the California Constitution. Subsequent to enactment of Proposition 26, the City Attorney has conducted a review of all new or increased fees, in addition to an on-going review of existing fees, to assure state constitutional compliance.

## **DISCUSSION**

### *Goals of the study*

The principal goal of the study was to help the City determine the full cost of the services that the City provides. Also, Willdan established a series of additional objectives including:

- Developing a rational basis for setting fees
- Identifying subsidy amount, if applicable, of each fee in the model
- Enhancing fairness and equity
- Ensuring compliance with State law
- Developing a comprehensive list of fees that is easy to update
- Maintaining fees in accordance with City policies and goals

The study results will help the City better understand its true costs of providing services and may serve as a basis for making better informed policy decisions regarding the most appropriate fees, if any, to collect from individuals and organizations that require individualized services from the City.

### *Methodology*

The basic concept of a User Fee Study is to determine the "reasonable cost" of each service provided by the City for which it charges a user fee. The full cost of providing a service may not necessarily become the City's fee, but it serves as the objective basis as to the maximum amount that may be collected. The standard fee limitation established in California law for property-related (non-discretionary) fees is the "estimated, reasonable cost" principle. In order to maintain compliance with the letter and spirit of this standard, every component of the fee study process included a related review. The use of budget figures, time estimates, and improvement valuation clearly indicates reliance upon estimates for some data.

### *Fully Burdened Hourly Rates*

The total cost of each service included in the study are primarily based on Fully Burdened Hourly Rates (FBHRs). FBHRs were determined for City personnel directly involved in providing services. The FBHRs include not only personnel salary and benefits, but also any costs that are reasonably ascribable to personnel. The cost elements that are included in the calculation of fully burdened rates are:

- Salaries & benefits of personnel involved
- Operating costs applicable to fee operations
- Departmental support, supervision, and administration overhead
- Internal Service Costs charged to each department
- Indirect City-wide overhead costs calculated through the Cost Allocation Plan

### *Changes to calculation methodology and fee structure*

The Study shows changes to current and new fees. Most changes are based on the effort and costs associated with said fees. Two notable differences, however, are those related to the methodology used to calculate Development Services Department's Building Division fees related to new tract homes and subdivisions and the augmentation of the Residential Rental Inspection Program Fee Schedule.

### Development Services Department's Building Division (section begins on page 60 of Attachment III)

The 2008 fee study completed by Maximus created a very complex and difficult to follow fee model for Building Permits and Fees. The City has moved away from the methodology and has used the valuation method for all Building Permits and Fees aside from fees for new single-family and multi-family homes.

The Willdan fee study proposes to assess all building permit fees based on the valuation method, which is fairly standard throughout the construction industry. Fees using the valuation method consider the following factors to determine the value of a property\*:

- Valuation is defined as the fair market value of materials and labor for the work.
- Valuation shall be the higher of the stated valuation or the figure from the current International Code Council valuation.
- The current ICC Valuation data used in the study is adjusted with a regional construction cost modifier for the San Francisco Bay Area of 16%<sup>^</sup>.

*^Source: The local modifier is 1.16 times the cost per square foot as published in the Building Standards Journal, April 2002 edition.*

- The valuation for tenant improvements, residential remodels or other projects that do not involve new square footage, shall be a minimum of 60% of the cost per square foot (as shown in the table on page 60 of the study).

\*For discussion purposes, the term property includes all new buildings, additions, tenant improvements, residential remodels and cell sites.

A similar method is currently being used by the cities of Berkeley, San Jose, Oakland, the City and County of San Francisco and many more.

Below is a demonstration of the current fees for a new single family residence using methodology from the Maximus study:

**Current Fee Schedule Based on Square Footage (Maximus)**

**Project type:** New Single-Family Detached Home

**Valuation:** N/A since fees are based on square footage

**Habitable square footage (R-3 code designation):** 3,000 square feet

**Non habitable / garage square footage (U code designation):** 400

**Plan Check Fee:** \$6,043

**Inspection Fee:** \$1,188

The table below shows what the fee for that same single family residence using the valuation method as proposed in the study as shown in Attachment II.

**New Fee Schedule Based on Valuation (Willdan)**

**Project type:** New Single-Family Detached Home

**Valuation:** \$412,748 (based on minimum valuation per square foot in new fee schedule).

**Habitable square footage (R-3 code designation):** 3,000 square feet

**Non habitable / garage square footage (U code designation):** 400 square feet

**Plan Check Fee:** \$3,476

**Inspection Fee:** \$3,476

**Residential Rental Inspection Program**

The City of Hayward currently has 22,974 rental units located on 8,030 parcels. The residential rental inspection program was initiated in February of 1989 to assure California's mandate to maintain minimum housing standards could be accomplished by the City for its residents. The City has never achieved full cost recovery for the efforts and is currently well below the fee level of many comparable cities. The current proposal is designed to recover costs and assist in maintaining and improving the conditions of residential rentals in the City which will achieve many of the goals supported by Council. The proposed fees for the Residential Rental Program are demonstrated in the Development Services section of Attachment III.

### *Changes to fees since October 18, 2016 City Council meeting*

At the October 18, 2016 City Council meeting, the study was presented to City Council for feedback. Below is a summary of the changes to the study based in part on recommendations made by Council at the meeting. All page numbers below in parenthesis refer to pages in Attachment III.

- The following fees have been removed because they are not “User Fees”
  - Smoking Ordinance Fees (Page 31): This fee is set by ordinance, not effort based.
  - Tobacco Ordinance Fees (Page 31): This fee is set by ordinance, fee not effort based.
  - Operating Permit Card Club Permit- Annual Table Fee (Page 33): This fee is set by ordinance, not effort based.
  - Operating Permit Card Club Permit- Tobacco Retailer License (Page 33): This fee is set by ordinance, not effort based.
- Planning- Sign Permits- Portable/A-Frame Sign (Page 35): fee reduced to \$50 based on Council feedback.
- Planning- Sign Permits- Mural Art Signs (Page 35): fee reduced to \$50 based on Council feedback.
- Planning Fees – All fees under title “Review of Building Permit Applications” & “Inspections – Planning & Landscape” (Page 36) have been removed as they are now captured in the Building & Permitting valuation method model as presented in the Development Services Department’s Building Division section of Attachment III (begins on page 60 of the study).
- Percent change information presented for Finance (Page 33) and Technology Services (page 50) sections
- New Construction Permits and Fees (Page 46) has been removed from the Fire Prevention section as they are now captured in the Development Services Department’s Building Division section of Attachment III (begins on page 60 of the study)
- Street Maintenance – Cart Retrieval Fee (Page 52) has been removed as it is considered obsolete
- Utilities & Environmental Services section (Pages 57 & 58) now includes the proposed year 2 of the planned two-year phase in of fees to allow for full cost recovery for most fees by year 2. This was described briefly by staff at the October 18<sup>th</sup> meeting.
- Building Inspection Fee - Community Planning Fee of 16% has been removed from page 62 of the Development Services Department’s Building Division section of Attachment III. This fee and analysis will be brought back to Council for review and approval at a later date.

### **ECONOMIC IMPACT**

The overall economic impact is currently unknown. Although approving the proposed fee levels will have a minor economic impact on the community, in that only certain fees will be increased, others will be decreased.

**FISCAL IMPACT**

Adopting these fee changes will not materially impact overall City revenues; however, it will allow for more self-sufficient and sustainable service levels in many areas of the City. The fees will also help the City recover the costs of doing business from those who are requesting specific services, thus freeing up General Fund resources for other community-wide services.

**PUBLIC CONTACT**

On September 12<sup>th</sup>, representatives from the Development Services Department presented proposed changes to the Residential Rental Inspection Program to the Rental Housing Association of Southern Alameda County. On September 28, 2016, a draft of the study was presented to the Council Budget and Finance Committee. On October 18<sup>th</sup>, City Council was presented with the study for review and feedback at the regularly scheduled City Council meeting. Public notice appeared in the Daily Review on October 14<sup>th</sup> and 21<sup>st</sup>. The study was also made available to the public for review beginning on Friday, October 14 in the City Clerk's Office, as well as at the Main and Weekes Library Branches.

**NEXT STEPS**

Once approved and adopted, the fees will take effect January 1, 2017.

*Prepared by and Recommended by:* Dustin Claussen, Acting Director of Finance

Approved by:



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Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 16- \_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

RESOLUTION APPROVING THE COMPREHENSIVE USER FEE STUDY AS PREPARED BY WILLDAN FINANCIAL SERVICES AND ADOPTING THE USER FEES AS PROPOSED BY THE STUDY FOR ALL DEPARTMENTS

WHEREAS, Section 15273 of the California Environmental Quality Act (CEQA) Guidelines 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; and

WHEREAS, the City Council finds and determines that this action is exempt from CEQA based on the foregoing provisions; and

WHEREAS, in November 2010, California voters approved Proposition 26, which amended Article XIII C of the State constitution regarding the adoption of fees and taxes. Proposition 26 seeks to assure that taxes, which must be approved by the voters, are not disguised as fees, which can be approved by legislative bodies, such as a city council. The proposed User Fees are compliant.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby adopts the User Fees as attached in Exhibit A and incorporated herein by reference; either on its face or as applied.

BE IT FURTHER RESOLVED that all fees contained in this study rescind those established by Resolution No. 16-056, and all amendments thereto,

BE IT FURTHER RESOLVED that this resolution shall become effective as of January 1, 2017.

IN COUNCIL, HAYWARD, CALIFORNIA October 25, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_

City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_

City Attorney of the City of Hayward



## All City Departments

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Administrative Citations	First Violation			NA	100.00	NA	\$ 100.00	0%
Administrative Citations	Second Violation			NA	200.00	NA	\$ 200.00	0%
Administrative Citations	Third and Subsequent Violations			NA	500.00	NA	\$ 500.00	0%
CD-ROM or DVD		each		\$ 20.00	20.00	100%	\$ 20.00	0%
Dishonored or Returned Payment from Bank or Credit Card	If paid within 30 days of notification			NA	\$25 + check amount	100%	\$25 + check amount	NA
Dishonored or Returned Payment from Bank or Credit Card	If paid after 30 days of notification		Subject to forgiveness of all or a portion of the fee by the Director of Finance. As authorized by the California Civil Code 1719 but not less than \$25.00	NA	As authorized by Civil Code 1719	100%	As authorized by Civil Code 1719	NA
Credit/Debit Card Payment Transaction Fee		per transaction		NA	3.95	100%	\$ 3.95	0%
Clerk-Assited Telephone Credit/Debit Card Payment			or 3%, whichever is greater	NA	3.95	100%	\$ 3.95	0%
Photocopying of File Materials	Black and White Copy (letter or legals)	per page		Variable	.5 first ten, .10 thereafter	100%	.5 first ten, .10 thereafter	NA
Photocopying of File Materials	Black and White Copy (11x17)	per page		Variable	1.00 first ten, .20 thereafter	100%	1.00 first ten, .20 thereafter	NA
Photocopying of File Materials	Color Copy (letter amd legal sizes)	per page		Variable	0.75	100%	\$ 0.75	0%
Photocopying of File Materials	Color Copy (11x17)	per page		Variable	1.50	100%	\$ 1.50	0%
	Research or Analysis of Records	per hour	involving more than 15 minutes (min \$20 charge)	\$ 76.92	39.00	100%	\$ 76.00	95%
Reinspection Fee				\$ 117.24	125.00	100%	\$ 117.00	-6%
Administrative Hearing Fee				\$ 761.10	50.00	100%	\$ 761.00	1422%

## City Clerk

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Certification of Documents	First Page			\$ 13.32	15.00	100%	\$ 13.00	-13%
Certification of Documents	Each Succeeding Pages	per page		\$ 6.91	6.00	100%	\$ 7.00	17%
Certificate of Residency		per issuance		\$ 19.23	15.00	78%	\$ 15.00	0%
Photocopying of Public Records Black & White Copy: 8.5x11 or 14		first page		Variable	0.50	100%	\$ 0.50	0%
Photocopying of Public Records Black & White Copy: 8.5x11 or 14		each subsequent page	same document	Variable	0.10	100%	\$ 0.10	0%
Photocopying of Public Records Black & White Copy: 11x17		first page		Variable	1.00	100%	\$ 1.00	0%
Photocopying of Public Records Black & White Copy: 11x17		each subsequent page	same document	Variable	0.20	100%	\$ 0.20	0%
Photocopying of Public Records Color Copy: 8.5x11 or 14		per page		Variable	0.75	100%	\$ 0.75	0%
Photocopying of Public Records Color Copy: 11x17		per page		Variable	1.50	100%	\$ 1.50	0%
Photocopying of Public Records Photocopying of FPPC forms/statements		per page	Per Government Code 81008	NA	0.10	100%	\$ 0.10	0%
Traffic Code				NA	10.00	NA	\$ 10.00	0%
Traffic Regulations				NA	10.00	NA	\$ 10.00	0%
Reproduction of DVD of Meetings	City Council	per Disc	admin fee +actual contractor's invoice charges	\$ 20.00	20.00	100%	\$ 20.00	0%
Reproduction of DVD of Meetings	Planning Commission	per Disc	admin fee +actual contractor's invoice charges	\$ 20.00	20.00	100%	\$ 20.00	0%
Publication of "Notice of Intent to Circulate a Petition for Municipal Initiative"			refundable if a sufficient petition is filed within one year; Per Cal Election Code 9202b	NA	200.00	NA	\$ 200.00	0%
Election Year	Publication cost of the candidate's statement in the sample ballot pamphlet			Variable	actual printer cost	100%	actual printer cost	NA
Notary Service		per document	set by state statute	NA	10.00	NA	\$ 10.00	0%
Passport Service	Passport Fee (age 16 and over)		Set and Payable to US Dept of State	NA	110.00	NA	\$ 110.00	0%
Passport Service	Passport Fee (under 16)		Set and Payable to US Dept of State	NA	80.00	NA	\$ 80.00	0%
Passport Service	Passport Execution Fee		Set by US Dept of State, Payable to City of Hayward	NA	25.00	NA	\$ 25.00	0%
Passport Service	Express Mail from COH to LA		Set by USPS, Payable to City of Hayward	NA	22.95	NA	Set by USPS	NA
Passport Service	Express Mail from State to Customer		Set and Payable to US Dept of State	NA	20.66	NA	Set by US Dept of State	NA
Passport Service	Passport Photo		Payable to City of Hayward	\$ 19.23	7.50	39%	\$ 7.50	0%

## Finance

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Operating Permits	Bingo Permit - Initial or Renewal			\$ 28.85	50.00	100%	\$ 28.00	-44%
Operating Permits	Card Club Permit - Application Fee			\$ 94.67	40.00	100%	\$ 94.00	135%
Operating Permits	Closeout Sale Permit - Initial Fee			\$ 24.50	76.00	100%	\$ 24.00	-68%
Operating Permits	Closeout Sale Permit - Renewal			\$ 24.50	67.00	100%	\$ 24.00	-64%
Operating Permits	Cabarets and Dance Licenses and Permits: Annual License	per year	payable quarterly in advance	\$ 24.50	103.00	100%	\$ 24.00	-77%
Operating Permits	Preferential Parking Permit - Initial Fee & Biennial Renewal Fee		up to two residential or visitor permits	\$ 18.55	50.00	100%	\$ 18.00	-64%
Operating Permits	Preferential Parking Permit - Each additional residential permit			\$ 6.68	25.00	100%	\$ 6.00	-76%
Operating Permits	Preferential Parking Permit - Each additional visitor permit			\$ 6.68	25.00	100%	\$ 6.00	-76%
Operating Permits	Preferential Parking Permit - Permit Replacement Fee			\$ 11.87	10.00	100%	\$ 11.00	10%
Miscellaneous Fees	Monthly Listing of New Hayward Based Businesses	per month		\$ 15.12	5.50	100%	\$ 15.00	173%
Miscellaneous Fees	Business Verification/Ownership Research	per business		\$ 23.51	8.00	100%	\$ 23.00	188%
Miscellaneous Fees	Parking Tax Offset Fee			\$ 2.50	2.50	100%	\$ 2.50	0%
Miscellaneous Fees	Credit/Debit Card Payment Transaction Fee	per Transaction		\$ 3.95	3.95	100%	\$ 3.95	0%
Miscellaneous Fees	Clerk-Assisted Telephone Credit/Debit Card Payment			\$ 2.50	3.95 or 3% whichever is higher	100%	\$ 2.50	NA
Annual Business License Processing Fee	Cost for maintaining/processing business records in our Munis system - Database Fee	per record		\$ 19.31	New	52%	\$ 10.00	NA
Customer Initiated Chargeback Fee	Cost recovery for time spent processing chargebacks.	per chargeback		\$ 62.40	New	40%	\$ 25.00	NA

City Manager

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Administrative Services	Economic Development Committee Agenda		per year		\$ 4.00	4.00	100%	\$ 4.00	0%
Administrative Services	Economic Development Committee Minutes		per year		\$ 4.00	4.00	100%	\$ 4.00	0%
Administrative Services	Economic Profile or Plan		each		\$ 5.00	5.00	100%	\$ 5.00	0%
Administrative Services	Annual Bonds Issue Fees				NA	1/8 of 1% of bond amount	NA	1/8 of 1% of bond amount	NA
Administrative Services	Low Income Mortgage Credit				NA	2% of first year's credit payable as part of State Fee	NA	2% of first year's credit payable as part of State Fee	NA
Economic Development	Hayward Film Permit	Film Permit applications	per day		NA	125.00	NA	\$ 125.00	0%
Economic Development	Hayward Film Permit	Expedited Film Permit (3-5 days)		excludes larger productions	NA	250.00	NA	\$ 250.00	0%
Economic Development	Hayward Film Permit	Film Permit (TV series, movies, feature films, pilots)	per day		NA	175.00	NA	\$ 175.00	0%
Economic Development	Hayward Film Permit	Minor Encroachment Permit (filming)	flat fee	excluding work to be performed by Public Works, i.e. no traffic control plan provided, just review	NA	834.00	NA	\$ 834.00	0%
Economic Development	Hayward Film Permit	Major Encroachment Permit (filming)	flat fee	includes work from Public Works, traffic control plan	NA	1,507.00	NA	\$ 1,507.00	0%
Economic Development	Hayward Film Permit	Police clearance (filing)	hourly		NA	105.00	NA	\$ 105.00	0%
Economic Development	Hayward Film Permit	Fire Permit (filming)	flat fee	does not include cost if presence is required at event	NA	100.00	NA	\$ 100.00	0%
Economic Development	Hayward Film Permit	Filming on City Property/Facilities/Hangers (varies)	per day	Airport Property and Hangars- filming and photography requests will be authorized at the discretion of the Airport Manager provided that the requested activity will in no way interfere with the safe, orderly and uninterrupted use of Airport facilities by Airport users or portrays the Airport in a negative manner. (extra labor, security, engineering or comparable cost are not included)	NA	1,500.00	NA	\$ 1,500.00	0%
Economic Development	Hayward Film Permit	Filming at City Hall	per day	Does not include cost of guard, janitorial and insurance	NA	575.00	NA	\$ 575.00	0%

Planning

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Planning	Pre Application Meeting				NA	No Charge	0%	No Charge	NA
Planning	Code Assistance Meeting				NA	No Charge	0%	No Charge	NA
Planning	Annexation Proceedings		Deposit		NA	15,000.00	100%	\$ 15,000.00	0%
Planning	LAFCO Utility Service Agreement		Deposit	Preparation of documents in connection with utility service to property outside of the City limits	NA	5,000.00	100%	\$ 5,000.00	0%
Planning	Environment Assessment (Contract) Consultant Oversight		Deposit		NA	5,000.00	100%	\$ 5,000.00	0%
Planning	General Plan Amendment		Deposit		NA	12,000.00	100%	\$ 12,000.00	0%
Planning	Text Change to Zoning Ordinance		Deposit		NA	12,000.00	100%	\$ 12,000.00	0%
Planning	Rezoning and Prezoning		Deposit	Including New or Major Modification to a Planned Development	NA	12,000.00	100%	\$ 12,000.00	0%
Planning	Rezoning		Deposit	Planned Development Precise Plan or Preliminary Plan	NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Conditional Use Permit		Deposit	Minor Modification	NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Administrative Use Permit	Chickens	Per Application		NA	500.00	NA	\$ 500.00	0%
Planning	Administrative Use Permit	Food Vendors	Per Box		NA	700.00	NA	\$ 700.00	0%
Planning	Administrative Use Permit	Unattended Collection Boxes	Deposit		NA	1,300.00	100%	\$ 1,300.00	0%
Planning	Administrative Use Permit	Processed Administratively	Deposit		NA	2,000.00	100%	\$ 2,000.00	0%
Planning	Administrative Use Permit	Involving Public Hearing	Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Site Plan Review	Processed Administratively	Deposit		NA	2,000.00	100%	\$ 2,000.00	0%
Planning	Site Plan Review	Involving Public Hearing	Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Variance/Warrants - Processed Administratively		Deposit		NA	2,000.00	100%	\$ 2,000.00	0%
Planning	Variance/Warrants & Exceptions - Involving Public Hearing		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Modifications of Approved Development Plan - Processed Administratively		Deposit		NA	2,000.00	100%	\$ 2,000.00	0%
Planning	Modification of Rehearing Approved Development Plan - Involving Public Hearing		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Extension of Approved Development Plan/ Applications	Extension of Approved Development Plan/ Applications	Deposit		NA	1,000.00	100%	\$ 1,000.00	0%
Planning	Designation of Historical or Architectural Significance		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Development Agreement	Annual Review	Deposit		NA	12,000.00	100%	\$ 12,000.00	0%
Planning	Development Agreement	Amendment Processing	Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Development Agreement	Review of application, negotiation of agreements. Processing through Planning Commission and City Council	Deposit		NA	1,000.00	100%	\$ 1,000.00	0%
Planning	Written Verification of Zoning Designation or Similar Requests		Per Application		NA	500.00	NA	\$ 500.00	0%
Planning	Research		Per hour after first 15 minutes	\$41 for first 15 minutes	\$ 163.58	\$216 plus \$41	100%	\$ 163.00	NA
Planning	Zoning Conformance Permit		Per Application		NA	210.00	NA	\$ 210.00	0%
Planning	Sign Permits	One Business			\$ 327.16	300.00	100%	\$ 327.00	9%
Planning	Sign Permits	Each Additional Business - same application			\$ 327.16	250.00	100%	\$ 327.00	31%
Planning	Sign Permits	Temporary Sign Permit	Deposit	Banners, Flags, Streamers, Pennants, Bunting, Searchlights, Inflatable Signs, Human Signs; plus \$200 Deposit	NA	\$100 fee + \$200	100%	\$100 fee + \$200	NA
Planning	Sign Permits	Portable/A-Fram Signs		Revocable Encroachment Permit	\$ 327.16	50.00	15%	\$ 50.00	0%
Planning	Sign Permits	Mural Art Signs		Registration Fee	\$ 490.74	50.00	10%	\$ 50.00	0%
Planning	Sign Program				\$ 817.91	1,500.00	100%	\$ 817.00	-46%
Planning	Appeal Fee for Applicant		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Appeal Fee Other Than Applicant				\$ 408.95	250.00	100%	\$ 408.00	63%
Planning	Tentative Tract or Tentative Parcel Map	Processed Administratively	Deposit		NA	4,000.00	100%	\$ 4,000.00	0%
Planning	Tentative Tract or Tentative Parcel Map	Involving Public Hearing	Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Final Parcel Map		Deposit		NA	2,000.00	100%	\$ 2,000.00	0%
Planning	Final Tract Map		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%

## Planning

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Planning	Lot Line Adjustment		Deposit		NA	4,000.00	100%	\$ 4,000.00	0%
Planning	Certificate of Merger or Certificate of Compliance		Deposit		NA	4,000.00	100%	\$ 4,000.00	0%
Planning	Grading Permit Application				\$ 1,635.82	4,000.00	100%	\$ 1,635.00	-59%
Planning	Security Gate Application				\$ 1,635.82	2,000.00	100%	\$ 1,635.00	-18%
Planning	Encroachment Permit - Street Events			The City Manager may waive this fee for certain events	\$ 2,944.47	1,500.00	100%	\$ 2,944.00	96%
Planning	Encroachment Permit Application - Major Work				\$ 2,453.72	4,000.00	100%	\$ 2,453.00	-39%
Planning	Encroachment Permit Application - Minor Work				\$ 1,308.65	2,000.00	100%	\$ 1,308.00	-35%
Planning	Food Sharing Event				NA	No Charge	0%	No Charge	NA
Planning	Tree Preservation	Annual Pruning Certification			\$ 817.91	126.00	100%	\$ 817.00	548%
Planning	Tree Preservation	Tree removal/pruning			\$ 490.74	211.00	100%	\$ 490.00	132%
Planning	Mobilehome Park Closure/Change of Use				\$ 9,814.90	12,000.00	100%	\$ 9,814.00	-18%
Planning	General Plan Update Fee			12 % of Building Permit Fee	NA	12% of Building Permit Fee	100%	12% of Building Permit Fee	NA

Note: All 3rd Party or contract costs will be billed at full cost when needed

## Code Enforcement - Rental Housing & Hotel Inspection

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Rental Housing & Hotel Inspection Fees and Penalties	Annual fee for rental housing, hotel or motel units	Single Family, duplex, triplex or fourplex			\$ 88.51	41.00	100%	\$ 88.51	116%
Rental Housing & Hotel Inspection Fees and Penalties	Annual fee for rental housing, hotel or motel units	Five or more units	per unit		\$ 22.13	10.00	100%	\$ 22.13	121%
Rental Housing & Hotel Inspection Fees and Penalties	Request for postponement of initial inspection or progress check	First request			\$ -	No Charge	100%	No Charge	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Initial Inspection (No violations found)			\$ 350.33	No Charge	100%	Included in Annual Fee	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Initial Inspection (Violations found)			\$ 350.33	\$272 per parcel + \$27 hotel/motel room with violation	100%	\$ 350.33	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Progress Checks - First Progress Check (Violations corrected)			\$ 350.33	No Charge	100%	No Charge	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Progress Checks - First Progress Check (Violations not corrected)			\$ 350.33	\$154 per parcel + \$53 hotel/motel room with violation	100%	\$ 350.33	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Progress Checks - Second Progress Check		plus \$400 penalty	\$ 350.33	\$154 per parcel + \$53 hotel/motel room with violation + \$200 penalty	100%	\$ 350.33	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Progress Checks - Third Progress Check		plus \$800 penalty	\$ 350.33	\$154 per parcel + \$53 hotel/motel room with violation + \$400 penalty	100%	\$ 350.33	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Progress Checks - Fourth and subsequent Progress Check		plus \$1600 penalty	\$ 350.33	\$154 per parcel + \$53 hotel/motel room with violation + \$800 penalty	100%	\$ 350.33	NA
Rental Housing & Hotel Inspection Fees and Penalties	Initial Inspection or Progress Check - No Access or Re-schedule	No Access - First Site Visit		plus \$400 penalty	\$ 116.78	100.00	100%	\$ 116.78	17%
Rental Housing & Hotel Inspection Fees and Penalties	Initial Inspection or Progress Check - No Access or Re-schedule	No Access - Second Site Visit		plus \$800 penalty	\$ 116.78	200.00	100%	\$ 116.78	-42%
Rental Housing & Hotel Inspection Fees and Penalties	Initial Inspection or Progress Check - No Access or Re-schedule	No Access - Third and subsequent Site Visit		plus \$1600 penalty	\$ 116.78	400.00	100%	\$ 116.78	-71%
Rental Housing & Hotel Inspection Fees and Penalties	Rent Control Deregulation Inspection pursuant to Ord. No. 83-023, as amended	Initial inspection/survey and one re-inspection			\$ 700.65	246.00	100%	\$ 700.65	185%
Rental Housing & Hotel Inspection Fees and Penalties	Rent Control Deregulation Inspection pursuant to Ord. No. 83-023, as amended	Additional re-inspections	per inspection		\$ 350.33	154.00	100%	\$ 350.33	127%
Rental Housing & Hotel Inspection Fees and Penalties	Lien (per parcel)				\$ 630.90	342.00	100%	\$ 630.90	84%
Rental Housing & Hotel Inspection Fees and Penalties	AdministrativeHearing Fee				\$ 946.35	225.00	100%	\$ 946.35	321%

## Code Enforcement - Community Preservation Program

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Community Preservation Program	Request for Postponement of Inspection	1st Request			\$ 84.20	No Charge	0%	No Charge	NA
Community Preservation Program	Request for Postponement of Inspection	2nd Request		plus \$100 penalty	\$ 84.20	No Charge	0%	No Charge	NA
Community Preservation Program	Request for Postponement of Inspection	3rd Request		plus \$200 penalty	\$ 84.20	No Charge	0%	No Charge	NA
Community Preservation Program	Request for Postponement of Inspection	"No Show" for Inspection		plus \$200 penalty	\$ 392.68	175.00	100%	\$ 392.00	124%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Initial inspection)			\$ 626.70	No Charge	0%	No Charge	NA
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Reinspection shows violation eliminated)			\$ 626.70	No Charge	0%	No Charge	NA
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Reinspection shows violation still exists)		plus \$100 penalty	\$ 626.70	522.00	100%	\$ 626.00	20%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Second inspection shows violation still exists)		plus \$200 penalty	\$ 626.70	522.00	100%	\$ 626.00	20%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Third inspection shows violation still exists)		plus \$500 penalty	\$ 626.70	522.00	100%	\$ 626.00	20%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Fourth inspection shows violation still exists)		plus \$500 penalty	\$ 626.70	522.00	100%	\$ 626.00	20%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (fifth and subsequent inspections shows violation still exists)		plus \$500 penalty	\$ 626.70	522.00	100%	\$ 626.00	20%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	Subsequent violation within 1 year (Initial inspection and notices)		plus \$800 penalty	\$ 743.71	651.00	100%	\$ 743.00	14%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	Subsequent violation within 1 year (Each subsequent inspection violation still exists)		plus \$1000 penalty	\$ 626.70	506.00	100%	\$ 626.00	24%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	Abatement Costs	per parcel	plus contractor costs	\$ 1,325.86	992.00	100%	\$ 1,325.86	34%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	Lien/Special Assessment Processing	per parcel		\$ 1,811.98	342.00	100%	\$ 1,811.98	430%
Community Preservation Program		Hearing Fee	per hearing	Administrative, special Assessment, Administrative Citation, and Lien Hearings	\$ 761.10	225.00	100%	\$ 761.00	238%
Community Preservation Program	Operating Permits	Tobacco Retailer License - Initial or Renewal Fee			NA	400.00	NA	\$ 400.00	0%



Police

Fee Group 1	Fee Group 2	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Animal Control	Impounding Charges	For each dog and cat	1st impoundment			\$ 86.03	35.00	100%	\$ 86.00	146%
Animal Control	Impounding Charges	For each dog and cat	2nd impoundment within one year			\$ 81.03	75.00	100%	\$ 81.00	8%
Animal Control	Impounding Charges	For each dog and cat	3rd impoundment within one year			\$ 149.77	150.00	100%	\$ 149.00	-1%
Animal Control	Impounding Charges	For each dog and cat	Impound dangerous animal			\$ 148.67	150.00	100%	\$ 148.00	-1%
Animal Control	Impounding Charges	For each dog and cat	Field Impound			\$ 125.75	100.00	100%	\$ 125.00	25%
Animal Control	Impounding Charges	For any unsterilized dog or cat impounded, an additional fee is assessed as mandated by the State of California Food & Agricultural Code.	1st Impoundment		State mandated penalty - F & A 30804.7	NA	35.00	NA	\$ 35.00	0%
Animal Control	Impounding Charges	For any unsterilized dog or cat impounded, an additional fee is assessed as mandated by the State of California Food & Agricultural Code.	2nd Impoundment		State mandated penalty - F & A 30804.7	NA	50.00	NA	\$ 50.00	0%
Animal Control	Impounding Charges	For any unsterilized dog or cat impounded, an additional fee is assessed as mandated by the State of California Food & Agricultural Code.	3rd Impoundment		State mandated penalty - F & A 30804.7	NA	100.00	NA	\$ 100.00	0%
Animal Control	Impounding Charges	For each horse, bull, cow, steer, calf, colt, sheep, lamb, goat or hog	1st impoundment		minimum \$40 (Charge will be total direct)	Variable	Case by Case	100%	Case by Case	NA
Animal Control	Impounding Charges	For each horse, bull, cow, steer, calf, colt, sheep, lamb, goat or hog	2nd impoundment within one year		minimum \$40	Variable	Case by Case	100%	Case by Case	NA
Animal Control	Impounding Charges	For each horse, bull, cow, steer, calf, colt, sheep, lamb, goat or hog	3rd impoundment within one year		minimum \$40	Variable	Case by Case	100%	Case by Case	NA
Animal Control	Impounding Charges		For each non-specified animal (rabbit, monkey, rat, etc.)		minimum \$40	Variable	Case by Case	100%	Case by Case	NA
Animal Control	Feeding and Boarding Charges		For each dog, cat or small domestic pet	per day		\$ 30.98	14.00	100%	\$ 30.00	114%
Animal Control	Feeding and Boarding Charges		Special needs animal (medications given, treatment)	per day		\$ 39.97	30.00	100%	\$ 39.00	30%
Animal Control	Feeding and Boarding Charges		For each horse, bull, cow, hog, steer, lamb, sheep, goat, colt, or calf.	per day	minimum (RTO); Fees will depend on actual board cost charged by ranch or 3rd party facility	Variable	10.00	100%	Based on Animal Needs	NA
Animal Control	Feeding and Boarding Charges		For each non-specified animal	per day	minimum (RTO)	\$ 19.97	2.00	100%	\$ 19.00	850%
Animal Control	Special Services		Owner surrender of adult unlicensed animals (includes boarding fees for the State mandated holding period)	per animal	plus 4 days of mandated board charged separately	\$ 46.52	85.00	58%	\$ 27.00	-68%
Animal Control	Special Services		Owner surrender of additional animals less than ten weeks of age. Boarding fees for the State mandated holding period will also be charged.	per animal		\$ 13.29	5.00	100%	\$ 13.00	160%
Animal Control	Special Services		Owner surrenders - small animals/bird	per animal		\$ 46.52	30.00	100%	\$ 46.00	53%
Animal Control	Special Services		Owner brings dead animal to shelter for disposal (Under 50 lbs.)	per animal		\$ 37.02	54.00	100%	\$ 37.00	-31%
Animal Control	Special Services		Owner brings dead animal to shelter for disposal (Over 50 lbs.)	per animal		\$ 42.01	67.00	100%	\$ 42.00	-37%
Animal Control	Special Services		Transport fee for any owned animal, live or dead, transported to shelter	per animal		\$ 96.73	133.00	100%	\$ 96.00	-28%
Animal Control	Special Services		Transportation of stray injured or sick animal to a veterinarian, where owner is later identified.			Variable	Case by Case	100%	Case by Case	NA
Animal Control	Special Services		Veterinary treatment provided to an animal housed in the Shelter where the owner is later identified			Variable	Actual Vet Costs	100%	Actual Vet Costs	NA
Animal Control	Special Services		Rabies vaccination certificate			Variable	Actual Vet Costs	100%	Actual Vet Costs	NA
Animal Control	Special Services		Para-influenza type vaccine			Variable	Actual Vet Costs	100%	Actual Vet Costs	NA
Animal Control	Special Services		Medical Testing		Minimum (\$50 maximum)	\$ 17.98	10.00	100%	\$ 17.00	70%
Animal Control	Special Services		Microchip Insertion (Animal adopted from the Shelter)			\$ 30.00	15.00	100%	\$ 29.00	93%
Animal Control	Special Services		Microchip Insertion (Animals not adopted from the Shelter)			\$ 30.00	25.00	100%	\$ 29.00	16%
Animal Control	Animal Licence and Permit Fees	Unsterilized dog or cat	Flat fee is for 1, 2 or 3 years depending on Rabies Vaccination Certificate (not to exceed 3 years)			\$ 16.03	17.00	100%	\$ 16.00	-6%
Animal Control	Animal Licence and Permit Fees	Unsterilized dog or cat	Unsterilized animal		penalty	NA	35.00	NA	\$ 35.00	0%
Animal Control	Animal Licence and Permit Fees	Unsterilized dog or cat	Unsterilized license renewal		plus penalty	NA	17.00	NA	\$ 17.00	0%

Police

Fee Group 1	Fee Group 2	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Flat Fee is for 1, 2 or 3 years depending on Rabies Vaccination Certificate duration (not to exceed 3 years)			\$ 16.03	17.00	100%	\$ 16.00	-6%
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Sterilized, license renewal			\$ 13.82	17.00	100%	\$ 13.00	-24%
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Late Penalty			NA	5.00	NA	\$ 5.00	0%
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Replacement/Duplicate License			\$ 13.82	8.00	100%	\$ 13.00	63%
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Seeing or hearing dog			\$ 16.03	No Charge	0%	No Charge	NA
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Fancier's Permit			\$ 243.26	250.00	100%	\$ 243.00	-3%
Animal Control	Pick-up and Disposal of Dead Animals from Veterinarian		For 1 to 5 animals			\$ 107.89	50.00	100%	\$ 107.00	114%
Animal Control	Pick-up and Disposal of Dead Animals from Veterinarian		For Over 5 animals	each		\$ 12.50	10.00	100%	\$ 12.00	20%
Animal Control	Observation Fees		For each dog, cat or small domestic pet for quarantine, evidence and protective custody.		per day	\$ 4.49	14.00	100%	\$ 4.00	-71%
Animal Control	Observation Fees		Other Animals			Variable	Actual Costs	100%	Actual Costs	NA
Animal Control	Observation Fees		Property inspections (required prior to home quarantines and for the private retention of all animals declared dangerous outside a City of Hayward hearing).		per inspection	\$ 72.64	53.00	100%	\$ 72.00	36%
Animal Control	Adoption Fees		The fees charged for dogs and cats offered for adoption shall be set by the Animal Services Manager. In no case shall this amount be less than \$5.00. In no case shall animals listed as "Owner Surrendered" be adopted by the previous owner without payment of all fees and charges (as specified in the schedule) for shelter service in impounding and caring for the animal.		minimum \$5	Variable	Case by Case	100%	Case by Case	NA
Animal Control	Adoption Fees		All Other Animals			Variable	Market Value	100%	Market Value	NA
Animal Control	Adoption Fees		Spaying and neutering (mandated for dogs and cats prior to adoption)			Variable	Veterinary contract cost	100%	Veterinary contract cost	NA
Animal Control	Adoption Fees		Administrative processing fee for the return of animals adopted from the shelter			\$ 11.03	10.00	100%	\$ 11.00	10%
Animal Control			Hearing Fee			\$ 496.63	150.00	100%	\$ 496.00	231%
Police Administration	Photocopying of Reports		Traffic Accident Reports	per report		\$ 16.54	12.00	100%	\$ 16.00	33%
Police Administration	Photocopying of Reports		Other Reports	per report		\$ 16.54	5.50	100%	\$ 16.00	191%
Police Administration			Photographs			\$ 24.92	Time & Motion	100%	\$ 24.00	NA
Police Administration			Fingerprinting	each	Fingerprint processing fees established by Federal or State agencies shall be additional charge	\$ 26.81	23.00	100%	\$ 26.00	13%
Police Administration	Traffic & Police Security Services		Traffic control and police security services for pre-planned, non-city sponsored events			Variable	Time & Motion	100%	Actual Cost	NA
Police Administration	Traffic & Police Security Services		Planned traffic control for contractors and utilities			Variable	Time & Motion	100%	Actual Cost	NA
Police Administration	Permit Processing	Taxi Drivers	Initial Permit			\$ 609.48	260.00	100%	\$ 609.00	134%
Police Administration	Permit Processing	Taxi Drivers	Annual renewal			\$ 304.74	186.00	100%	\$ 304.00	63%
Police Administration	Permit Processing	Taxi Drivers	Annual taxi operating sticker			\$ 152.37	247.00	100%	\$ 152.00	-38%
Police Administration	Permit Processing	Taxi Drivers	Lost permit replacement			\$ 26.81	91.00	100%	\$ 26.00	-71%
Police Administration	Permit Processing	Tow Permits	Company 1st License			\$ 304.74	297.00	100%	\$ 304.00	2%
Police Administration	Permit Processing	Tow Permits	Company Annual Renewal			\$ 40.21	297.00	100%	\$ 40.00	-87%
Police Administration	Permit Processing	Tow Permits	Driver 1st License			\$ 304.74	297.00	100%	\$ 304.00	2%
Police Administration	Permit Processing	Tow Permits	Driver Annual Renewal			\$ 40.21	297.00	100%	\$ 40.00	-87%
Police Administration	Permit Processing	Tow Permits	Lost Permit Replacement			\$ 40.21	74.00	100%	\$ 40.00	-46%
Police Administration	Permit Processing	Massage Establishment/technician permit	Initial Inspection/application and processing of new massage establishment			\$ 761.85	300.00	100%	\$ 761.00	154%
Police Administration	Permit Processing	Massage Establishment/technician permit	Annual Renewal fee for massage establishment			\$ 241.26	150.00	100%	\$ 241.00	61%
Police Administration	Permit Processing	Massage Establishment/technician permit	Badge Replacement			\$ 80.42	76.00	100%	\$ 80.00	5%
Police Administration	Permit Processing	Massage Establishment/technician permit	Massage Out-Call initial inspection /application			\$ 761.85	600.00	100%	\$ 761.00	27%
Police Administration	Permit Processing	Massage Establishment/technician permit	Massage Out-Call Renewal			\$ 241.26	300.00	100%	\$ 241.00	-20%

Police

Fee Group 1	Fee Group 2	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Police Administration	Permit Processing	Card clubs employee permit	Initial permit			\$ 241.26	153.00	100%	\$ 241.00	58%
Police Administration	Permit Processing	Card clubs employee permit	Annual renewal			\$ 160.84	153.00	100%	\$ 160.00	5%
Police Administration	Permit Processing	Card clubs employee permit	Lost permit replacement			\$ 80.42	76.00	100%	\$ 80.00	5%
Police Administration	Permit Processing		Auto Sales/Repair Permit			\$ 160.84	175.00	100%	\$ 160.00	-9%
Police Administration	Permit Processing		Background investigation			Variable	Time & Motion	100%	Time & Motion	NA
Police Administration	Permit Processing		Firearm dealers annual permit			\$ 1,294.99	513.00	100%	\$ 1,294.00	152%
Police Administration	Permit Processing		Diversion program			Variable	Time & Motion	0%	Time & Motion	NA
Police Administration	Permit Processing		Petty Theft Workshop	per participant		NA	80.00	0%	\$ 80.00	0%
Police Administration	Permit Processing		Other permit processing			Variable	Time & Motion	100%	Time & Motion	NA
Police Administration	Permit Processing		Alcohol Sales-Special Event Permits			\$ 304.74	42.00	100%	\$ 304.00	624%
Police Administration	Alarm Permit Fee		new and annual renewal			\$ 16.54	32.00	100%	\$ 16.00	-50%
Police Administration	Alarm Permit Fee		Low income or persons in a temporary or permanent disabled status			\$ 22.05	15.00	54%	\$ 12.00	-20%
Police Administration	False Alarm Fees		First False Alarm Fee			\$ 185.45	No Charge	100%	\$ 185.00	NA
Police Administration	False Alarm Fees		Second False Alarm Fee			\$ 185.45	182.00	100%	\$ 185.00	2%
Police Administration	False Alarm Fees		Third False Alarm Fee		plus \$50 penalty	\$ 185.45	182.00	100%	\$ 185.00	2%
Police Administration	False Alarm Fees		Fourth False Alarm Fee		plus \$200 penalty	\$ 185.45	182.00	100%	\$ 185.00	2%
Police Administration	False Alarm Fees		Fifth and Each Fee		plus \$400 penalty	\$ 185.45	182.00	100%	\$ 185.00	2%
Police Administration			Vehicle Release Fee			\$ 33.08	235.00	100%	\$ 33.00	-86%
Police Administration	Vehicle Verification or Administrative Fee		Onsite verification			\$ 76.18	43.00	100%	\$ 76.00	77%
Police Administration	Vehicle Verification or Administrative Fee		Offsite verification			\$ 152.37	175.00	100%	\$ 152.00	-13%
Police Administration			Communication Tapes		per tape	\$ 98.28	103.00	100%	\$ 98.00	-5%
Police Administration			DVD or Flash Drive video requests			\$ 20.00	New	100%	\$ 20.00	NA
Police Administration			Clearance Letters		per letter	\$ 38.59	43.00	100%	\$ 38.00	-12%
Police Administration			Vehicle Abatement		per vehicle	\$ 160.84	263.00	100%	\$ 160.00	-39%
Police Administration	Prisoner Booking Fee		Cite & Release		per prisoner	NA	89.00	NA	\$ 89.00	0%
Police Administration	Prisoner Booking Fee		Hold for Court		per prisoner	NA	180.00	NA	\$ 180.00	0%
Police Administration	Prisoner Booking Fee		Transfer to Santa Rita		per prisoner	NA	199.00	NA	\$ 199.00	0%
Police Administration	Social Host Accountability Ordinance		First Violation		per sec 4-11.20 HMC - PENALTY	NA	750.00	NA	\$ 750.00	0%
Police Administration	Social Host Accountability Ordinance		Second Violation		per sec 4-11.20 HMC - PENALTY	NA	1,500.00	NA	\$ 1,500.00	0%
Police Administration	Social Host Accountability Ordinance		Third & Subsequent Violations		per sec 4-11.20 HMC - PENALTY	NA	2,500.00	NA	\$ 2,500.00	0%
Police Administration	Social Host Accountability Ordinance		Recovery of the cost of the public safety response to a "Social Host" ordinance violation using the fully burdened cost allocation rate		per sec 4-11.20 HMC - PENALTY	NA	Time & Motion	NA	Time & Motion	NA
Police Administration			Firearms Range Maintenance Fees		apportions the upkeep of the firearms range among user law enforcement agencies over a fiscal year period	NA	1,250.00	NA	\$ 1,250.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Level I		per sec 10-1.2750 HMC - fee set in Alcohol ordinance	NA	280.00	NA	\$ 280.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Level II		per sec 10-1.2750 HMC - fee set in Alcohol ordinance	NA	1,120.00	NA	\$ 1,120.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Critical Incident Fee		per sec 10-1.2750 HMC	NA	Time & Motion	NA	Time & Motion	NA
Police Administration	Alcoholic Beverage Outlets Fees		Violation of Ordinance: First Offense		per sec 10-1.2750 HMC - PENALTY	NA	750.00	NA	\$ 750.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Violation of Ordinance: Second Offense		per sec 10-1.2750 HMC - PENALTY	NA	1,500.00	NA	\$ 1,500.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Violation of Ordinance: Third Offense		per sec 10-1.2750 HMC - PENALTY	NA	2,500.00	NA	\$ 2,500.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Reinspection Fee		per sec 10-1.2750 HMC	NA	Time & Motion	NA	Time & Motion	NA
Police Administration	Alcoholic Beverage Outlets Fees		Alcohol Sales - Special Event Permit		per sec 10-1.2750 HMC - fee set in Alcohol ordinance	NA	42.00	NA	\$ 42.00	0%

Fire Prevention

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
	Standard Hourly Rate		per hour		\$ 221.26	210.00	100%	\$ 221.00	5%
	Overtime (Afterhour Inspection)		per hour		\$ 331.89	316.00	100%	\$ 331.00	5%
	Expedited Plan Review		per hour		\$ 331.89	316.00	100%	\$ 331.00	5%
	New Fire Sprinkler Systems PLUS Hydraulic Calculation Fee* (See Below)	1-29 Heads	per floor or system		\$ 1,548.81	1,476.00	100%	\$ 1,548.00	5%
	New Fire Sprinkler Systems PLUS Hydraulic Calculation Fee* (See Below)	30-100 Heads	per floor or system		\$ 1,880.70	1,793.00	100%	\$ 1,880.00	5%
	New Fire Sprinkler Systems PLUS Hydraulic Calculation Fee* (See Below)	101-200 Heads	per floor or system		\$ 2,101.96	2,004.00	100%	\$ 2,101.00	5%
	New Fire Sprinkler Systems PLUS Hydraulic Calculation Fee* (See Below)	201-350 Heads	per floor or system		\$ 2,433.85	2,320.00	100%	\$ 2,433.00	5%
	New Fire Sprinkler Systems PLUS Hydraulic Calculation Fee* (See Below)	351+ Heads	per floor or system		\$ 2,986.99	2,847.00	100%	\$ 2,986.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	LESS THAN 30 HEADS W/ NO HYDRO		Minor plan check required-only one inspection	\$ 663.78	630.00	100%	\$ 663.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	LESS THAN 30 HEADS WITH HYDRO		Minor plan check required-only one inspection	\$ 885.04	840.00	100%	\$ 885.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	30-100 Heads	per floor or system		\$ 1,659.44	1,582.00	100%	\$ 1,659.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	101-200 Heads	per floor or system		\$ 2,101.96	2,004.00	100%	\$ 2,101.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	201-350 Heads	per floor or system		\$ 2,433.85	2,320.00	100%	\$ 2,433.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	351+ Heads	per floor or system		\$ 2,986.99	2,847.00	100%	\$ 2,986.00	5%
	TRACT REVIEW – Fire Sprinkler Master Plan Check PLUS Hydraulic Calculation Fee*	Duplicate TRACT Plan Check: 13D SYSTEM (SFD/TOWNHOUSE)	per floor or system		\$ 885.04	840.00	100%	\$ 885.00	5%
	TRACT REVIEW – Fire Sprinkler Master Plan Check PLUS Hydraulic Calculation Fee*	Duplicate TRACT Plan Check: 13 SYSTEM (BUILDING)	per floor or system	200 Heads and Below	\$ 1,106.29	1,050.00	100%	\$ 1,106.00	5%
	TRACT REVIEW – Fire Sprinkler Master Plan Check PLUS Hydraulic Calculation Fee*	Duplicate TRACT Plan Check: 13 SYSTEM (BUILDING)	per floor or system	201 – 350 Heads	\$ 1,327.55	1,260.00	100%	\$ 1,327.00	5%
	TRACT REVIEW – Fire Sprinkler Master Plan Check PLUS Hydraulic Calculation Fee*	Duplicate TRACT Plan Check: 13 SYSTEM (BUILDING)	per floor or system	351+ Heads	\$ 1,548.81	1,470.00	100%	\$ 1,548.00	5%
	Additional Fire Sprinkler Review Items	Hydraulic Calculation*	per remote area		\$ 885.04	843.00	100%	\$ 885.00	5%
	Additional Fire Sprinkler Review Items	Antifreeze System	per system		\$ 1,659.44	1,582.00	100%	\$ 1,659.00	5%
	Additional Fire Sprinkler Review Items	Dry Pipe Valve	per valve		\$ 1,770.07	1,687.00	100%	\$ 1,770.00	5%
	Additional Fire Sprinkler Review Items	Deluge/Pre Action	per valve		\$ 2,101.96	2,004.00	100%	\$ 2,101.00	5%
	Additional Fire Sprinkler Review Items	Pressure Reducing Station	per valve		\$ 2,433.85	2,320.00	100%	\$ 2,433.00	5%
	Additional Fire Sprinkler Review Items	Fire Pump	per pump		\$ 2,876.37	2,742.00	100%	\$ 2,876.00	5%
	Additional Fire Sprinkler Review Items	Water Storage Tank: Gravity	per tank		\$ 1,659.44	1,582.00	100%	\$ 1,659.00	5%
	Additional Fire Sprinkler Review Items	Water Storage Tank: Pressure	per tank		\$ 1,659.44	1,582.00	100%	\$ 1,659.00	5%
	Fire Standpipe System	Class I, II, III & Article 81	per standpipe		\$ 1,991.33	1,898.00	100%	\$ 1,991.00	5%
	Fire Alarm System -New	0-15 Devices	per system	All Initiating and indicating appliances, including Dampers	\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
	Fire Alarm System -New	16-50 Devices	per system		\$ 1,548.81	1,476.00	100%	\$ 1,548.00	5%
	Fire Alarm System -New	51-100 Devices	per system		\$ 1,991.33	1,898.00	100%	\$ 1,991.00	5%
	Fire Alarm System -New	101-500 Devices	per system		\$ 2,433.85	2,320.00	100%	\$ 2,433.00	5%
	Fire Alarm System -New	Each additional 25 devices up to 1,000	per system		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
	Fire Alarm System -New	1001+	per system		\$ 4,425.18	4,219.00	100%	\$ 4,425.00	5%

## Fire Prevention

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Fire Alarm System -New	Each additional 100 devices		per system		\$ 2,212.59	2,109.00	100%	\$ 2,212.00	5%
	Existing system under 8 devices				\$ 663.78	630.00	100%	\$ 663.00	5%
Additional Fire Alarm Review Items	Hi/Lo Alarms		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Additional Fire Alarm Review Items	Low Air/Temp Alarms		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Additional Fire Alarm Review Items	Graphic Annunciator Review		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Clean Agent Gas Systems		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Dry Chemical Systems		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Wet Chemical/Kitchen Hood		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Foam Systems		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Paint Spray Booth		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Vehicle Access Gate		each		\$ 553.15	526.00	100%	\$ 553.00	5%
Hazardous Activities or Uses	Installation Permits: Monitoring		each		\$ 663.78	632.00	100%	\$ 663.00	5%
Hazardous Activities or Uses	Installation Permits: Aboveground—Flammable/Combustible Liquid Tank and/or Pipe		per site		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Hazardous Activities or Uses	Installation Permits: Underground—Flammable/Combustible Liquid Tank and/or Pipe		per site		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Hazardous Activities or Uses	Installation Permits: Fuel Dispensing System Complete		per site		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: High Piled/Rack/Shelf Storage		each		\$ 1,438.18	1,371.00	100%	\$ 1,438.00	5%
Hazardous Activities or Uses	Installation Permits: Smoke Control CFC		each		\$ 1,438.18	1,371.00	100%	\$ 1,438.00	5%
Hazardous Activities or Uses	Installation Permits: Medical Gas Alarms		per system		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Refrigerant System		each		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Hazardous Activities or Uses	Installation Permits: Refrigerant Monitoring System		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
	AMMR Review		each		\$ 663.78	632.00	100%	\$ 663.00	5%
Activity Permits (Single Event/One-Time)	Open Flames and Candles (105.6.32)		per permit		\$ 885.04	843.00	100%	\$ 885.00	5%
Activity Permits (Single Event/One-Time)	Carnivals and Fairs (105.6.4)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Seasonal Lots (Christmas Tree/Pumpkin Lot)		per permit		\$ 221.26	210.00	100%	\$ 221.00	5%
Activity Permits (Single Event/One-Time)	Special Events (Haunted House/Camps)		per permit		\$ 221.26	210.00	100%	\$ 221.00	5%
Activity Permits (Single Event/One-Time)	Explosives (105.6.14)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Fireworks; Displays (105.6.14)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Hot-Works Operations (105.6.23)		per permit		\$ 885.04	843.00	100%	\$ 885.00	5%
Activity Permits (Single Event/One-Time)	LP-Gas (105.6.27)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Liquid or Gas-Fueled Vehicles or Equipment in Assembly Buildings (105.6.26)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Covered Mall Buildings (105.6.9)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Open Burning (105.6.30)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Pyrotechnical Special Effects Material (105.6.36)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Small Tent Structure ( 750 Sq. Ft. or less)		per permit		\$ 553.15	526.00	95%	\$ 526.00	0%

## Fire Prevention

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Activity Permits (Single Event/One-Time)		Large Tent Structure (751 Sq. Ft. or above)	per permit		\$ 663.78	647.00	97%	\$ 647.00	0%
Activity Permits (Single Event/One-Time)		Fire Safety Inspections	per application		\$ 885.04	843.00	100%	\$ 885.00	5%
Activity Permits (Single Event/One-Time)		Non-Compliance Inspections	per inspection		\$ 885.04	843.00	100%	\$ 885.00	5%
Activity Permits (Single Event/One-Time)		Outside Agency	per inspection		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual State-Mandated Pre-Inspections		6 or less Occupants	per facility		\$ 774.41	50.00	6%	\$ 50.00	0%
Annual State-Mandated Pre-Inspections		7 or more Occupants	per facility		\$ 885.04	100.00	11%	\$ 100.00	0%
Annual State-Mandated		Apartments	per facility		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual State-Mandated		Apartments: More than 100 Units	per facility		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Annual State-Mandated	24 Hour Community Care Facilities	7 to 49	per facility		\$ 829.72	791.00	100%	\$ 829.00	5%
Annual State-Mandated	24 Hour Community Care Facilities	50 or More	per facility		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual State-Mandated	Day Care Centers	Residential 9-14	per facility		\$ 221.26	384.00	100%	\$ 221.00	-42%
Annual State-Mandated	Day Care Centers	Commercial 15+	per facility		\$ 442.52	436.00	100%	\$ 442.00	1%
Annual State-Mandated		High Rise Building	per facility		\$ 1,327.55	1,265.00	100%	\$ 1,327.00	5%
Annual State-Mandated		Homes for the Mentally Impaired (7 or more Occupants)	per facility		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual State-Mandated		Hospital and Jail	per facility		\$ 1,991.33	1,898.00	100%	\$ 1,991.00	5%
Annual State-Mandated		Hotels/Motels	per facility		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual State-Mandated		School	per facility		\$ 995.66	949.00	100%	\$ 995.00	5%
Reports		Life Safety Report	per report	\$0.10 each additional page of same document	Variable	\$0.50/page for first ten (10) pages of each document	100%	.5 first ten, .10 thereafter	NA
Reports		Life Safety Report Photographs	per photograph set		Variable	Direct cost of Duplication	100%	Direct cost of Duplication	NA
Reports		Subpoenaed Reports	per report	\$0.10 each additional page of same document	Variable	\$0.50/page for first ten (10) pages of each document	100%	.5 first ten, .10 thereafter	NA
Other Fire Fees		Technology Fee	per permit		NA	17.00	NA	\$ 17.00	0%
Other Fire Fees		Underground Fire Service Plan Check	each		\$ 1,991.33	1,898.00	100%	\$ 1,991.00	5%
Other Fire Fees		Emergency Underground Repair	each		\$ 663.78	630.00	100%	\$ 663.00	5%
Other Fire Fees		Hydrant Flow Test (existing Hydrants)	each		\$ 774.41	738.00	100%	\$ 774.00	5%
Other Fire Fees		Fire Plans Examiner Miscellaneous	each		\$ 331.89	316.00	100%	\$ 331.00	5%
Other Fire Fees		Re-Inspection Fee	per hour		\$ 387.20	369.00	100%	\$ 387.00	5%
Other Fire Fees		False Alarm Response *	per billed incident		\$ 995.66	949.00	100%	\$ 995.00	5%
Other Fire Fees		Fire Hydrants	per hydrant		\$ 221.26	210.00	100%	\$ 221.00	5%
Other Fire Fees		Re-roofing Permits /Siding/Windows (Applicable only in Wildland/Urban Interface)	per application		\$ 110.63	105.00	100%	\$ 110.00	5%
Other Fire Fees		Fire Permit Extension Fee	per 6-month extension		\$ 110.63	105.00	100%	\$ 110.00	5%
		Pre-Application/General Plan Review/Code Assistance	per meeting		\$ 885.04	843.00	100%	\$ 885.00	5%
		Self Inspection Program	per facility		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
		Planning/Engineering Referrals (HWD)	per application		\$ 885.04	843.00	100%	\$ 885.00	5%
		Business License Reviews	each		\$ 774.41	738.00	100%	\$ 774.00	5%
		Fairview Planning Referrals	each		\$ 331.89	316.00	100%	\$ 331.00	5%
		Fairview New Construction	per application		\$ 995.66	949.00	100%	\$ 995.00	5%
Annual Permits		Aerosol Products (105.6.1)	per year		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%

## Fire Prevention

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Annual Permits		Amusement Buildings (105.6.2)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Aviation Facilities (105.6.3)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Carnivals and Fairs (105.6.4)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Cellulose Nitrate Film (105.6.5)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Combustible Dust-Producing Operations (105.6.6)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Combustible Fibers (105.6.7)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Compressed Gases (105.6.8)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Covered Mall Buildings (105.6.9)	per year		\$ 2,433.85	2,300.00	100%	\$ 2,433.00	6%
Annual Permits		Cryogenic Fluids (105.6.10)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Cutting and Welding (105.6.11)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Dry Cleaning Plants (105.6.12)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Exhibits and Trade Shows (105.6.13)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Explosives (105.6.14)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Fire Hydrants and Valves (105.6.15)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Flammable and Combustible Liquids (105.6.16)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Floor Finishing (105.6.17)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Fruit and Crop Ripening (105.6.18)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Fumigation or Thermal Insecticide Fogging (105.6.19)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Hazardous Materials (105.6.20)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		HPM facilities (105.6.21)	per year		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Annual Permits		High-Piled Storage < 12000 SF (105.6.22)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		High-Piled Storage > 12000 SF (105.6.22)	per year		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Annual Permits		Hot-Works Operations (105.6.23)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Industrial Ovens (105.6.24)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Lumber Yards and WoodWorking Plants (105.6.25)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Liquid or Gas-Fueled Vehicles or Equipment in Assembly Buildings (105.6.26)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		LP-Gas (105.6.27)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Magnesium (105.6.28)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Miscellaneous Combustible Storage (105.6.29)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Open Burning (105.6.30)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Open Flames and Torches (105.6.31)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Open Flames and Candles (105.6.32)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Organic Coatings (105.6.33)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Places of Assembly < 300 (105.6.34)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Places of Assembly > 300 (105.6.34)	per year		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Annual Permits		Private Fire Hydrants (105.6.35)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Pyrotechnical Special Effects Material (105.6.36)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Pyroxylin Plastics (105.6.37)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Refrigeration Equipment (105.6.38)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Repair Garages and Motor Fuel-Dispensing Facilities (105.6.39)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Rooftop Heliports (105.6.40)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Spraying or Dipping (105.6.41)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Storage of Scrap Tires and Tire Byproducts (105.6.42)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Tire-Rebuilding Plants (105.6.44)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Waste Handling (105.6.45)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Wood Products (105.6.46)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Essential City Facilities	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Fire Department Miscellaneous Fees: Building Permits		Minor Tenant Improvement	per permit		\$ 663.78	630.00	100%	\$ 663.00	5%

**Fire Prevention**

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Fire Department Miscellaneous Fees: Building Permits		Revision-minor changes to (E) permit	per permit		\$ 331.89	316.00	100%	\$ 331.00	5%
Fire Department Miscellaneous Fees: Building Permits		Cellular Sites: Existing Site	per permit		\$ 663.78	630.00	100%	\$ 663.00	5%
Fire Department Miscellaneous Fees: Building Permits		Cellular Sites: New Site	per square footage		Variable	SEE CHART	100%	Variable	NA
Fire Department Miscellaneous Fees: Building Permits		Equipment Installations	per permit		\$ 663.78	630.00	100%	\$ 663.00	5%
Fire Department Miscellaneous Fees: Building Permits		HVAC/air units If over 2,000 cfm	per permit		\$ 221.26	210.00	100%	\$ 221.00	5%



## Hazardous Materials

Fee Group	Title	Sub Title	Unit	Notes	Full Cost per Insp/Project	Avg Annual Cost per Insp*	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Hazardous Materials Storage Permit	1A: Storage of one (1) or more types	Solid up to 500 lbs (pounds)	per year	Municipal Code, Chapter 3, Article 8	\$ 702.13	\$ 234.04	245.00	100%	\$ 234.00	-4%
Hazardous Materials Storage Permit	1A: Storage of one (1) or more types	Liquid up to 55 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 702.13	\$ 234.04	245.00	100%	\$ 234.00	-4%
Hazardous Materials Storage Permit	1A: Storage of one (1) or more types	Gaseous up to 2,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 702.13	\$ 234.04	245.00	100%	\$ 234.00	-4%
Hazardous Materials Storage Permit	2A: Storage of one (1) or more types	Solid between 500 & 5,000 lbs	per year	Municipal Code, Chapter 3, Article 8	\$ 743.43	\$ 247.81	279.00	100%	\$ 247.00	-11%
Hazardous Materials Storage Permit	2A: Storage of one (1) or more types	Liquid between 55 & 550 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 743.43	\$ 247.81	279.00	100%	\$ 247.00	-11%
Hazardous Materials Storage Permit	2A: Storage of one (1) or more types	Gaseous between 200 & 2,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 743.43	\$ 247.81	279.00	100%	\$ 247.00	-11%
Hazardous Materials Storage Permit	3A: Storage of one (1) to five (5) types	Solid between 5,000 & 25,000 lbs	per year	Municipal Code, Chapter 3, Article 8	\$ 784.73	\$ 261.58	346.00	100%	\$ 261.00	-25%
Hazardous Materials Storage Permit	3A: Storage of one (1) to five (5) types	Liquid between 550 & 2,750 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 784.73	\$ 261.58	346.00	100%	\$ 261.00	-25%
Hazardous Materials Storage Permit	3A: Storage of one (1) to five (5) types	Gaseous between 2,000 & 10,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 784.73	\$ 261.58	346.00	100%	\$ 261.00	-25%
Hazardous Materials Storage Permit	3B: Storage of six (6) or more types	Solid between 5,000 & 25,000 lbs	per year	Municipal Code, Chapter 3, Article 8	\$ 867.33	\$ 289.11	380.00	100%	\$ 289.00	-24%
Hazardous Materials Storage Permit	3B: Storage of six (6) or more types	Liquid between 550 & 2,750 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 867.33	\$ 289.11	380.00	100%	\$ 289.00	-24%
Hazardous Materials Storage Permit	3B: Storage of six (6) or more types	Gaseous between 2,000 & 10,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 867.33	\$ 289.11	380.00	100%	\$ 289.00	-24%
Hazardous Materials Storage Permit	4A: Storage of one (1) to five (5) types	Solid between 25,000 & 50,000 lbs	per year	Municipal Code, Chapter 3, Article 8	\$ 908.64	\$ 302.88	397.00	100%	\$ 302.00	-24%
Hazardous Materials Storage Permit	4A: Storage of one (1) to five (5) types	Liquid between 2,750 & 5,000 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 908.64	\$ 302.88	397.00	100%	\$ 302.00	-24%
Hazardous Materials Storage Permit	4A: Storage of one (1) to five (5) types	Gaseous between 10,000 & 20,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 908.64	\$ 302.88	397.00	100%	\$ 302.00	-24%
Hazardous Materials Storage Permit	4B: Storage of six (6) or more types	Solid between 25,000 & 50,000 lbs	per year	Municipal Code, Chapter 3, Article 8	\$ 949.94	\$ 316.65	414.00	100%	\$ 316.00	-24%
Hazardous Materials Storage Permit	4B: Storage of six (6) or more types	Liquid between 2,750 & 5,000 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 949.94	\$ 316.65	414.00	100%	\$ 316.00	-24%
Hazardous Materials Storage Permit	4B: Storage of six (6) or more types	Gaseous between 10,000 & 20,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 949.94	\$ 316.65	414.00	100%	\$ 316.00	-24%
Hazardous Materials Storage Permit	5A: Storage of one (1) to five (5) types	Solid 50,000 pounds or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,073.84	\$ 357.95	448.00	100%	\$ 357.00	-20%
Hazardous Materials Storage Permit	5A: Storage of one (1) to five (5) types	Liquid 5,000 gallons or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,073.84	\$ 357.95	448.00	100%	\$ 357.00	-20%
Hazardous Materials Storage Permit	5A: Storage of one (1) to five (5) types	Gaseous 20,000 cu. ft. or more at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 1,073.84	\$ 357.95	448.00	100%	\$ 357.00	-20%
Hazardous Materials Storage Permit	5B: Storage of six (6) to ten (10) types	Solid 50,000 pounds or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,197.75	\$ 399.25	482.00	100%	\$ 399.00	-17%
Hazardous Materials Storage Permit	5B: Storage of six (6) to ten (10) types	Liquid 5,000 gallons or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,197.75	\$ 399.25	482.00	100%	\$ 399.00	-17%
Hazardous Materials Storage Permit	5B: Storage of six (6) to ten (10) types	Gaseous 20,000 cu. ft. or more at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 1,197.75	\$ 399.25	482.00	100%	\$ 399.00	-17%
Hazardous Materials Storage Permit	5C: Storage of eleven (11) or more types	Solid 50,000 pounds or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,239.05	\$ 413.02	516.00	100%	\$ 413.00	-20%
Hazardous Materials Storage Permit	5C: Storage of eleven (11) or more types	Liquid 5,000 gallons or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,239.05	\$ 413.02	516.00	100%	\$ 413.00	-20%
Hazardous Materials Storage Permit	5C: Storage of eleven (11) or more types	Gaseous 20,000 cu. ft. or more at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 1,239.05	\$ 413.02	516.00	100%	\$ 413.00	-20%
Other CUPA Program Elements	Annual State Surcharges	CUPA Program Oversight	per facility	Set by State	NA	N/A	24.00	NA	\$ 24.00	0%
Other CUPA Program Elements	Annual State Surcharges	Underground Storage Tanks (UST) Program	per UST	Set by State	NA	N/A	15.00	NA	\$ 15.00	0%
Other CUPA Program Elements	Annual State Surcharges	CalARP Program	per site	Set by State	NA	N/A	270.00	NA	\$ 270.00	0%
Other CUPA Program Elements	Annual State Surcharges	California Electronic Reporting System (CERS)	per facility	Set by State	NA	N/A	25.00	NA	\$ 25.00	0%
Other CUPA Program Elements	Hazardous Waste Generator Program	Up to 27 gallons; 220 lbs generated per month	per year		\$ 536.92	\$ 178.97	183.00	100%	\$ 178.00	-3%

Hazardous Materials

Fee Group	Title	Sub Title	Unit	Notes	Full Cost per Insp/Project	Avg Annual Cost per Insp*	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Other CUPA Program Elements	Hazardous Waste Generator Program	28 to 270 gallons; 221 to 2,220 lbs per month	per year		\$ 991.24	\$ 330.41	206.00	100%	\$ 330.00	60%
Other CUPA Program Elements	Hazardous Waste Generator Program	271 gallons or more; 2,221 lbs or more per month	per year		\$ 1,321.65	\$ 440.55	313.00	100%	\$ 440.00	41%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Permit by Rule (Fixed Units)	per facility per year		\$ 1,321.65	\$ 440.55	282.00	100%	\$ 440.00	56%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Permit by Rule (Transportable units)	per facility per year		\$ 1,321.65	\$ 440.55	282.00	100%	\$ 440.00	56%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Conditional Authorization	per facility per year		\$ 743.43	\$ 247.81	248.00	100%	\$ 247.00	0%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Conditional Exemption, Specified Waste	per facility per year		\$ 660.83	\$ 220.28	214.00	100%	\$ 220.00	3%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Conditional Exemption, Small Quantity Treatment	per facility per year		\$ 660.83	\$ 220.28	214.00	100%	\$ 220.00	3%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Conditional Exemption, Commercial Laundry	per facility per year		\$ 660.83	\$ 220.28	214.00	100%	\$ 220.00	3%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Conditional Exemption, Limited	per facility per year		\$ 660.83	\$ 220.28	214.00	100%	\$ 220.00	3%
Other CUPA Program Elements		Hazardous Materials Business Plan (HMBP)	per facility per year		\$ 743.43	\$ 247.81	206.00	100%	\$ 247.00	20%
Other CUPA Program Elements		Underground Storage Tank (UST) Program	for 1st UST per year		\$ 1,239.05	\$ 1,239.05	656.00	100%	\$ 1,239.00	89%
Other CUPA Program Elements		Underground Storage Tank (UST) Program	per addn'l UST per year		\$ 536.92	\$ 536.92	142.00	100%	\$ 536.00	277%
Other CUPA Program Elements	California Accidental Release Prevention (CalARP) Program	Aboveground Petroleum Storage Act Program - Spill Prevention Control and Countermeasure Plan	per facility per year		\$ 908.64	\$ 302.88	233.00	100%	\$ 302.00	30%
Other CUPA Program Elements	California Accidental Release Prevention (CalARP) Program	Small CalARP facility	per facility per year		\$ 2,560.70	\$ 2,560.70	1,244.00	100%	\$ 2,560.00	106%
Other CUPA Program Elements	California Accidental Release Prevention (CalARP) Program	Large CalARP facility	per facility per year		\$ 2,643.31	\$ 2,643.31	2,490.00	100%	\$ 2,643.00	6%
New Construction Permits and Fees	New Construction	Large, Tenant Improvement – New Facility			\$ -	Valuation Based	3,969.00	100%	Valuation Based	NA
New Construction Permits and Fees	New Construction	Medium, Tenant Improvement – New Facility			\$ -	Valuation Based	2,605.00	100%	Valuation Based	NA
New Construction Permits and Fees	New Construction	Small, Tenant Improvement – New Facility			\$ -	Valuation Based	1,319.00	100%	Valuation Based	NA
New Construction Permits and Fees	New Facility – No Construction	Medium to Large			\$ 1,982.48		1,601.00	100%	\$ 1,982.00	24%
New Construction Permits and Fees	New Facility – No Construction	Small			\$ 991.24		776.00	100%	\$ 991.00	28%
New Construction Permits and Fees	Underground Storage Tank	System Installation - VPH			\$ 4,171.47		3,433.00	100%	\$ 4,171.00	21%
New Construction Permits and Fees	Underground Storage Tank	Piping Installation			\$ 1,445.56		1,191.00	100%	\$ 1,445.00	21%
New Construction Permits and Fees	Underground Storage Tank	Piping Installation - VPH			\$ 1,775.97		New	100%	\$ 1,775.00	NA
New Construction Permits and Fees	Underground Storage Tank	UDC/Sump Installation			\$ 1,445.56		1,191.00	100%	\$ 1,445.00	21%
New Construction Permits and Fees	Underground Storage Tank	UDC/Sump Installation - VPH			\$ 1,775.97		New	100%	\$ 1,775.00	NA
New Construction Permits and Fees	Underground Storage Tank	System Removal			\$ 1,817.27		1,480.00	100%	\$ 1,817.00	23%
New Construction Permits and Fees	Underground Storage Tank	Piping Removal			\$ 1,156.45		957.00	100%	\$ 1,156.00	21%
New Construction Permits and Fees	Underground Storage Tank	UDC/Sump Removal			\$ 1,156.45		957.00	100%	\$ 1,156.00	21%
New Construction Permits and Fees	Underground Storage Tank	EVR Phase I Installation or Upgrade			\$ 660.83		542.00	100%	\$ 660.00	22%
New Construction Permits and Fees	Underground Storage Tank	EVR Phase II Installation or Upgrade			\$ 1,197.75		989.00	100%	\$ 1,197.00	21%
New Construction Permits and Fees	Underground Storage Tank	Monitoring System Installation or Upgrade			\$ 1,073.84		889.00	100%	\$ 1,073.00	21%
New Construction Permits and Fees	Underground Storage Tank	System Tank/Piping Repair			\$ 1,899.88		1,598.00	100%	\$ 1,899.00	19%
New Construction Permits and Fees	Underground Storage Tank	System Tank/Piping Repair - VPH			\$ 2,230.29		New	100%	\$ 2,230.00	NA
New Construction Permits and Fees	Underground Storage Tank	System Miscellaneous Component Repair - Major			\$ 1,899.88		1,598.00	100%	\$ 1,899.00	19%
New Construction Permits and Fees	Underground Storage Tank	System Miscellaneous Component Repair - Major - VPH			\$ 2,230.29		1,882.00	100%	\$ 2,230.00	18%
New Construction Permits and Fees	Underground Storage Tank	System Miscellaneous Component Repair - Minor			\$ 784.73		656.00	100%	\$ 784.00	20%
New Construction Permits and Fees	Underground Storage Tank	System Miscellaneous Component Repair - Minor - VPH			\$ 1,115.14		940.00	100%	\$ 1,115.00	19%
New Construction Permits and Fees	Underground Storage Tank	Temporary Closure			\$ 1,486.86		1,256.00	100%	\$ 1,486.00	18%
New Construction Permits and Fees	Aboveground Storage Tanks	System Installation			\$ 1,239.05		1,064.00	100%	\$ 1,239.00	16%

## Hazardous Materials

Fee Group	Title	Sub Title	Unit	Notes	Full Cost per Insp/Project	Avg Annual Cost per Insp*	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
New Construction Permits and Fees	Aboveground Storage Tanks	System Removal			\$ 1,073.84		915.00	100%	\$ 1,073.00	17%
New Construction Permits and Fees	Aboveground Storage Tanks	System Repair or Modification			\$ 949.94		793.00	100%	\$ 949.00	20%
New Construction Permits and Fees	California Accidental Release Prevention (CalARP) Program	Large- Risk Management Plan Review			\$ 7,103.88		6,692.00	100%	\$ 7,103.00	6%
New Construction Permits and Fees	California Accidental Release Prevention (CalARP) Program	Small- Risk Management Plan Review			\$ 4,460.58		4,202.00	100%	\$ 4,460.00	6%
New Construction Permits and Fees	California Accidental Release Prevention (CalARP) Program	Other costs incurred, including but not limited to third-party review, laboratory work, public notice, communication and correspondence			\$ 165.21		142.00	100%	\$ 165.00	16%
New Construction Permits and Fees	Meetings	Code Assistance Meeting			\$ 413.02		348.00	100%	\$ 413.00	19%
New Construction Permits and Fees	Meetings	Pre-Application Meeting			\$ 330.41		281.00	100%	\$ 330.00	17%
New Construction Permits and Fees	Request for Alternate Means of Protection (AMP)	Review			\$ 660.83		232.00	100%	\$ 660.00	184%
Miscellaneous	Facility Closure	3A and above – full facility closure			\$ 1,817.27		1,520.00	100%	\$ 1,817.00	20%
Miscellaneous	Facility Closure	3A and above – partial facility closure			\$ 1,032.54		860.00	100%	\$ 1,032.00	20%
Miscellaneous	Facility Closure	Below 3A – full facility closure			\$ 619.52		521.00	100%	\$ 619.00	19%
Miscellaneous	Facility Closure	Below 3A – partial facility closure			\$ 413.02		346.00	100%	\$ 413.00	19%
Miscellaneous	Contamination	Staff Oversight	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	Site Clearance	New construction/use – large			\$ 413.02		386.00	100%	\$ 413.00	7%
Miscellaneous	Site Clearance	New construction/use – small			\$ 247.81		230.00	100%	\$ 247.00	7%
Miscellaneous	Site Clearance	Property transfer – large			\$ 413.02		386.00	100%	\$ 413.00	7%
Miscellaneous	Site Clearance	Property transfer – small			\$ 247.81		230.00	100%	\$ 247.00	7%
Miscellaneous	Other Inspections and Compliance Verification	Re-inspection (CUPA and non-CUPA)	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	Other Inspections and Compliance Verification	Re-inspection beyond allowed by permit	per inspection		\$ 330.41		270.00	100%	\$ 330.00	22%
Miscellaneous	Other Inspections and Compliance Verification	After-hours inspection	per hour		\$ 247.81		214.00	100%	\$ 247.00	15%
Miscellaneous	Other Inspections and Compliance Verification	Miscellaneous Inspections and Activities	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	Other Inspections and Compliance Verification	Compliance verification	per notice		\$ 82.60		72.00	100%	\$ 82.00	14%
Miscellaneous	California Environmental Reporting System	Assistance Fee	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	California Environmental Reporting System	Assistance Fee (after hours)	per hour		\$ 247.81		214.00	100%	\$ 247.00	15%
Miscellaneous	Plan Checking	Review Fee	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	Plan Checking	Checking Fee	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	Plan Checking	Expedited Plan Checking Fee	per hour		\$ 247.81		214.00	100%	\$ 247.00	15%

\*All elements of permitted facilities are inspected once every three (3) years, with the exception of the UST and CalARP elements, which is why the full cost of the inspection must be divided by three (3) for all the other elements in order to get the annual cost of inspector

## Technology Services

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Video Technician	Video Services including editing and duplication	Per hour, per technician		\$ 98.47	75.00	100%	\$ 98.00	31%
	GIS Map Fee		plus materials	\$ 76.49	Variable	100%	\$ 76.00	NA

Library and Community Services

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Overdue Fines	Print material, videotapes and sound recordings	per day	maximum - cost of item	NA	0.25	NA	\$ 0.25	0%
Overdue Fines	DVD's	per day	maximum - cost of item	NA	0.25	NA	\$ 0.25	0%
Overdue Fines	Reference materials (return within 7 days)	per day	maximum - cost of item	NA	3.00	NA	\$ 3.00	0%
Overdue Fines	Billing Fee – reference materials (returns after 7 days)			NA	75.00	NA	\$ 75.00	0%
Overdue Fines	Billing Fee – all others			NA	20.00	NA	\$ 20.00	0%
Overdue Fines	Fine Limit (non-returns)			Variable	Original cost of item plus Billing and Processing Fees	NA	Original cost of item plus Billing and Processing Fees	NA
Replacement of Lost/Damaged Pamphlet			(includes \$0.50 for Barcode Replacement)	\$ 2.00	2.00	100%	\$ 2.00	0%
Replacement of Lost/Damaged Audio/Visual Case	Multiple Cassettes/CD/DVD Cases			\$ 9.00	9.00	100%	\$ 9.00	0%
Replacement of Lost/Damaged Audio/Visual Case	Cassette Bags			\$ 3.00	3.00	100%	\$ 3.00	0%
Replacement of Lost/Damaged Audio/Visual Case	Single Compact Disc and DVD Cases			\$ 3.00	3.00	100%	\$ 3.00	0%
Replacement of Lost/Damaged Audio/Visual Case	Video Cassette Cases			\$ 4.00	4.00	100%	\$ 4.00	0%
Replacement of Lost/Damaged Audio/Visual Case	Video Booklet			\$ 3.00	3.00	100%	\$ 3.00	0%
	Inter-Library Loan		(+ any charges imposed by the lending library)	\$ 5.34	5.00	100%	\$ 5.00	0%
	Processing fee for lost item		(in addition to original cost of item)	\$ 26.71	6.00	22%	\$ 6.00	0%
	Replacement of lost library card (borrower's card)			\$ 2.00	2.00	100%	\$ 2.00	0%
	Replacement lost/damaged bar codes			\$ 1.00	1.00	100%	\$ 1.00	0%
	Teacher Loan Box		(includes \$0.50 for Barcode Replacement)	NA	10.00	100%	\$ 10.00	0%
	Mailing of library materials		Cost of mailing	Variable	Cost of mailing	100%	Cost of mailing	NA
"Fines-Free" Library Loan Program Membership Fees	Extended loan of up to 3 items at a time	per month		NA	2.99	NA	\$ 2.99	NA
"Fines-Free" Library Loan Program Membership Fees	Extended loan of up to 5 items at a time	per month		NA	4.99	NA	\$ 4.99	NA
"Fines-Free" Library Loan Program Membership Fees	Extended loan of up to 10 items at a time	per month		NA	8.99	NA	\$ 8.99	NA
	Rental of Equipment		Deposit based on cost of equipment	Variable	New	100%	Variable	NA

## Maintenance Services

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
City Hall Rental	Rotunda	Per Event	Includes 20 tables and 150 chairs	NA	675.00	0%	Market Based	NA
City Hall Rental	Prefunction Area	Per Event	Includes 20 tables and 150 chairs	NA	408.00	0%	Market Based	NA
City Hall Rental	Plaza – Half Day Rental	4-Hour Rental		NA	470.00	0%	Market Based	NA
City Hall Rental	Plaza – Full Day Rental	All Day Rental		NA	517.00	0%	Market Based	NA
City Hall Rental	Council Chambers	Per Event		NA	470.00	0%	Market Based	NA
City Hall Rental	Security Admin Fee	Per Event	plus security contract cost	\$ 57.75	47.00	100%	\$ 57.00	21%
City Hall Rental	Janitorial Admin Fee	Per Event	plus janitorial contract cost	\$ 57.75	47.00	100%	\$ 57.00	21%
City Hall Rental	Portable Bar	Per Event		\$ 76.00	76.00	100%	\$ 76.00	0%
City Hall Rental	Sound System	Per Event		\$ 133.00	133.00	100%	\$ 133.00	0%
City Hall Rental	Insurance Admin Fee – Third Party	Per Issuance		\$ 86.62	54.00	100%	\$ 86.00	59%
City Hall Rental	Cleaning and Damage Deposit	Per Event	Range from \$250 upwards, depending on size and nature of event	Variable	250.00	NA	\$ 250.00	0%
Equipment Rental	Chair Rental	per chair	(for one setup and per day)	\$ 3.85	3.00	100%	\$ 3.00	0%
Equipment Rental	60" Round Table (seats 8-10)	per table	(for one setup and per day)	\$ 11.55	9.00	100%	\$ 11.00	22%
Equipment Rental	24" Round Table (Bistro)	per table	(for one setup and per day)	\$ 9.62	8.00	100%	\$ 9.00	13%
Equipment Rental	8 Foot Long Table	per table	(for one setup and per day)	\$ 9.62	8.00	100%	\$ 9.00	13%
Equipment Rental	8 Foot Long Class Room Table	per table	(for one setup and per day)	\$ 9.62	8.00	100%	\$ 9.00	13%
Equipment Rental	Indoor Dance Floor (12' x 12')		(setup and take-down fee)	\$ 259.87	240.00	100%	\$ 259.00	8%
Equipment Rental	Table Linen: White - Round		(setup, take-down, laundry, and replacement/damage)	\$ 11.55	9.00	100%	\$ 11.00	22%
Equipment Rental	Table Linen: White - Small Round Cocktail Tables		(setup, take-down, laundry, and replacement/damage)	\$ 11.55	9.00	100%	\$ 11.00	22%
Equipment Rental	Table Linen: White - Square		(setup, take-down, laundry, and replacement/damage)	\$ 11.55	9.00	100%	\$ 11.00	22%
Equipment Rental	Table Linen: Banquet Drapes (5ft)		(setup, take-down, laundry, and replacement/damage)	\$ 15.40	12.00	100%	\$ 15.00	25%
Equipment Rental	Table Linen: Banquet Drapes (6ft)		(setup, take-down, laundry, and replacement/damage)	\$ 17.32	12.00	100%	\$ 17.00	42%
Equipment Rental	Table Linen: Banquet Drapes (8ft)		(setup, take-down, laundry, and replacement/damage)	\$ 21.17	17.00	100%	\$ 21.00	24%
Street Maintenance	Sign Fabricated & Installed by City Crew			\$ 566.43	317.00	100%	\$ 566.00	79%
Street Maintenance	Illegal Dumping on Public Right-of-Way - First Violation - Initial Inspection		No Penalty	\$ 224.28	No Charge	0%	No Charge	NA
Street Maintenance	Illegal Dumping on Public Right-of-Way - First Violation - First Follow-up inspection shows violation eliminated		No Penalty	\$ 339.78	No Charge	0%	No Charge	NA

## Maintenance Services

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Street Maintenance	Illegal Dumping on Public Right-of-Way - First Follow-up inspection shows violation still exists, City abates illegal dumping		plus \$100 Penalty	\$ 1,181.18	920.00	100%	\$ 1,181.00	28%
Street Maintenance	Illegal Dumping on Public Right-of-Way - Subsequent Violation (within 12 months/same owner) Initial Inspection		No Penalty	\$ 224.28	No Charge	0%	No Charge	NA
Street Maintenance	Illegal Dumping on Public Right-of-Way - Subsequent Violation (within 12 months/same owner) First Follow-up inspection shows violation eliminated		No Penalty	\$ 339.78	No Charge	0%	No Charge	NA
Street Maintenance	Illegal Dumping on Public Right-of-Way - Subsequent Violation (within 12 months/same owner) First Follow-up inspection shows violation still exists, City abates illegal dumping		\$800 Penalty	\$ 1,181.18	920.00	100%	\$ 1,181.00	28%
Street Maintenance	Illegal Dumping on Public Right-of-Way - Subsequent Violation (within 12 months/same owner) Each subsequent inspection shows violation still exists		\$1000 Penalty	\$ 1,181.18	920.00	100%	\$ 1,181.00	28%
Street Maintenance	Illegal Dumping on Public Right-of-way - Special Assessment	per parcel		NA	342.00	NA	\$ 342.00	0%
	Special Events	per hour		\$ 115.50	New	100%	\$ 115.00	NA

Public Works

Fee Group 1	Fee Group 2	Fee Group 3	Fee Group 4	Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage			Aircraft Hangar Waiting List Application		Refundable Deposit	NA	100.00	NA	\$ 100.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Row "A" T-Hangars	per month		NA	242.00	NA	\$ 242.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Standard T-Hangars	per month		NA	340.00	NA	\$ 340.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Large T-Hangars	per month		NA	466.00	NA	\$ 466.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Exec	per month		NA	848.00	NA	\$ 848.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Executive I Hangars	per month		NA	1,119.00	NA	\$ 1,119.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Executive II Hangars	per month		NA	1,221.00	NA	\$ 1,221.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Storage Rooms		Small	per month		NA	71.00	NA	\$ 71.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Storage Rooms		Medium	per month		NA	90.00	NA	\$ 90.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Storage Rooms		Large	per month		NA	174.00	NA	\$ 174.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Storage Rooms		Extra Large	per month		NA	222.00	NA	\$ 222.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Storage Rooms		Office Spaces	per month		NA	647.00	NA	\$ 647.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Tie Downs (Aircraft Gross Weight/Wing Span)		Single Engine	per month	3,500 lb.	NA	60.00	NA	\$ 60.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Tie Downs (Aircraft Gross Weight/Wing Span)		Twin Engine	per month	12,500 lb. less than 50 ft.	NA	75.00	NA	\$ 75.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Tie Downs (Aircraft Gross Weight/Wing Span)		12,501 - 25,000 lb. more than 50 ft.	per month		NA	108.00	NA	\$ 108.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Tie Downs (Aircraft Gross Weight/Wing Span)		25,001 - 75,000 lb.	per month		NA	161.00	NA	\$ 161.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Tie Downs (Aircraft Gross Weight/Wing Span)		Excess of 75,000 lbs.	per month		NA	216.00	NA	\$ 216.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		Single Engine	per month	3,500 lb. less than 40 ft.	NA	6.00	NA	\$ 6.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		Twin Engine	per month	12,500 lb. less than 50 ft.	NA	8.00	NA	\$ 8.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		12,501 - 25,000 lb. more than 50 ft.	per month		NA	12.00	NA	\$ 12.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		25,001 - 75,000 lb.	per month		NA	23.00	NA	\$ 23.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		Excess of 75,000 lbs	per month		NA	29.00	NA	\$ 29.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		Lighter-than air Airships	per month		NA	20.00	NA	\$ 20.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage			Late Charge		whichever is greater	NA	\$15 or 5% of rent	NA	\$15 or 5% of rent	NA
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage			service of a member firm of the California Association of Photocopiers and Process Servers			NA	50.00	NA	\$ 50.00	0%
Airport Services	Permits			Airport Annual Business Permit			NA	120.00	NA	\$ 120.00	0%
Airport Services	Permits			Taxiway Access Permit			NA	786.00	NA	\$ 786.00	0%
Airport Services	Gate Access Cards			Initial Issue			NA	Free	NA	Free	NA
Airport Services	Gate Access Cards			Initial Issue for non-direct Airport Tenants			NA	35.00	NA	\$ 35.00	0%
Airport Services	Gate Access Cards			Replacement			NA	25.00	NA	\$ 25.00	0%
Airport Services	Hangar Padlock Keys			Duplicate Key			NA	5.00	NA	\$ 5.00	0%
Airport Services	Hangar Padlock Keys			Re-key Padlock			NA	35.00	NA	\$ 35.00	0%



Public Works

Fee Group 1	Fee Group 2	Fee Group 3	Fee Group 4	Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Airport Services	Landing Fee			0 - 3,500 pounds	Per Landing		NA	2.00	NA	\$ 2.00	0%
Airport Services	Landing Fee			3,501 - 6,250 pounds	Per Landing		NA	4.00	NA	\$ 4.00	0%
Airport Services	Landing Fee			6,251 - 12,500 pounds	Per Landing		NA	8.00	NA	\$ 8.00	0%
Airport Services	Landing Fee			12,501 - 25,000 pounds	Per Landing		NA	16.00	NA	\$ 16.00	0%
Airport Services	Landing Fee			25,001 - 50,000 pounds	Per Landing		NA	32.00	NA	\$ 32.00	0%
Airport Services	Landing Fee			50,001 pounds and above	Per Landing		NA	64.00	NA	\$ 64.00	0%
Airport Services	Landing Fee			0 - 3,500 pounds	Daily		NA	5.00	NA	\$ 5.00	0%
Airport Services	Landing Fee			3,501 - 6,250 pounds	Daily		NA	10.00	NA	\$ 10.00	0%
Airport Services	Landing Fee			6,251 - 12,500 pounds	Daily		NA	20.00	NA	\$ 20.00	0%
Airport Services	Landing Fee			12,501 - 25,000 pounds	Daily		NA	40.00	NA	\$ 40.00	0%
Airport Services	Landing Fee			25,001 - 50,000 pounds	Daily		NA	80.00	NA	\$ 80.00	0%
Airport Services	Landing Fee			50,001 pounds and above	Daily		NA	160.00	NA	\$ 160.00	0%
Airport Services	Landing Fee			0 - 3,500 pounds	Monthly		NA	13.00	NA	\$ 13.00	0%
Airport Services	Landing Fee			3,501 - 6,250 pounds	Monthly		NA	26.00	NA	\$ 26.00	0%
Airport Services	Landing Fee			6,251 - 12,500 pounds	Monthly		NA	52.00	NA	\$ 52.00	0%
Airport Services	Landing Fee			12,501 - 25,000 pounds	Monthly		NA	104.00	NA	\$ 104.00	0%
Airport Services	Landing Fee			25,001 - 50,000 pounds	Monthly		NA	208.00	NA	\$ 208.00	0%
Airport Services	Landing Fee			50,001 pounds and above	Monthly		NA	416.00	NA	\$ 416.00	0%
Airport Services	Hangar Exchange			Administration Fee for Exchange between Tenants	each Tenant		NA	60.00	NA	\$ 60.00	0%
Airport Services	Hangar Exchange			Administration Fee for Exchange into Vacant Hangar			NA	60.00	NA	\$ 60.00	0%
Airport Services				Tie-Down Exchange		Administration Fee to Exchange tie-down spaces	NA	25.00	NA	\$ 25.00	0%
Airport Services	Vacated Hangar Cleanup			Cleanup and disposal of items, minimum charge of 2 hours			NA	150.00	NA	\$ 150.00	0%
Airport Services	Vacated Hangar Cleanup			Additional hours, hourly rate			NA	75.00	NA	\$ 75.00	0%
Airport Services				Ramp Sweeping Services			NA	90.00	NA	\$ 90.00	0%
Airport Services				Maintenance Staff Service Charge	hourly	plus materials	NA	75.00	NA	\$ 75.00	0%
Airport Services	Airport Administration Building Meeting Room			Non-profit Aviation organization charging no fee to the public			NA	No charge	NA	No charge	NA
Airport Services	Airport Administration Building Meeting Room			For-profit Aviation organization charging a fee to the public	per day		NA	200.00	NA	\$ 200.00	0%
Engineering Services	Publication			Standard Detail			\$ 68.97	17.00	49%	\$ 34.00	100%
Engineering Services	Publication			No Parking Signs			\$ 25.78	14.00	100%	\$ 25.00	79%
Engineering Services	Publication			Copy and print full size prints (24x36) first 10 pages			\$ 5.00	5.00	100%	\$ 5.00	0%
Engineering Services	Publication			Copy and print full size prints (24x36) 11+ pages			\$ 2.00	2.00	100%	\$ 2.00	0%
Engineering Services	Survey			Curb and gutter staking, up to 100 linear ft.			\$ 851.41	760.00	100%	\$ 851.00	12%
Engineering Services	Survey			Curb and gutter staking: after 100 linear feet - each additional 50 linear feet			\$ 372.15	190.00	100%	\$ 372.00	96%
Engineering Services	Survey			Grade calculations and cut sheets per location			\$ 372.15	342.00	100%	\$ 372.00	9%
Engineering Services	Survey			Form checking: up to 100 linear feet			\$ 761.28	760.00	100%	\$ 761.00	0%
Engineering Services	Survey			Form checking: after 100 linear feet - each additional 50 linear feet			\$ 190.11	190.00	100%	\$ 190.00	0%
Engineering Services	Sidewalk Rehabilitation Program			Single Family Residential lots			\$ 2,542.00	550.00	22%	\$ 550.00	0%
Engineering Services	Sidewalk Rehabilitation Program			Multi Family with 1 or 2 damaged locations			\$ 2,542.00	550.00	22%	\$ 550.00	0%
Engineering Services	Sidewalk Rehabilitation Program			Additional locations			\$ 2,542.00	550.00	22%	\$ 550.00	0%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Concrete		Major Street Improvement Plan Review Curb, gutter, and/or sidewalk (including driveway) first 100 linear feet	Deposit	Time and Materials	\$ 2,520.29	2,400.00	100%	\$ 2,520.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Concrete		Each additional 100 linear feet or fraction thereof			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Concrete		Driveway, handicapped ramp, curb return			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Concrete		Planter strip fill (each property)			\$ 154.62	146.00	100%	\$ 154.00	5%

Public Works

Fee Group 1	Fee Group 2	Fee Group 3	Fee Group 4	Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Drainage system and appurtenance, first 100 linear feet			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Each additional 100 linear feet or fraction thereof			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Drainage tie-in to existing structures			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Non-standard structures (other than above)			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Manholes, vaults, area drains, storm water inlets, other standard structures			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Storm Water Interceptors			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Street cuts, trenches, up to 100 linear feet			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Each additional 100 linear feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Street cuts, other, up to 100 square feet			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Each additional 100 sq. feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Debris box placed in right-of-way			\$ 270.63	259.00	100%	\$ 270.00	4%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Sidewalk area obstruction fee, first week			\$ 579.84	578.00	100%	\$ 579.00	0%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Sidewalk area obstruction fee, each additional week			\$ 115.95	108.00	100%	\$ 115.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Compaction tests - each test as required per hour			\$ 115.95	Time & Materials	100%	Time & Materials	NA
Engineering Services	Public Works Encroachment Permit Inspection Fees	Monitoring well inspection and plan review		First well: Inspection			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Monitoring well inspection and plan review		First well: Plan Review			\$ 534.64	436.00	100%	\$ 534.00	22%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Monitoring well inspection and plan review		Each additional well at same site: Inspection			\$ 193.29	184.00	100%	\$ 193.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Utility Services - New or Repaired		Each new or replaced utility pole location			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Utility Services - New or Repaired		Each utility service connection in sidewalk or street (gas, electric, telephone, etc.)			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	From main in street or easement to building up to 100 linear feet			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	Each additional 100 linear feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	Add for monitoring structure if required			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	From existing stub at right-of-way to building up to 100 linear feet			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	Each additional 100 linear feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	Each building sewer repair or replacement: In public right-of-way, complete			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	Each building sewer repair or replacement: In public right-of-way, complete: In private property (no street evacuation)			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Building Court Mains	Each building court main when plan, profile and cut sheet are required, initial 100 feet or less			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Building Court Mains	Each additional 100 feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Building Court Mains	Each building court main when plan only is required for initial 100 feet or less			\$ 483.16	457.00	100%	\$ 483.00	6%

Public Works

Fee Group 1	Fee Group 2	Fee Group 3	Fee Group 4	Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Building Court Mains	Each additional 100 feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Additional Inspectors				For any public works encroachment permit on which an unreasonable number of inspections are required, an additional fee per inspection will be charged for each inspection over and above the number deemed reasonable by the City Engineer.	\$ 270.63	259.00	100%	\$ 270.00	4%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Development Plan Review		Industrial/Commercial			Variable	730.00	100%	\$ 730.00	0%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Development Plan Review		Residential			Variable	360.00	100%	\$ 360.00	0%
Penalties	Public Works penalty for grading without a permit						NA	2,000.00	NA	\$ 2,000.00	0%
Penalties	Code violation illegal project, penalty fee may be applied daily						NA	125.00	NA	\$ 125.00	0%
Penalties	Code Enforcement Investigations fees for permit not yet obtained						NA	2,000.00	NA	\$ 2,000.00	0%

Utilities & Environmental Services

Fee Group 1	Fee Group 2	Fee Group 3	Title	Notes	Full Cost	Current Fee	2017		2018			
							Cost Recovery Level (%)	Suggested Fee	Percent Change	Cost Recovery Level (%)	Suggested Fee	Percent Change
Water Service Charges			Fire Flow Test	Does not apply to special circumstances as determined by City	\$ 326.57	300.00	100%	\$ 326.00	9%	100%	\$ 326.00	9%
Water Service Charges	Other Water System Fees and Charges		Account Establishment Fee		\$ 70.69	40.00	72%	\$ 51.00	28%	100%	\$ 70.00	75%
Water Service Charges	Other Water System Fees and Charges		After-Hours Meter Activation Fee		\$ 72.34	70.00	97%	\$ 70.00	0%	100%	\$ 72.00	3%
Water Service Charges	Other Water System Fees and Charges		Meter Lock Fee		\$ 92.06	80.00	87%	\$ 80.00	0%	100%	\$ 92.00	15%
Water Service Charges	Other Water System Fees and Charges		Meter Removal Fee		\$ 90.22	80.00	89%	\$ 80.00	0%	100%	\$ 90.00	13%
Water Service Charges	Other Water System Fees and Charges		Meter Test Fee (< 1 inch meter)		\$ 223.25	70.00	48%	\$ 106.00	51%	100%	\$ 223.00	219%
Water Service Charges	Other Water System Fees and Charges		Meter Test Fee (1 1/2 - 2 inch meter)		\$ 295.37	290.00	98%	\$ 290.00	0%	100%	\$ 295.00	2%
Water Service Charges	Other Water System Fees and Charges		Meter Test Fee (≥ 3 inch meter)		\$ 367.48	290.00	100%	\$ 367.00	27%	100%	\$ 367.00	27%
Water Service Charges	Other Water System Fees and Charges		Noticing Fee		\$ 6.57	5.00	76%	\$ 5.00	0%	100%	\$ 6.00	20%
Water Service Charges	Development Plan Review		Industrial		\$ 179.93	N/A	50%	\$ 89.00	NA	100%	\$ 179.00	NA
Water Service Charges	Development Plan Review		Commercial		\$ 112.46	N/A	50%	\$ 56.00	NA	100%	\$ 112.00	NA
Water Service Charges	Development Plan Review		Residential		\$ 67.47	N/A	50%	\$ 33.00	NA	100%	\$ 67.00	NA
Stormwater System Service Charges			Stormwater Treatment Measure Inspection		\$ 352.87	275.00	100%	\$ 352.00	28%	100%	\$ 352.00	28%
Stormwater System Service Charges	Stormwater Facility Inspections		Industrial (under State Permit)		\$ 303.88	185.00	76%	\$ 229.00	24%	100%	\$ 303.00	64%
Stormwater System Service Charges	Stormwater Facility Inspections		Industrial (not under State Permit)		\$ 303.88	150.00	66%	\$ 200.00	33%	100%	\$ 303.00	102%
Stormwater System Service Charges	Stormwater Facility Inspections		Restaurant		\$ 196.39	130.00	80%	\$ 156.00	20%	100%	\$ 196.00	51%
Stormwater System Service Charges	Stormwater Facility Inspections		Commercial		\$ 165.90	110.00	80%	\$ 132.00	20%	100%	\$ 165.00	50%
Solid Waste Plan Review Fees	Development Plan Review		Single Family or Remodel		\$ 52.07	50.00	96%	\$ 50.00	0%	96%	\$ 50.00	0%
Solid Waste Plan Review Fees	Development Plan Review		Tract Development		\$ 169.15	160.00	95%	\$ 160.00	0%	95%	\$ 160.00	0%
Solid Waste Plan Review Fees	Development Plan Review	Commercial/Industrial	Tennant Improvement w/ Trash Enclosure		\$ 128.73	120.00	93%	\$ 120.00	0%	93%	\$ 120.00	0%
Solid Waste Plan Review Fees	Development Plan Review	Commercial/Industrial	Tennant Improvement w/o Trash Enclosure		\$ 87.84	80.00	91%	\$ 80.00	0%	91%	\$ 80.00	0%
Solid Waste Plan Review Fees	Development Plan Review		Mixed Use (Commercial & Residential)		Variable	Actual Cost	100%	Actual Cost	NA	100%	Actual Cost	NA
Wastewater Discharge Permit Fees & Miscellaneous Charges	Development Plan Review		Industrial		\$ 338.37	165.00	66%	\$ 221.00	34%	100%	\$ 338.00	105%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Development Plan Review		Commercial		\$ 338.37	95.00	44%	\$ 148.00	56%	100%	\$ 338.00	256%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Development Plan Review		Residential		\$ 206.47	50.00	39%	\$ 80.00	60%	100%	\$ 206.00	312%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Categorical	New Permit		\$ 3,103.50	2,210.00	83%	\$ 2,581.00	17%	100%	\$ 3,103.00	40%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Categorical	Permit Renewal		\$ 2,131.50	1,500.00	83%	\$ 1,760.00	17%	100%	\$ 2,131.00	42%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Categorical	Amendment		\$ 761.01	560.00	85%	\$ 645.00	15%	100%	\$ 761.00	36%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Non-Categorical Significant	New Permit		\$ 2,101.84	1,410.00	80%	\$ 1,687.00	20%	100%	\$ 2,101.00	49%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Non-Categorical Significant	Permit Renewal		\$ 1,525.67	1,010.00	80%	\$ 1,215.00	20%	100%	\$ 1,525.00	51%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Non-Categorical Significant	Amendment		\$ 594.58	410.00	82%	\$ 485.00	18%	100%	\$ 594.00	45%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Groundwater	New Permit		\$ 1,109.98	740.00	100%	\$ 1,109.00	50%	100%	\$ 1,109.00	50%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Groundwater	Permit Renewal		\$ 594.58	440.00	100%	\$ 594.00	35%	100%	\$ 594.00	35%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Groundwater	Amendment		\$ 367.08	270.00	100%	\$ 367.00	36%	100%	\$ 367.00	36%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Non-Sewered Credit	New Permit		\$ 334.64	410.00	100%	\$ 334.00	-19%	100%	\$ 334.00	-19%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Non-Sewered Credit	Permit Renewal		\$ 334.64	410.00	100%	\$ 334.00	-19%	100%	\$ 334.00	-19%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Special Purpose	New Permit	One time Discharge	\$ 600.20	390.00	100%	\$ 600.00	54%	100%	\$ 600.00	54%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Compliance Schedule		Compliance Schedule	for correction violations	\$ 701.39	695.00	99%	\$ 695.00	0%	99%	\$ 695.00	0%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Composite Sample with Lab Costs		\$ 583.35	580.00	99%	\$ 580.00	0%	99%	\$ 580.00	0%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Composite Sample without Lab Costs		\$ 313.35	300.00	96%	\$ 300.00	0%	96%	\$ 300.00	0%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Grab Sample		\$ 270.87	185.00	100%	\$ 270.00	46%	100%	\$ 270.00	46%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Violation Follow-Up Sample with Lab Cost		\$ 590.90	585.00	99%	\$ 585.00	0%	99%	\$ 585.00	0%

**Utilities & Environmental Services**

Fee Group 1	Fee Group 2	Fee Group 3	Title	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	2017		2018		
								Suggested Fee	Percent Change	Cost Recovery Level (%)	Suggested Fee	Percent Change
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Violation Follow-Up Sample without Lab Cost		\$ 320.90	300.00	93%	\$ 300.00	0%	93%	\$ 300.00	0%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Sampling Equipment Fee		\$ 25.00	25.00	100%	\$ 25.00	0%	100%	\$ 25.00	0%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Violation follow-up inspection		Violation follow-up inspection		\$ 509.62	345.00	81%	\$ 411.00	19%	100%	\$ 509.00	48%

\* Two year phase in of Utilities & Environmental Services fees to achieve full cost recovery as detailed for 2018 Suggested Fees.

**Development Services Department**

10.3.16

## A. Building Permit Fees

**BUILDING PERMIT FEES CALCULATED BY VALUATION****This includes all new buildings, additions, tenant improvements, residential remodels and cell sites**

- Valuation is defined as the fair market value of materials and labor for the work.
- Valuation shall be the higher of the stated valuation or the figure from the current International Code Council valuation table below.
- The current ICC Valuation data table below is adjusted with a regional construction cost modifier for the San Francisco Bay Area of 16%\*.  
*\*Source: The local modifier is 1.16 times the cost per square foot as published in the Building Standards Journal, April 2002 edition.*
- The valuation for tenant improvements, residential remodels or other projects that do not involve new square footage, shall be a minimum of **60%** of the cost per square foot in the valuation table below.

**Construction Type and  
Minimum Cost Per Square Foot****International Building Code Group***\*Building Division staff will help determine the valuation for occupancies or construction types not listed in this table.*

	<b>IIA</b>	<b>IIB</b>	<b>IIIA</b>	<b>IIIB</b>	<b>VA</b>	<b>VB</b>
<b>A-1</b> Assembly, theaters, with stage	250.68	240.19	225.83	219.32	206.42	198.60
<b>A-1</b> Assembly, theaters, without stage	228.45	217.96	203.72	197.21	184.31	176.49
<b>A-2</b> Assembly, restaurants, bars, banquet halls	192.64	186.17	173.98	170.26	157.39	153.11
<b>A-3</b> Assembly, churches	230.86	220.38	206.42	199.91	187.02	179.20
<b>A-3</b> Assembly, general, community halls, libraries	189.02	179.70	164.41	159.06	145.00	138.34
<b>A-4</b> Assembly, arenas	226.13	216.80	201.40	196.05	181.99	175.33
<b>B</b> Business	197.57	187.78	171.16	164.72	150.21	143.56
<b>E</b> Educational	208.97	199.66	186.44	176.96	162.93	157.97
<b>F-1</b> Factory and industrial, moderate hazard	113.48	109.24	97.87	93.45	80.62	75.91
<b>F-2</b> Factory and industrial, low hazard	113.48	108.08	97.87	92.29	80.62	74.75
<b>H-1</b> High Hazard, explosives	106.56	101.15	91.18	85.60	73.93	N/A
<b>H-2 H-3 H-4</b> High Hazard	106.56	101.15	91.18	85.60	73.93	68.06
<b>H-5</b> (HPM) semiconductor fabrication	197.57	187.78	171.16	164.72	150.21	143.56
<b>I-1</b> Institutional, supervised environment	198.33	188.77	174.64	169.92	156.62	151.64
<b>I-2</b> Institutional, hospitals	343.28	333.50	315.69	N/A	294.74	N/A
<b>I-2</b> Institutional, nursing homes	233.15	223.37	207.90	N/A	186.95	N/A
<b>I-4</b> Institutional, day care facilities	198.33	188.77	174.64	169.92	156.62	151.64
<b>M</b> Mercantile	141.28	134.80	123.37	119.65	106.78	102.50
<b>R-1</b> Residential, hotels	200.16	190.60	176.76	172.04	158.75	153.76
<b>R-2</b> Residential, multiple family	165.67	156.11	142.97	138.25	124.96	119.97
<b>R-3</b> Residential, one- and two-family	158.35	154.08	148.42	144.55	138.89	130.68
<b>R-4</b> Residential, care	198.33	188.77	174.64	169.92	156.62	151.64
<b>S-1</b> Storage, moderate hazard	104.24	99.99	88.86	84.44	71.61	66.90
<b>S-2</b> Storage, low hazard	104.24	98.83	88.86	83.28	71.61	65.74
<b>U</b> Utility, miscellaneous	80.09	76.01	68.70	64.16	54.32	51.77

**BUILDING PERMIT FEES CALCULATED BY VALUATION****This includes all new buildings, additions, tenant improvements, residential remodels and cell sites***\*All sub-permits (plumbing, mechanical and electrical) are included in the plan check and inspection fees for valuation based projects.*

- Once the valuation for the project is established, use the table below to determine the Building Inspection Fee. Several other fees are based on the Building Inspection Fee and this is outlined on the next page.

<b>TOTAL VALUATION (Materials and Labor)</b>	<b>BUILDING INSPECTION FEE</b>
\$1 to \$500	\$29.77
\$501 to \$2000	\$29.77 for the first \$500 plus \$3.87 for each additional \$100 or fraction thereof, to and including \$2000
\$2,001 to \$25,000	\$87.82 for the first \$2000 plus \$17.74 for each additional \$1000 or fraction thereof, to and including \$25,000
\$25,001 to \$50,000	\$495.68 for the first \$25,000 plus \$12.80 for each additional \$1000 or fraction thereof, to and including \$50,000
\$50,001 to \$100,000	\$815.70 for the first \$50,000 plus \$8.87 for each additional \$1000 or fraction thereof, to and including \$100,000
\$100,001 to \$500,000	\$1259.15 for the first \$100,000 plus \$7.09 for each additional \$1000 or fraction thereof, to and including \$500,000
\$500,001 to \$1,000,000	\$4097.18 for the first \$500,000 plus \$6.02 for each additional \$1000 or fraction thereof, to and including \$1,000,000
\$1,000,001 and up	\$7109.14 for the first \$1,000,000 plus \$4.00 for each additional \$1000 or fraction thereof

**BUILDING PERMIT FEES CALCULATED BY VALUATION\***

**This includes all new buildings, additions, tenant improvements, residential remodels and cell sites.**

*\*All sub-permits (plumbing, mechanical and electrical) are included in the plan check and inspection fees for valuation based projects.*

**INSPECTION FEES**

*\*\*Fire re-inspection fees are \$387*

*\*Hazardous Materials Inspection Fees vary on complexity of project (see Hazardous Materials comments below in Plan Review Fee Section for examples and contacts for estimates.)*

<b>BUILDING INSPECTION FEE</b>	<i>Based from Fee Table</i>	\$ _____
<b>**FIRE INSPECTION FEE</b>	<i>Flat Rate</i>	\$221
<b>*HAZ-MAT INSPECTION FEE</b>	<i>Minimum</i>	\$284/inspection

**PLAN REVIEW FEES**

*The Building Plan Check Fee applies to all permits. Other review fees will be applied based on the specific scope of work.*

*\*Hazardous Materials Review and Inspection fees generally range from \$1,300 for small projects, such as cellular communication sites to \$4,000 for larger or more complex projects, such as those that may have H-Occupancies. Please contact the Hayward Fire Department at (510) 583-4900 for an estimate for your specific project.*

<b>BUILDING INSPECTION FEE x 1.0 = BUILDING PLAN CHECK FEE:</b>		\$ _____
<i>Plan Check fees for master plans shall be 1.25 x the BUILDING INSPECTION FEE</i>		
<b>BUILDING INSPECTION FEE x .35 = PLANNING REVIEW FEE:</b>		\$ _____
<b>BUILDING INSPECTION FEE x .35 = *FIRE REVIEW FEE:</b>		\$ _____
<b>*HAZ-MAT REVIEW FEE</b>	<i>Minimum</i>	\$142/hour
<b>SOLID WASTE REVIEW FEE</b>	<i>Flat Rate</i>	\$80
<b>PLOT PLAN REVIEW FEE</b> (Planning and Building)	<i>Flat Rate per Plot</i>	\$441
<i>This only applies to production homes.</i>		
<b>FIRE PLOT PLAN REVIEW FEE</b>	<i>Flat Rate per Plot</i>	\$110
<i>This only applies to production homes.</i>		

**ADMINISTRATIVE FEES**

*Administrative fees apply to all permits. This includes the individual permits not calculated by valuation on the following pages.*

<b>BUILDING INSPECTION FEE x .03 = TECHNOLOGY FEE:</b>		\$ _____
<b>PERMIT ISSUANCE FEE</b> (Flat Rate applies to all permits)		\$147

SMIP FEE RESIDENTIAL: .00013% OF VALUATION	CA BUILDING STANDARDS FEE: \$1.00 (Valuation \$1-25k) \$2.00 (Valuation \$25-50k) \$3.00 (Valuation \$50-75k) \$4.00 (Valuation \$75-100k) Add \$1 per every 25k over 100k	SMIP: \$ _____
SMIP FEE COMMERCIAL: .00028% OF VALUATION		CA BLDG. STANDARDS FEE \$ _____

**BUILDING PERMIT FEE:** \$ \_\_\_\_\_  
*The Building Permit Fee is defined as the sum of the plan check, inspection, and administrative fees. Some projects will also have impact fees which are calculated separately.*



<b><u>Miscellaneous Permit Fees – Not Calculated by Valuation</u></b>	<b>Unit</b>	<b>Fee</b>
<b>1. Standard Hourly Rate</b> (or fraction thereof) for Plan Check and Inspections	hour	\$147/hour
<b>2. Revision</b> (permit issuance fee and hourly plan check will also be charged)	hour	\$147
<b>3. Permit Issuance Fee</b> (applies to all permits)	each	\$147
<b>4. Miscellaneous Items</b> (for items that do not have a set fee)	each	\$147
<b>5. Plot Plan Review</b>		
a. Plot Plan Review and Processing (in addition to permit issuance fee)		\$441
<b>6. Address Assignment</b>		
a. Single	each	\$220.50
b. Multiple	each	\$73.50
		<b>Building Inspection Fee</b>
<b>7. Demolition</b>		
a. Commercial/Residential demolition up to 3,000 square feet	0-3000 sf	\$294
b. Each additional 3,000 square feet	each	\$147
<b>8. Equipment Installation</b>	first piece	\$294
a. Additional Equipment at Same Site	each	\$147
b. Equipment Pad	each	\$220.50
<b>9. Damaged Building Survey</b> Fire, flood, vehicle or similar damage		\$588
<b>10. Patio Covers</b>		
a. Patio Cover (requires drawings and hourly plan check)	each	\$294
b. Enclosed Patio (requires drawings and hourly plan check)	each	\$588
<b>11. Photovoltaic Systems</b>		
a. Residential (for systems that are not flush mounted, hourly plan check fees apply)	each system	\$300
b. Commercial, up to 50 kilowatts (hourly plan check fees apply)	each system	\$1,000
c. Commercial, each additional kilowatt 51kw-250kw (hourly plan check fees apply)	each kw	\$7
d. Commercial, each additional kilowatt over 250kw (hourly plan check fees apply)	each kw	\$5
<b>12. Residential Package Permits</b>		
a. Tub / Shower Enclosure (includes trades)		\$147
b. Remodel- Complete Bathroom (includes trades)		\$220.50
c. Remodel- Kitchen (includes trades)		\$441
<b>13. Storage Racks</b>		
a. Up to 100 linear feet	first 100lf	\$441
b. Each additional 100 linear feet	each 100lf	\$147

<b><u>Plumbing Mechanical &amp; Electrical Fees – Not Calculated by Valuation</u></b>	<b>Unit</b>	<b>Building Inspection Fee</b>
<b>14. Plumbing Permits – Residential (single-family and duplexes)</b>		
a. Water Heater	each	\$73.50
b. Fixtures – covers 2 Inspections for any type or number of fixtures	2 site visits	\$147
c. Water Service Repair / Replacement	each	\$73.50
d. Water Pipe (Repair or Replacement)	each	\$147
e. Sewer on private property or Cleanout Installation	each	\$147
f. Sewer Ejector System	each	\$147
g. Solar Water Heating System - <i>Hourly plan check fees may apply for systems that are not flush mounted or have other structural issues.</i>	each	\$147
h. Residential Gas Piping		\$147
i. Residential Gas Test or Meter Reset	each	\$147
<b>15. Plumbing Permits – Commercial + Multi-Family</b>		
a. Water Heater (Repair or Replacement)	each	\$147
b. Water Service (Repair or Replacement)	each	\$147
c. Sewer Ejector System	each	\$147
d. Industrial / Commercial Process Piping System	Each 100 linear feet or fraction thereof	\$147
e. Gas Piping	Each 100 linear feet or fraction thereof	\$147
f. Gas Test / Meter Reset	each	\$147
g. Sewer on private property or Cleanout Installation	each	\$147
h. Grease Trap	each	\$147
i. Grease Interceptor	each	\$147
j. Vacuum Breaker, Backflow Preventer or Pressure Regulator	each	\$147
<b>16. Mechanical Permits – Residential (single-family and duplexes)</b>		
a. Heating and/or Cooling Equipment (including ducts)	each	\$147
b. Wall Furnace	each	\$147
c. Kitchen Hood and Bathroom Vents	each	\$73.50
<b>17. Mechanical Permits – Commercial + Multi-Family</b>		
<i>*For units over 400 pounds or for replacements that are not in the same location, hourly plan review fees apply.</i>		
a. *HVAC unit (includes all associated sub-permits)	each	\$220.50
d. *Air Handler Unit	each	\$147
b. Vent System	each	\$147
c. Exhaust Hood Replacement (additional hourly plan check may apply)	each	\$147
<b>18. Electrical Permits – Commercial, Residential + Multi-Family</b>		
a. General Electrical Permit - Residential (rough and final)	each	\$294
b. General Electrical Permit – Commercial + Multi-Family (rough and final)	each	\$441
c. Service Upgrade -- Residential	each	\$514.50
d. Additional Meter Reset (general electrical permit for first)	each	\$73.50
e. Temporary Power Installation	each	\$147

**Electrical Permits (Continued)**

f. Residential E.V. charger	each	\$73.50
g. Commercial E.V. charger (may require additional hourly plan review)	each	\$294
h. Minor Residential Electrical Permit (final only- no rough)	each	\$147
i. Minor Commercial Electrical Permit (final only- no rough)	each	\$220.50

**Additional Services and Violations – Not Calculated by Valuation**

**Unit** **Fee**

**19. Expedited Services**

a. Expedited Hourly Plan Review	hour	\$220.50/hour
b. Expedited Plan Review	each	200% of Plan Review Fee
c. Phased Approval Permits	each	\$588
d. Temporary Certificate of Occupancy	each	\$588

**22. Copies, Re-Print + Change of Contractor**

a. Microfilm Reproduction (8.5" x 11")	each	\$3 for first sheet \$1 for each additional
b. Printing Scanned / Archived Drawings	each	\$10 per sheet
c. Job Card / Permit Re-Print	each	\$147
d. Change of Contractor	each	\$147

**23. Special Inspector Qualification Review**

a. Initial Review for Approved Inspector List	each	\$588
b. Renewal Review (after 3 years)	each	\$294

**24. Violation Fees**

a. Investigation Fee for work done without Permits (in addition to the regular permit fees)	Each project	200% of the Building Permit Fee
b. Filing of Notice of Substandard or Hazardous Structure	each	\$147
c. Removal of Notice of Substandard or Hazardous Structure	each	\$147
d. Placards for Condemnation	each	\$147
e. Notice and Order	each	\$147
f. Code violation/illegal project	each day	\$125

# City of Hayward

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## Comprehensive User Fee Study Report

October 20, 2016



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## EXECUTIVE SUMMARY

The City of Hayward (the City) engaged Willdan Financial Services (Willdan) to determine the full costs incurred by the City to support the various activities for which the City charges user fees. Due to the complexity and the breadth of performing a comprehensive review of fees, Willdan employed a variety of fee methodologies to identify the full costs of individual fee and program activities. This report and the appendices herein identifies 100% full cost recovery for City services and the recommended level of recovery as determined through discussion with departmental staff.

The reality of the local government fee environment is that significant increases to achieve 100% cost recovery can often not be feasible, desirable, or appropriate depending on policy direction - particularly in a single year. The recommended fees identified herein are either at or less than full cost recovery.

## USER FEE BACKGROUND

### BACKGROUND

As part of a general cost recovery strategy, local governments have adopted user fees to fund programs and services that provide limited or no direct benefit to the community as a whole. As cities struggle to maintain levels of service and variability of demand, they have become increasingly aware of subsidies provided by the General Fund and have implemented cost-recovery targets. To the extent that governments use general tax monies to provide individuals with private benefits, and not require them to pay the full cost of the service (and, therefore, receive a subsidy), the government is limiting funds that may be available to provide other community-wide benefits. In effect, the government is using community funds to pay for private benefit. Unlike most revenue sources, cities have more control over the level of user fees they charge to recover costs, or the subsidies they can institute.

Fees in California are required to conform to the statutory requirements of the California Constitution, Proposition 218, and the California Code of Regulations. The Code also requires that the City Council adopt fees by either ordinance or resolution, and that any fees in excess of the estimated total cost of rendering the related services must be approved by a popular vote of two-thirds of those electors voting because the charge would be considered a tax and not a fee.

### CALIFORNIA USER FEE HISTORY

Before Proposition 13, California cities were less concerned with potential subsidies and recovering the cost of their services from individual fee payers. In times of fiscal shortages, cities simply raised property taxes, which funded everything from police and recreation to development-related services. However, this situation changed with the passage of Proposition 13 in 1978.

Proposition 13 established the era of revenue limitation in California local government. In subsequent years, the state saw a series of additional limitations to local government revenues. Proposition 4 (1979) defined the difference between a tax and a fee: a fee can be no greater than the cost of providing the service; and Proposition 218 (1996) further limited the imposition of taxes for certain classes of fees. As a result, cities were required to secure a supermajority vote in order to enact or increase taxes. Since the public continues to resist efforts to raise local government taxes, cities have little control and very few successful options for new revenues. Compounding this limitation, the State of California took a series of actions in the 1990's and 2000's to improve the State's fiscal situation—at the expense of local governments. Most recently, the Educational Revenue Augmentation Funds (“ERAF”) take-away of property taxes and the reduction of Vehicle License Fees have severely reduced local tax revenues.

In addition, on November 2, 2010, California voters approved Proposition 26, the “Stop Hidden Taxes Initiative”, which is aimed at defining “regulatory fees” as a special tax rather than a fee, thus requiring approval by two-thirds vote of local voters. These regulatory fees are typically intended to mitigate the societal and environmental impacts of a business or person's activities. Proposition 26 contains seven categories of exceptions. The vast majority of fees that cities would seek to adopt will most likely fall into one or more of these exemptions.



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## ADDITIONAL POLICY CONSIDERATIONS

In recent years, there has been a growing trend for municipalities to update their fee schedules to reflect the actual costs of certain public services primarily benefitting users. User Fees recover costs associated with the provision of specific services benefiting the user, thereby reducing the use of General Fund monies for such purposes.

In addition to collecting the direct cost of labor and materials associated with processing and administering user services, it is common for local governments to recover support costs. Support costs are those costs relating to a local government's central service departments that are properly allocable to the local government's operating departments. Central services support cost allocations were derived from the City's Cost Allocation Plan.

As labor effort and costs associated with the provision of services fluctuate over time, a significant element in the development of any fee schedule is that it has the flexibility to remain current. Therefore, it is recommended that the City include an inflationary factor in the resolution adopting the fee schedule to allow the City Council, by resolution, to annually increase or decrease the fees.

The City may employ many different inflationary factors. The most commonly used inflator is some form of the Consumer Price Index (CPI) as it is widely well known and accepted. A similar inflator is the implicit price deflator for GDP, which is much like the CPI except that while the CPI is based on the same "basket" of goods and services every year, the price deflators' "basket" can change year to year. Since the primary factor for the cost of a City's services is usually the costs of the personnel involved, tying an inflationary factor more directly to the personnel costs can be suitable if there is a clear method for obtaining said factor. For example, if a departments' personnel costs increase by 5% and account for 50% of that departments' total budget, then the inflator to account for the personnel cost increase would be 2.5%. Department budgets can be volatile from year to year, which could result in fee confusion for the community if there are constant unpredictable changes in the fees as a result of the previous calculation. To mitigate this effect, a substitute inflator such as one or a combination of personnel COLA's, Step increase levels, PERS, and/or healthcare cost increases are generally less volatile on a yearly basis, and can be applied Citywide to fees and services.

Each City should use an inflator that they believe works the best for their specific situation and needs. It is also recommended that the City perform this internal review annually with a comprehensive review of services and fees performed every three to five years, which would include adding or removing fees for any new or eliminated programs/services.

## STUDY OBJECTIVE

As the City of Hayward seeks to efficiently manage limited resources and adequately respond to increased service demands, it needs a variety of tools. These tools provide assurance that the City has the best information and the best resources available to make sound decisions, fairly and legitimately set fees, maintain compliance with state law and local policies, and meet the needs of the City administration and its constituency. Given the limitations on raising revenue in local government, the City recognizes that a User Fee Study is a very cost-effective way to understand the total cost of services and identify potential fee deficiencies. Essentially, a User Fee is a payment for a requested service provided by a local government that primarily benefits an individual or group.

The total cost of each service included in this analysis is based on the full cost of providing City services, including direct salaries and benefits of City staff, direct departmental costs, and indirect costs from central service support. This study determines the full cost recovery fee for the City to provide each service; however, each fee is set at the City's discretion, up to 100% of the total cost, as specified in this report.

The principle goal of the study was to help the City determine the full cost of the services that the City provides. In addition, Willdan established a series of additional objectives including:

- Developing a rational basis for setting fees
- Identifying subsidy amount, if applicable, of each fee in the model
- Enhancing fairness and equity
- Ensuring compliance with State law
- Developing an updatable and comprehensive list of fees
- Maintaining accordance with City policies and goals

The study results will help the City better understand its true costs of providing services and may serve as a basis for making informed policy decisions regarding the most appropriate fees, if any, to collect from individuals and organizations that require individualized services from the City.

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## SCOPE OF THE STUDY

The scope of this study encompasses a review and calculation of the user fees charged by the following Hayward departments and fee groups:

- City Wide and City Clerk
- Finance
- City Manager
- Development
- Police
- Fire
- Information Technology
- Library and Community Services
- Maintenance
- Public Works
- Utilities and Environmental

The study involved the identification of existing and potential new fees, fee schedule restructuring, data collection and analysis, orientation and consultation, quality control, communication and presentations, and calculation of individual service costs (fees) or program cost recovery levels.

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## AIM OF THE REPORT

The User Fee Study focused on the cost of City services, as City staff currently provides them at existing, known, or reasonably anticipated service and staff levels. This report provides a summary of the study results, and a general description of the approach and methods Willdan and City staff used to determine the recommended fee schedule. The report is not intended to document all of the numerous discussions throughout the process, nor is it intended to provide influential dissertation on the qualities of the utilized tools, techniques, or other approaches.

## PROJECT APPROACH AND METHODOLOGY

### CONCEPTUAL APPROACH

The basic concept of a User Fee Study is to determine the “reasonable cost” of each service provided by the City for which it charges a user fee. The full cost of providing a service may not necessarily become the City’s fee, but it serves as the objective basis as to the maximum amount that may be collected.

The standard fee limitation established in California law for property-related (non-discretionary) fees is the “estimated, reasonable cost” principle. In order to maintain compliance with the letter and spirit of this standard, every component of the fee study process included a related review. The use of budget figures, time estimates, and improvement valuation clearly indicates reliance upon estimates for some data.

### FULLY BURDENED HOURLY RATES

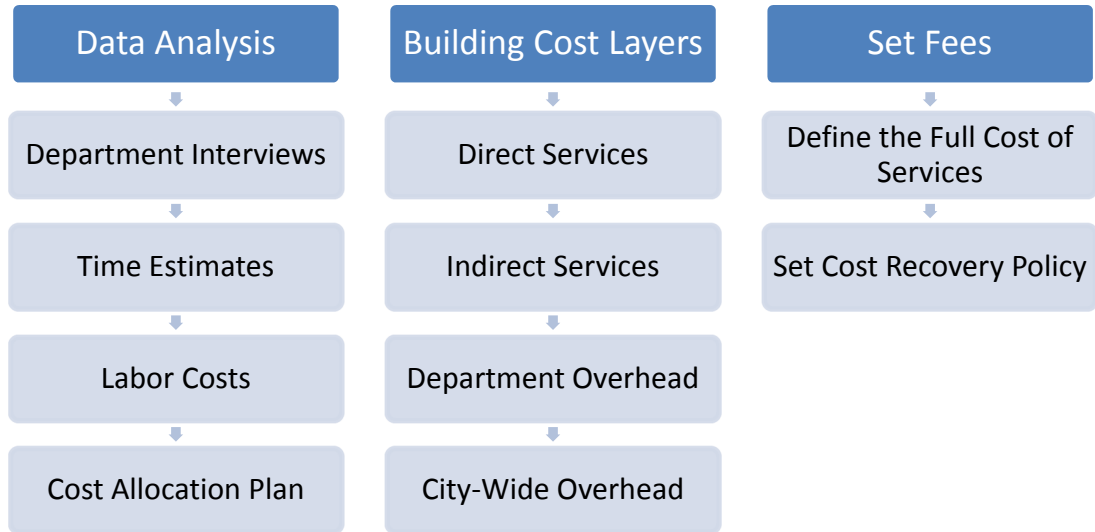
The total cost of each service included in this analysis is primarily based on the Fully Burdened Hourly Rates (FBHRs) that were determined for City personnel directly involved in providing services. The FBHRs include not only personnel salary and benefits, but also any costs that are reasonably ascribable to personnel. The cost elements that are included in the calculation of fully burdened rates are:

- Salaries & benefits of personnel involved
- Operating costs applicable to fee operations
- Departmental support, supervision, and administration overhead
- Internal Service Costs charged to each department
- Indirect City-wide overhead costs calculated through the Cost Allocation Plan

The FBHRs are then used in conjunction with time estimates, when appropriate, to calculate a fees' cost based on the personnel and the amount of their time that is involved in providing each service.

**SUMMARY STEPS OF THE STUDY**

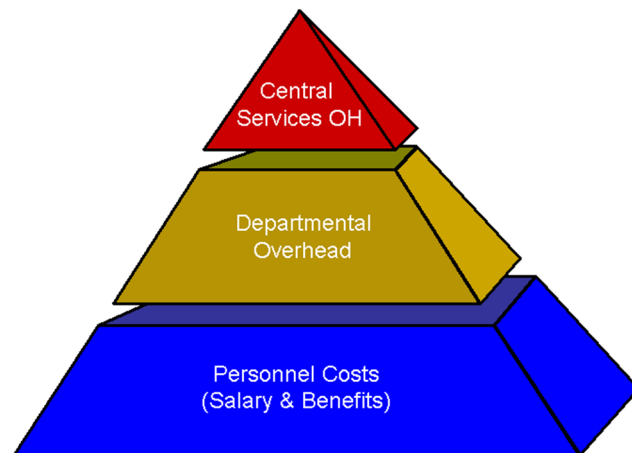
The methodology to evaluate most User Fee levels is straightforward and simple in concept. The following list provides a summary of the study process steps:



**ALLOWABLE COSTS**

This report identifies three types of costs that, when combined, constitute the fully burdened cost of a service (**Appendix A**). Costs are defined as direct labor, including salary and benefits, departmental overhead costs, and the City’s central services overhead, where departmental and central service overhead costs constitute support costs. These cost types are defined as follows:

- **Direct Labor:** The costs related to staff salaries for time spent directly on fee-related services.
- **Departmental Overhead:** A proportional allocation of departmental overhead costs, including operation costs such as supplies and materials that are necessary for the department to function.
- **Central Services Overhead:** These costs, detailed in the City’s Cost Allocation Plan, represent services provided by those Central Services Departments whose primary function is to support other City departments.



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## METHODOLOGY

The two methods of analysis for calculating fees used in this report are the:

**Case Study Method:** This approach estimates the actual labor and material costs associated with providing a unit of service to a single user. This analysis is suitable when City staff time requirements do not vary dramatically for a service, or for special projects where the time and cost requirements are easy to identify at the project's outset. Further, the method is effective in instances when a staff member from one department assists on an application, service or permit for another department on an as-needed basis. Costs are estimated based upon interviews with City staff regarding the time typically spent on tasks, a review of available records, and a time and materials analysis.

**Programmatic Approach:** The standard Case Study approach relies upon the detailed analysis of specific time estimates, salaries and benefits, expenditures, and overhead costs. In many instances, the underlying data are not available or vary widely, leaving a standard unit cost build-up approach impractical. In addition, market factors and policy concerns (as opposed to actual costs) tend to influence fee levels more than other types of services. With these general constraints, and in order to maximize the utility of this analysis, Willdan employed a different methodology where appropriate.

**Valuation Based Fees:** This manner of collection is used when the valuation of the improvement can be used as a proxy for the amount of effort it would take for City staff to complete the service provided. More specifically, this approach is commonly used for certain User Fees in the Building Division.

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## QUALITY CONTROL / QUALITY ASSURANCE

All study components are interrelated, thus flawed data at any step in the process will cause the ultimate results to be inconsistent and unsound. The elements of our Quality Control process for User Fee calculations include:

- Involvement of knowledgeable City staff
- Clear instructions and guidance to City staff
- Reasonableness tests and validation
- Normalcy/expectation ranges
- Confirmation of staff hours
- FTE balancing
- Internal and external reviews
- Cross-checking

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## REASONS FOR COST INCREASES / DECREASES OVER CURRENT FEES

Within the fee tables in [Appendix C](#), the differences identified between the full costs calculated through the study and the fee levels currently in effect. The reasons for differences between the two can arise from a number of possible factors including:

- Previous fee levels may have been set at levels less than full cost intentionally, based on policy decisions
- Staffing levels and the positions that complete fee and service activity may vary from when the previous costs were calculated
- Personnel and materials costs could have increased at levels that differed from any inflationary factors used to increase fees since the last study
- Costs that this study has identified as part of the full cost of services may not have been accounted for in a previous study
  - Departmental overhead and administration costs
  - Indirect overhead from the Cost Allocation Plan
- Changes in processes and procedures within a department, or the city as a whole

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## CITY STAFF CONTRIBUTIONS

As part of the study process, Willdan received tremendous support and cooperation from City staff, which contributed and reviewed a variety of components to the study, including:

- Budget and other cost data
- Staffing structures
- Fee and service structures, organization, and descriptions
- Direct and indirect work hours (billable/non-billable)
- Time estimates to complete work tasks
- Frequency and current fee levels
- Review of draft results and other documentation

A User Fee Study requires significant involvement of the managers and line staff from the departments—on top of their existing workloads and competing priorities. The contributions from City staff were critical to this study. We would like to express our appreciation to the City and its staff for their assistance, professionalism, positive attitudes, helpful suggestions, responsiveness, and overall cooperation.

## HAYWARD USER FEES

### COST RECOVERY

The cost recovery models, by department/division fee type, are presented in detail in [Appendix C](#). Full cost recovery is determined by summing the estimated amount of time each position (in increments of minutes or hours) spends to render a service. Time estimates for each service rendered were predominately determined by Willdan and City Staff through a time and materials survey conducted for each department/division fee included in the study. The resulting cost recovery amount represents the total cost of providing each service. The City's current fee being charged for each service, if applicable, is provided in this section, as well, for reference.

It is important to note that the time and materials survey used to determine the amount of time each employee spends assisting in the provision of the services listed on the fee schedule is essential in identifying the total cost of providing each service. Specifically, in providing services, a number of employees are often involved in various aspects of the process, spending anywhere from a few minutes to several hours on the service.

The principle goal of this study was to identify the cost of City services, in order to provide information to help the City make informed decisions regarding the actual fee levels and charges. The responsibility to determine the final fee levels is a complicated task. City staff must consider many issues in formulating recommendations, and the City Council must consider those same issues and more in making the final decisions.

City staff assumes the responsibility to develop specific fee level recommendations to present to the City Council. Unfortunately, there are no hard and fast rules to guide the City, since many of the considerations are based on the unique characteristics of the City of Hayward, and administrative and political discretion. However, in setting the level of full cost recovery for each fee, one should consider whether the service solely benefits one end user or the general community.

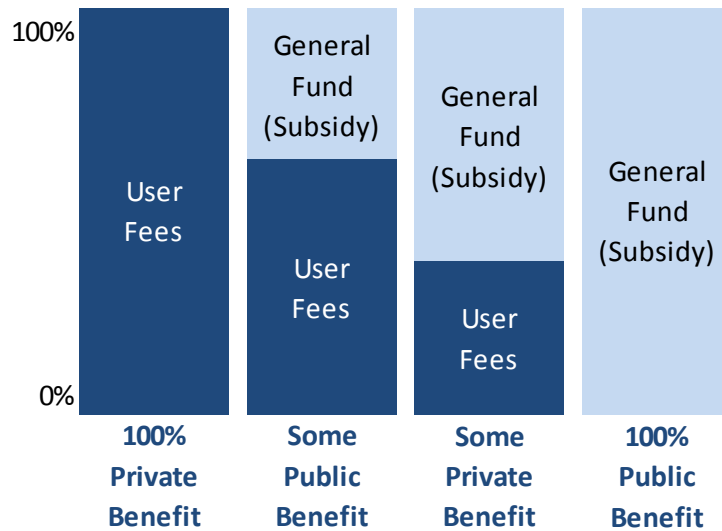
### SUBSIDIZATION

Recalling the definition of a user fee helps guide decisions regarding subsidization. The general standard is that individuals (or groups) whom receive a wholly private benefit should pay 100% of the full cost of the services. In contrast, services that are simply public benefit should be funded entirely by the general fund's tax dollars. Unfortunately, for the decision makers, a large number of services fall into the range between these two extremes (i.e., Library and Recreation services). The graphic on the following page illustrates the potential decision basis.

Further complicating the decision, opponents of fees often assert that the activities subject to the fees provide economic, cultural, "quality of life," or other community benefits that exceed the costs to the City. It is recommended the City consider such factors during its deliberations regarding appropriate fee levels.



Of course, subsidization can be an effective public policy tool, since it can be used to reduce fees to encourage certain activities (such as sports programs and educational classes) or allow some people to be able to afford to receive services they otherwise could not at the full cost. In addition, subsidies can be an appropriate and justifiable action, such as to allow citizens to rightfully access services, (such as appeals of discretionary actions) without burdensome costs.



Despite the intent, it is important for the City and public to understand that subsidies must be covered by another

revenue source, such as the General Fund. Therefore, the general taxpayer will potentially help to fund private benefits, and/or other City services will not receive funds that are otherwise directed to cover subsidies.

**IMPACT ON DEMAND (ELASTICITY)**

Economic principles of elasticity suggest that increased costs for services (higher fees) will eventually curtail the demand for the services; whereas lower fees may spark an incentive to utilize the services and encourage certain actions. Either of these conditions may be a desirable effect to the City. However, the level of the fees that would cause demand changes is largely unknown. The Cost of Service Study did not attempt to evaluate the economic or behavioral impacts of higher or lower fees; nevertheless, the City should consider the potential impacts of these issues when deciding on fee levels.

**SUMMARY**

If the City’s overriding goal of this study were to maximize revenues from user fees, Willdan would recommend setting user fees at 100% of the full cost identified in this study. However, we understand that revenue enhancement is not the only goal of a cost of service study, and sometimes full-cost recovery is not needed, desired, or appropriate. Other City and departmental goals, City Council priorities, policy initiatives, past experience, implementation issues, and other internal and external factors may influence staff recommendations and City Council decisions. In this case, the proper identification of additional services (new or existing services) and creation of a consistent and comprehensive fee schedule was the primary objective of this study. City staff has reviewed the full costs and identified the “recommended fee levels” for consideration by City Council. The attached appendices exhibit these unit fees individually.

The preceding sections provide background for each department or division and the results of this study’s analysis of their fees. For the full list of each fee’s analysis, refer to [Appendix C](#) of this report.

## CITY CLERK AND CITY WIDE

The mission of the Office of the City Clerk is: to ensure the security and accessibility of all official City records; to serve as the information and records manager of all legislative proceedings; to conduct all aspects of municipal elections; and to serve as a support office to the City Council, City staff, City Boards and Commissions, and the residents of Hayward.

### ANALYSIS

Willdan individually reviewed the services provided by City Clerk and other City wide services. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The analysis of services in City Clerk and the City wide fees relied primarily upon a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee is recovering the costs associated with the requested service. It is recommended that the City set fees at or near 100% cost recovery for most fees. As a result, while there will be increases to some fees and decreases to a few others as detailed in [Appendix C](#), the average fee change is 0% for City Clerk fees.

## FINANCE

The Finance Department provides fiscal oversight and management of the City's financial operations and various related organizations. This includes financial reporting, fiscal analysis, budgeting, all accounting functions in the management of the city's finances, oversight of an external financial audit for compliance with City laws and policies, debt management, investment of the City's cash, grants administration, provision of purchasing services and ensuring compliance with all purchasing laws and policies, service to all the City's sales and use tax payers, billing and collections of the City's utility and tax bills.

### ANALYSIS

Willdan individually reviewed the services provided by Finance. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The services in Finance are predominately related to business permit and parking activity. The analysis relied primarily upon a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee is recovering the costs associated with the requested service. It is recommended that the City set Finance services at 100% cost recovery for most fees. As a result, while there will be increases to some fees and decreases to a few others as detailed in [Appendix C](#), the average fee change is an increase of 3%, not accounting for new services.

## CITY MANAGER

The City Manager's Office maintains operational responsibility for economic development, neighborhood partnerships, community preservation, and communications and media relations. Management of the Successor Agency to the Hayward Redevelopment Agency also falls under the purview of this department.

### ANALYSIS

Willdan individually reviewed the services and programs associated with the City Manager's Department. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The services covered under the City Manager are primary for economic development and film permit purposes. There are a couple fees that were determined based on the flat cost of providing service, and are recommended to be set at 100% cost recovery. The film permit fees were not adjusted as part of this study and are stated at their current levels. As a result, there are no suggested changes to the fees for City Manager.

## DEVELOPMENT SERVICES

The Development Services Department is comprised of the Administration, Building, Code Enforcement and Planning Divisions. A primary task of the department is to assist Council, in planning for and regulating development in Hayward, in order to assure the economic, aesthetic, and environmental health of the community and a high quality of life for its residents. The Department seeks to protect the health and safety of the community through building inspection and enforcement of local, state, and federal standards; and to work with applicants and residents to achieve development that will add value to the City of Hayward within the goals and policies established by Council.

### BUILDING ANALYSIS

Willdan individually reviewed the services and programs associated with Building. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The Building division underwent a very intensive internal analysis to determine the time and materials cost of providing service in order to calculate the full cost of providing services. The fee schedule listed in Appendix C is the result of that analysis that utilized the cost build up approach whereby the time of staff involved in each service is determined, and through the use of fully burdened hourly rates, the full cost was determined. The fees listed in Appendix C are at or near 100% cost recovery for most fees.

### PLANNING ANALYSIS

Willdan individually reviewed the services and programs associated with Planning. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The services provided by Planning are predominantly provided through the use of deposit systems where a reasonable deposit is collected upon inception of the service request and as staff expends effort on the project, the deposit is drawn down using the fully burdened hourly rates of staff. If additional cost is, or anticipated to be, expended above the deposit amount the City initially collected, the requestor will be billed for the additional amount. For all flat fees a standard unit cost build-up approach, whereby we determined the reasonable cost of

each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee is recovering the costs associated with the requested service. It is recommended that the City set Planning services at 100% cost recovery for most fees. As a result, while there will be increases to some fees and decreases to others as detailed in [Appendix C](#), the average fee change is an increase of 14%.

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## CODE ENFORCEMENT ANALYSIS

Willdan individually reviewed the services and programs associated with Code Enforcement. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The two programs analyzed as part of this study was the Community Preservation Program and the Rental Housing & Hotel Inspection Fee Programs. The analysis of the Community Preservation Program a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee is recovering the costs associated with the requested service. The analysis has shown that the fees are under recovering the cost of providing service. It is recommended that the City set these fees at 100% cost recovery for all fees except for Abatement and Lien Processing.

The Rental Housing & Hotel Inspection Fee Program involved the use of both a unit cost calculation for inspections above the initial inspection and first progress check, and a program cost analysis that includes the cost of maintaining the program and the initial inspection that is anticipated to be performed for each parcel every 5 years. This program cost is recovered through the annual fee for the program. Where previously there was an additional inspection fee per hotel and motel room, to simplify the structure of the fee schedule and to account for a relatively constant average amount of time spent on an inspection, the fees were changed to be assessed on a per parcel basis instead. As a result of the analysis it was determined that the fees are currently under covering the cost of maintaining the program as a whole, and that this difference will only grow as more rentals are opened in the City. Due to the removal of a per room or per unit charge for follow up inspections it was determined that the inspection fees were under recovering for instances where less than 4 units or rooms were inspected, and over recovering for 4 or greater units or rooms. Staff recommends that the fees be adjusted to the suggested levels as listed in [Appendix C](#). The revenue effect of these changes are estimated to be an overall increase to the entire program. The variable factors that make a more accurate estimate difficult are knowing the elasticity effect of increased penalties on the occurrence level of re-inspections, and it is unknown what the precise revenue affect the change to remove the per rental unit charge from the re-inspection fees will be.

Both programs also have penalty amounts that will apply for avoidable conditions, and those can be set at the City's discretion. The recommended penalty amounts are also detailed in [Appendix C](#).

## POLICE

The members of the Hayward Police Department are committed to enhancing the quality of life in the city by maintaining partnerships with our diverse community, together creating safe and cohesive neighborhoods. They safeguard the lives and property of the people we serve, and to reduce the incidence and fear of crime. Animal Control services are included under Police in this analysis.

### ANALYSIS

Willdan individually reviewed the services and programs associated with the Police Department. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The analysis of Police and Animal Control services relied primarily upon a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee would recover the costs associated with the requested service. This analysis has shown that the costs associated with Police and Animal Control services are greater than the amounts charged for most fees. It is recommended that the City set Police services at or near 100% cost recovery for most fees. There are additional services included in the fee schedule that are set based on factors outside the control of the Department such as State codes and previously established resolutions. Those fees should remain at their designated levels. All penalties are recommended to remain at their current levels as well. As a result, while there will be increases to some fees and decreases to others as detailed in [Appendix C](#), the average fee change is an increase of 34%.

## FIRE

The mission of the Hayward Fire Department is to protect lives and property by providing superior fire suppression and emergency medical services (EMS), supported by prevention through responsible and innovative regulatory and educational programs.

### ANALYSIS

Willdan individually reviewed the services and programs associated with the Fire Department. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The analysis of Fire services relied primarily upon a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee would recover the costs associated with the requested service. This analysis has shown that the costs associated with Fire services are generally greater than the amounts charged for a majority of fees. It is recommended that the City set Fire services at 100% cost recovery for most fees. As a result, while there will be increases to some fees and decreases to others as detailed in [Appendix C](#), the average fee change is an increase of 4% for fire prevention services and 13% for hazardous materials services.

## INFORMATION TECHNOLOGY

The Information Technology Department prioritizes, coordinates, and implements technology initiatives that are consistent with the strategic goals and resources of the City. This includes identifying new approaches and emerging technologies that can respond to the changing methods of delivering City services to mobile constituents and staff, and to the unique operational needs of City departments.

### ANALYSIS

Willdan individually reviewed the services and programs associated with the Information Technology Department. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The analysis of Information Technology services relied primarily upon a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee would recover the costs associated with the requested service. This analysis has shown that the costs associated with Information Technology services are greater than the amounts charged for fees. It is recommended that the City set Information Technology services at 100% cost recovery for most fees. As a result, there would be increases to fees as detailed in [Appendix C](#), the average fee change is an increase of 31%.

## LIBRARY AND COMMUNITY SERVICES DEPARTMENT

The mission of the Library and Community Services Department is to deliver equal opportunity in education to every Hayward resident, and to preserve and enhance the quality of life for all members of the Hayward community.

### ANALYSIS

Willdan individually reviewed the services and programs associated with the Library and Community Services Department. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The analysis of Library and Community services relied primarily upon a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee would recover the costs associated with the requested service. Staff proposes that fees remain at their current levels.

## MAINTENANCE SERVICES DEPARTMENT

The Maintenance Services Department provides front line services that are visible to residents and contribute to a safe, clean, and green community, consistent with Council's priorities. The Department is responsible for a wide range of functions including: maintaining the City's streets; graffiti removal on public property; illegal dumping

removal in the public right-of-way; major road corridor maintenance and improvement; street sweeping and cleaning of storm drains; emergency response to street, landscape, or hazardous material spill emergencies; maintenance of public landscaping; maintenance and operation of City buildings and structures; and acquisition, maintenance, and repair of City vehicles and equipment.

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## ANALYSIS

Willdan individually reviewed the services and programs associated with the Maintenance Services Department. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The analysis of Maintenance services relied primarily upon a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee would recover the personnel costs associated with the requested service. This analysis has shown that the costs associated with Maintenance services are generally greater than the amounts charged. It is recommended that the City set Maintenance services at 100% cost recovery for most fees. As a result, there would be increases to fees as detailed in [Appendix C](#), the average fee change is an increase of 21%.

## PUBLIC WORKS

The Public Works-Engineering and Transportation Department is organized into six divisions: Administration, Design/Development Services, Construction Services, Transportation, Survey, and the Executive Airport Enterprise. The Department is responsible for providing engineering and transportation support to City operating departments and divisions and for implementation of the City's Capital Improvement Program. The Department is also charged with providing oversight to and support of daily Airport operations.

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## ANALYSIS

Willdan individually reviewed the services and programs associated with the Public Works Department. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The primary programs included in the study for Public Works is Airport and Engineering. There are no proposed changes to the Airport fees. The analysis of Engineering services relied primarily upon a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee would recover the costs associated with the requested service. This analysis has shown that the costs associated with Public Works services are generally greater than the amounts charged for a majority of fees. It is recommended that the City set most Public Works services at or near 100% cost recovery, with some individual exceptions as identified in [Appendix C](#). As a result, there would be increases to fees as detailed in [Appendix C](#), the average fee change is an increase of 10% for Engineering Services.

## UTILITIES & ENVIRONMENTAL SERVICES

The Utilities & Environmental Department is responsible for management of the City's Water Distribution System and Wastewater Collection and Treatment Systems, as well as the Solid Waste and Recycling Program, and the Stormwater Management System. In addition to operating and maintaining utilities facilities and equipment, this Department is responsible for compliance with all applicable local, state, and federal regulatory requirements related to Department operations, and has responsibility for developing, implementing, coordinating, and managing sustainability programs and activities in the City, including implementation of strategies and programs contained in the City's adopted Climate Action Plan.

### ANALYSIS

Willdan individually reviewed the services and programs associated with the Utilities & Environmental Department. The review also consisted of an evaluation of existing services in an effort to update the fee schedule.

The analysis of Utilities & Environmental services relied primarily upon a standard unit cost build-up approach, whereby we determined the reasonable cost of each fee occurrence using staff time to recover the direct cost of staff and pro-rata share of departmental costs, including indirect costs for City Central Services. Willdan then compared the calculated full cost against the current fee amount to determine, if charged, whether the current fee would recover the costs associated with the requested service. This analysis has shown that the costs associated with Environmental & Utilities services are generally greater than the amounts charged for a majority of fees. It is recommended that the City set most Utilities & Environmental services at or near 100% cost recovery, with some individual exceptions as identified in Exhibit B. In consultation with staff, it is recommended that the City adopt the fee increases as an incremental increase initially in the first year and a second increase in the second year to help mitigate impacts of getting to full cost for services. As a result, the average fee increase is 17% for the first year and 45% for the second year. As a result, there will be an overall increase in revenues associated with fee activity if participation levels remain the same.



**APPENDIX A – TOTAL ALLOWABLE COST TO BE RECOVERED**

Below are the total allowable costs that may be recovered through User Fees; however, only a percentage of the total allowable cost is realized as staff not only works on services related to User Fees, but also works on an array of other City functions during the operational hours of the City.

## City of Hayward - User Fee Overhead Rate Calculations

Department	Salary and Benefits	Department Operations and Maintenance	Direct Overhead %	Cap Allocation %
CITY ATTORNEYS OFFICE	986,306	96,600	9.8%	0.0%
CITY CLERK	456,164	131,618	28.9%	0.0%
CITY MANAGERS OFFICE	2,902,841	1,274,922	43.9%	0.0%
FINANCE	3,020,742	805,255	26.7%	0.0%
FIRE	30,577,474	3,913,870	12.8%	5.9%
HUMAN RESOURCES	1,204,577	630,971	52.4%	0.0%
INFORMATION TECHNOLOGY	2,508,579	2,028,554	80.9%	0.0%
LIBRARY AND COMMUNITY SERVICES	3,256,361	1,658,337	50.9%	12.6%
MAINTENANCE SERVICES	3,440,730	1,342,412	39.0%	15.7%
MAYOR AND COUNCIL	414,403	113,399	27.4%	0.0%
POLICE	53,556,800	6,926,397	12.9%	6.5%
PUBLIC WORKS - ENGINEERING & T	4,969,082	604,014	12.2%	22.3%
PUBLIC WORKS - UTILITIES & ENV	-	2,929	0.0%	2.5%

### Development Breakdown

ADMINISTRATION	682,575	50,663	7.4%	14.7%
PLANNING	2,300,280	1,596,190	69.4%	14.7%
BUILDING INSPECTION	2,399,615	1,145,894	47.8%	14.7%
CODE ENFORCEMENT	1,386,085	307,616	22.2%	14.7%

### Fire Breakdown

HAZARDOUS MATERIALS	749,681	113,113	15.1%	5.9%
FIRE PREVENTION	1,850,219	390,682	21.1%	5.9%
OPERATIONS	27,262,441	3,391,141	12.4%	5.9%

## APPENDIX B – FULLY BURDENED HOURLY RATES

Below are fully burdened hourly rates on an average department scale and at the staff position level for all City personnel. The FBHRs were used to determine the full cost of each service detailed in [Appendix C](#). They include the salary and benefit costs for each position as well as all applicable overhead amounts for each position. For positions in central service departments, such as the City Clerk and Finance, the overhead of central service departments is not included, as that cost is recovered through the cost allocation plan. When a central service department position works on a fee or project in the purview of an operating department, the overhead rates of the operating department (shown in [Appendix A](#)) will be applied to that central service positions' salary and benefit rate for full cost recovery. For any user fee service request that is outside the scope of the fees detailed in [Appendix C](#), or for services for which there is no fee currently set up, the City can charge up to the full cost of the FBHR for personnel involved.

## City of Hayward - User Fee

### Fully Burdened Hourly Rate Calculation - Full Time Employees

Department	Dept/Position	Fully Burdened Hourly Rate
CITY ATTORNEYS OFFICE	CITY ATTORNEYS OFFICE	112.53
CITY CLERK	CITY CLERK	101.84
CITY MANAGERS OFFICE	CITY MANAGERS OFFICE	121.27
PUBLIC WORKS - ENGINEERING & T	PUBLIC WORKS - ENGINEERING & T	122.56
FINANCE	FINANCE	90.38
FIRE	FIRE	158.46
HUMAN RESOURCES	HUMAN RESOURCES	113.83
INFORMATION TECHNOLOGY	INFORMATION TECHNOLOGY	168.99
MAYOR AND COUNCIL	MAYOR AND COUNCIL	29.43
MAINTENANCE SERVICES	MAINTENANCE SERVICES	115.50
POLICE	POLICE	132.30
LIBRARY AND COMMUNITY SERVICES	LIBRARY AND COMMUNITY SERVICES	106.85
PUBLIC WORKS - UTILITIES & ENV	PUBLIC WORKS - UTILITIES & ENV	80.76
PLANNING	PLANNING	163.58
BUILDING INSPECTION	BUILDING INSPECTION	142.87
CODE ENFORCEMENT	CODE ENFORCEMENT	105.15
FIRE	HAZARDOUS MATERIALS	165.21
FIRE	FIRE PREVENTION	221.26
FIRE	OPERATIONS	160.76

## City of Hayward - User Fee

### Fully Burdened Hourly Rate Calculation - Full Time Employees

Department	Dept/Position	Fully Burdened Hourly Rate
BUILDING INSPECTION	Bldg: Administrative Clerk II	88.04
BUILDING INSPECTION	Bldg: Building Inspector	146.72
BUILDING INSPECTION	Bldg: City Building Official	232.83
BUILDING INSPECTION	Bldg: Permit Technician	112.61
BUILDING INSPECTION	Bldg: Plan Checker	118.39
BUILDING INSPECTION	Bldg: Plan Checking Engineer	190.67
BUILDING INSPECTION	Bldg: Secretary	110.17
BUILDING INSPECTION	Bldg: Senior Permit Technician	108.32
BUILDING INSPECTION	Bldg: Senior Plan Checker	153.46
BUILDING INSPECTION	Bldg: Sr Bldg Inspector/Electrical	170.38
BUILDING INSPECTION	Bldg: Sr Bldg Inspector/Plum-Mech	167.28
BUILDING INSPECTION	Bldg: Sr Bldg Inspector/Structural	159.39
BUILDING INSPECTION	Bldg: Supervising Building Inspector	179.81
BUILDING INSPECTION	Bldg: Supervising Plan Chkr & Exped	172.72
CITY ATTORNEYS OFFICE	CA: Assistant City Attorney	125.94
CITY ATTORNEYS OFFICE	CA: City Attorney	175.87
CITY ATTORNEYS OFFICE	CA: Deputy City Attorney II	96.83
CITY ATTORNEYS OFFICE	CA: Legal Secretary II	76.84
CITY ATTORNEYS OFFICE	CA: Paralegal	79.72
CITY CLERK	CC: City Clerk	127.01
CITY CLERK	CC: Deputy City Clerk	99.92
CITY CLERK	CC: Management Analyst II	103.50
CITY CLERK	CC: Senior Secretary	76.92
ADMINISTRATION	CD Admin: Administrative Clerk II	53.21
ADMINISTRATION	CD Admin: Administrative Secretary	78.85
ADMINISTRATION	CD Admin: Dep Dir Of Dev Services	163.05
ADMINISTRATION	CD Admin: Director Of Development Svcs	184.55
ADMINISTRATION	CD Admin: Management Analyst II	103.37
CODE ENFORCEMENT	Code: Administrative Clerk I	73.60
CODE ENFORCEMENT	Code: Administrative Clerk II	74.47
CODE ENFORCEMENT	Code: Code Enforcement Inspector II	116.78
CODE ENFORCEMENT	Code: Code Enforcement Supervisor	134.40
CODE ENFORCEMENT	Code: Senior Secretary	84.20
CODE ENFORCEMENT	Code: Sr Code Enforcement Inspector	117.24
CITY MANAGERS OFFICE	CM: Administrative Clerk I	73.93
CITY MANAGERS OFFICE	CM: Administrative Clerk II	74.80
CITY MANAGERS OFFICE	CM: Assistant City Manager	245.06
CITY MANAGERS OFFICE	CM: Audio Video Specialist	98.47

## City of Hayward - User Fee

### Fully Burdened Hourly Rate Calculation - Full Time Employees

Department	Dept/Position	Fully Burdened Hourly Rate
CITY MANAGERS OFFICE	CM: City Manager	274.19
CITY MANAGERS OFFICE	CM: Code Enforcement Inspector II	117.29
CITY MANAGERS OFFICE	CM: Code Enforcement Supervisor	134.99
CITY MANAGERS OFFICE	CM: Comm & Media Relations Officer	137.15
CITY MANAGERS OFFICE	CM: Econ Development Specialist	124.27
CITY MANAGERS OFFICE	CM: Economic Development Manager	181.84
CITY MANAGERS OFFICE	CM: Executive Assistant	103.86
CITY MANAGERS OFFICE	CM: Management Analyst II	126.55
CITY MANAGERS OFFICE	CM: Management Fellow	54.68
CITY MANAGERS OFFICE	CM: Neighborhood Development Mgr	187.44
CITY MANAGERS OFFICE	CM: Senior Secretary	84.57
CITY MANAGERS OFFICE	CM: Sr Code Enforcement Inspector	117.75
CITY MANAGERS OFFICE	CM: Video Assistant	47.19
CITY MANAGERS OFFICE	CM: Web Specialist	123.76
PUBLIC WORKS - ENGINEERING & T	Engin: Administrative Secretary	82.77
PUBLIC WORKS - ENGINEERING & T	Engin: Airport Maintenanceworker	93.31
PUBLIC WORKS - ENGINEERING & T	Engin: Airport Manager	166.54
PUBLIC WORKS - ENGINEERING & T	Engin: Airport Operations Supervisor	144.30
PUBLIC WORKS - ENGINEERING & T	Engin: Assistant City Engineer	179.81
PUBLIC WORKS - ENGINEERING & T	Engin: Assistant Transportation Engr	131.32
PUBLIC WORKS - ENGINEERING & T	Engin: Assoc Civil Engineer	133.66
PUBLIC WORKS - ENGINEERING & T	Engin: Assoc Transportation Engineer	132.93
PUBLIC WORKS - ENGINEERING & T	Engin: Assoc Transportation Planner	126.24
PUBLIC WORKS - ENGINEERING & T	Engin: Construction Inspector	115.95
PUBLIC WORKS - ENGINEERING & T	Engin: Director Of Public Works	230.98
PUBLIC WORKS - ENGINEERING & T	Engin: Engineering Technician	100.80
PUBLIC WORKS - ENGINEERING & T	Engin: Management Analyst II	115.10
PUBLIC WORKS - ENGINEERING & T	Engin: Noise Abatement Analyst	80.87
PUBLIC WORKS - ENGINEERING & T	Engin: Secretary	80.05
PUBLIC WORKS - ENGINEERING & T	Engin: Senior Civil Engineer	145.19
PUBLIC WORKS - ENGINEERING & T	Engin: Senior Construction Inspector	133.78
PUBLIC WORKS - ENGINEERING & T	Engin: Senior Secretary	84.47
PUBLIC WORKS - ENGINEERING & T	Engin: Senior Transportation Engineer	160.96
PUBLIC WORKS - ENGINEERING & T	Engin: Sr Airport Maintenance Worker	100.20
PUBLIC WORKS - ENGINEERING & T	Engin: Supervising Construction Insp	154.69
PUBLIC WORKS - ENGINEERING & T	Engin: Survey Engineer	149.65
PUBLIC WORKS - ENGINEERING & T	Engin: Surveyor	121.70
PUBLIC WORKS - ENGINEERING & T	Engin: Traffic Signal Technician	101.88
PUBLIC WORKS - ENGINEERING & T	Engin: Transportation Manager	146.37

## City of Hayward - User Fee

### Fully Burdened Hourly Rate Calculation - Full Time Employees

Department	Dept/Position	Fully Burdened Hourly Rate
FINANCE	Fin: Accountant	84.50
FINANCE	Fin: Accounting Manager	137.71
FINANCE	Fin: Administrative Clerk I	66.13
FINANCE	Fin: Budget Officer	124.02
FINANCE	Fin: Customer Account Clerk	62.19
FINANCE	Fin: Data Systems Operator	67.22
FINANCE	Fin: Deputy Director Of Finance	139.84
FINANCE	Fin: Director Of Finance	208.66
FINANCE	Fin: Finance Technician	90.75
FINANCE	Fin: Mail & Purchasing Clerk	60.17
FINANCE	Fin: Management Analyst II	100.41
FINANCE	Fin: Purchasing & Services Manager	113.15
FINANCE	Fin: Purchasing Technician	78.71
FINANCE	Fin: Revenue Manager	142.99
FINANCE	Fin: Senior Account Clerk	76.15
FINANCE	Fin: Senior Accountant	122.83
FINANCE	Fin: Senior Customer Account Clerk	78.84
FIRE	Fire: Administrative Clerk II	61.35
FIRE	Fire: Apparatus Operator (56 Hr)	159.41
FIRE	Fire: Battalion Chief (56 Hr)	227.54
FIRE	Fire: Deputy Fire Chief (40 Hr)	267.24
FIRE	Fire: Emergency Medical Svcs Coord	115.32
FIRE	Fire: Environmental Specialist	123.72
FIRE	Fire: Fire Captain (56 Hr)	180.92
FIRE	Fire: Fire Chief	260.54
FIRE	Fire: Fire Marshal (40 Hr)	212.02
FIRE	Fire: Fire Prevention Insp (40 Hr)	145.09
FIRE	Fire: Fire Protection Engineer	134.41
FIRE	Fire: Fire Services Supervisor	117.58
FIRE	Fire: Fire Services Technician II	81.54
FIRE	Fire: Fire Training Officer (40 Hr)	232.37
FIRE	Fire: Firefighter (56 Hr)	135.02
FIRE	Fire: Haz Mat Investigator	100.96
FIRE	Fire: Haz Mat Program Coordinator	136.88
FIRE	Fire: Mail Clerk	62.67
FIRE	Fire: Management Analyst II	113.23
FIRE	Fire: Senior Secretary	68.85
FIRE	Fire: Staff Fire Captain (40 Hr)	180.59

## City of Hayward - User Fee

### Fully Burdened Hourly Rate Calculation - Full Time Employees

Department	Dept/Position	Fully Burdened Hourly Rate
HUMAN RESOURCES	HR: Administrative Intern	51.95
HUMAN RESOURCES	HR: Director Of Human Resources	208.68
HUMAN RESOURCES	HR: Human Resources Analyst II	121.22
HUMAN RESOURCES	HR: Human Resources Technician	87.76
HUMAN RESOURCES	HR: Senior Human Resources Analyst	134.72
INFORMATION TECHNOLOGY	IT: Administrative Secretary	136.06
INFORMATION TECHNOLOGY	IT: Director Of Info Tech/Cio	240.86
INFORMATION TECHNOLOGY	IT: Geographic Info Systems Coord	174.82
INFORMATION TECHNOLOGY	IT: Information Technology Manager	195.99
INFORMATION TECHNOLOGY	IT: It Analyst II	173.31
INFORMATION TECHNOLOGY	IT: It Technician	152.99
INFORMATION TECHNOLOGY	IT: Programmer Analyst	150.19
INFORMATION TECHNOLOGY	IT: Tech Solutions Analyst II	171.04
MAYOR AND COUNCIL	M&C: City Council	26.24
MAYOR AND COUNCIL	M&C: Mayor	48.57
MAINTENANCE SERVICES	Maint: Administrative Secretary	120.98
MAINTENANCE SERVICES	Maint: Director Of Maintenance Svcs	204.79
MAINTENANCE SERVICES	Maint: Electrician II	146.01
MAINTENANCE SERVICES	Maint: Equipment Mechanic II	114.40
MAINTENANCE SERVICES	Maint: Equipment Parts Storekeeper	106.21
MAINTENANCE SERVICES	Maint: Facilities & Building Manager	161.76
MAINTENANCE SERVICES	Maint: Facilities Carpenter II	131.20
MAINTENANCE SERVICES	Maint: Facilities Painter II	128.50
MAINTENANCE SERVICES	Maint: Facilities Serviceworker II	91.73
MAINTENANCE SERVICES	Maint: Fleet Management Supervisor	158.50
MAINTENANCE SERVICES	Maint: Groundskeeper I	101.42
MAINTENANCE SERVICES	Maint: Groundskeeper II	117.02
MAINTENANCE SERVICES	Maint: Groundskeeper III	105.21
MAINTENANCE SERVICES	Maint: Hvac Mechanic	146.01
MAINTENANCE SERVICES	Maint: Landscape Maint Supervisor	150.32
MAINTENANCE SERVICES	Maint: Maintenance Leader	116.51
MAINTENANCE SERVICES	Maint: Maintenance Worker	97.71
MAINTENANCE SERVICES	Maint: Management Analyst II	143.70
MAINTENANCE SERVICES	Maint: Senior Maintenance Leader	129.38
MAINTENANCE SERVICES	Maint: Senior Secretary	97.33
MAINTENANCE SERVICES	Maint: Streets Maintenance Manager	170.63
MAINTENANCE SERVICES	Maint: Sweeper Equipment Operator	108.27
MAINTENANCE SERVICES	Maint: Tree Trimmer	118.14

## City of Hayward - User Fee

### Fully Burdened Hourly Rate Calculation - Full Time Employees

Department	Dept/Position	Fully Burdened Hourly Rate
PLANNING	Plan: Administrative Clerk II	104.64
PLANNING	Plan: Assistant Planner	140.60
PLANNING	Plan: Associate Planner	173.47
PLANNING	Plan: Development Review Engineer	223.70
PLANNING	Plan: Development Review Specialist	130.79
PLANNING	Plan: Landscape Architect	195.15
PLANNING	Plan: Planning Manager	231.60
PLANNING	Plan: Principal Planner	229.38
PLANNING	Plan: Secretary	105.81
PLANNING	Plan: Senior Planner	178.73
PLANNING	Plan: Senior Secretary	115.99
POLICE	Police:	132.58
POLICE	Police: Administrative Secretary	84.01
POLICE	Police: Animal Care Attendant	59.92
POLICE	Police: Animal Control Officer	68.74
POLICE	Police: Animal Services Administrator	119.31
POLICE	Police: Call Taker	74.87
POLICE	Police: Chief Of Police	282.84
POLICE	Police: Communications Administrator	111.28
POLICE	Police: Communications Operator	86.07
POLICE	Police: Communications Supervisor	98.28
POLICE	Police: Community Service Officer	80.42
POLICE	Police: Counseling Supervisor	117.95
POLICE	Police: Crime Analyst	113.95
POLICE	Police: Crime Prevention Specialist	81.61
POLICE	Police: Crime Scene Technician	76.04
POLICE	Police: Environmental Specialist	110.90
POLICE	Police: Family Counselor I	93.53
POLICE	Police: Inspector	179.06
POLICE	Police: Jail Administrator	116.56
POLICE	Police: Jail Supervisor	92.00
POLICE	Police: Operations Support Svcs Mgr	161.15
POLICE	Police: P & T Administrator	131.78
POLICE	Police: Police Captain	236.89
POLICE	Police: Police Lieutenant	215.17
POLICE	Police: Police Officer	152.37
POLICE	Police: Police Programs Analyst	105.74
POLICE	Police: Police Records Clerk II	66.15



## City of Hayward - User Fee

### Fully Burdened Hourly Rate Calculation - Full Time Employees

Department	Dept/Position	Fully Burdened Hourly Rate
POLICE	Police: Police Sergeant	188.94
POLICE	Police: Prop & Evidence Administrator	116.87
POLICE	Police: Property Technician	74.75
POLICE	Police: Records Administrator	112.10
POLICE	Police: Records Supervisor	92.76
POLICE	Police: Secretary	70.48
POLICE	Police: Senior Management Analyst	115.24
POLICE	Police: Shelter Operations Supervisor	74.82
POLICE	Police: Shelter Volunteer Coord	66.72
POLICE	Police: Supervising Librarian I	122.61
POLICE	Police: Yfsb Administrator	135.47
LIBRARY AND COMMUNITY SERVICES	Rec: Administrative Clerk II	96.81
LIBRARY AND COMMUNITY SERVICES	Rec: Administrative Secretary	111.64
LIBRARY AND COMMUNITY SERVICES	Rec: Community Services Manager	172.28
LIBRARY AND COMMUNITY SERVICES	Rec: Director Of Lib & Commtly Svcs	258.78
LIBRARY AND COMMUNITY SERVICES	Rec: Housing Development Specialist	154.46
LIBRARY AND COMMUNITY SERVICES	Rec: Info Systems Support Tech	126.52
LIBRARY AND COMMUNITY SERVICES	Rec: Lead Library Assistant	93.53
LIBRARY AND COMMUNITY SERVICES	Rec: Librarian I	109.87
LIBRARY AND COMMUNITY SERVICES	Rec: Librarian I Pt	115.00
LIBRARY AND COMMUNITY SERVICES	Rec: Library Assistant	79.09
LIBRARY AND COMMUNITY SERVICES	Rec: Library Assistant Pt	78.37
LIBRARY AND COMMUNITY SERVICES	Rec: Library Operations Manager	134.52
LIBRARY AND COMMUNITY SERVICES	Rec: Library Page	35.95
LIBRARY AND COMMUNITY SERVICES	Rec: Literacy Program Coordinator	122.49
LIBRARY AND COMMUNITY SERVICES	Rec: Management Analyst II	152.90
LIBRARY AND COMMUNITY SERVICES	Rec: Senior Library Assistant	102.14
LIBRARY AND COMMUNITY SERVICES	Rec: Senior Library Page	63.99
LIBRARY AND COMMUNITY SERVICES	Rec: Sr Property Rehab Spec	170.18
LIBRARY AND COMMUNITY SERVICES	Rec: Supervising Librarian I	135.17
LIBRARY AND COMMUNITY SERVICES	Rec: Volunteer Prog Asst	79.14
LIBRARY AND COMMUNITY SERVICES	Rec: Volunteer Prog Asst Pt	106.02
PUBLIC WORKS - UTILITIES & ENV	Util: Accounting Manager	105.83
PUBLIC WORKS - UTILITIES & ENV	Util: Administrative Intern	51.93
PUBLIC WORKS - UTILITIES & ENV	Util: Administrative Secretary	68.25
PUBLIC WORKS - UTILITIES & ENV	Util: Assoc Civil Engineer	103.74
PUBLIC WORKS - UTILITIES & ENV	Util: Assoc Civil Engineer Pt	109.13
PUBLIC WORKS - UTILITIES & ENV	Util: Backflow/Cross Connect Tester	70.04

## City of Hayward - User Fee

### Fully Burdened Hourly Rate Calculation - Full Time Employees

Department	Dept/Position	Fully Burdened Hourly Rate
PUBLIC WORKS - UTILITIES & ENV	Util: Chemist	74.15
PUBLIC WORKS - UTILITIES & ENV	Util: Cross Connect Control Spec	67.69
PUBLIC WORKS - UTILITIES & ENV	Util: Director Of Public Works	171.83
PUBLIC WORKS - UTILITIES & ENV	Util: Electrician II	95.09
PUBLIC WORKS - UTILITIES & ENV	Util: Environmental Services Manager	122.56
PUBLIC WORKS - UTILITIES & ENV	Util: Equipment Operator	69.97
PUBLIC WORKS - UTILITIES & ENV	Util: Lab Supervisor	108.48
PUBLIC WORKS - UTILITIES & ENV	Util: Laboratory Technician	79.35
PUBLIC WORKS - UTILITIES & ENV	Util: Maintenance Worker	63.88
PUBLIC WORKS - UTILITIES & ENV	Util: Management Analyst II	79.25
PUBLIC WORKS - UTILITIES & ENV	Util: Operator-In-Training	72.38
PUBLIC WORKS - UTILITIES & ENV	Util: Secretary	58.32
PUBLIC WORKS - UTILITIES & ENV	Util: Senior Management Analyst	98.25
PUBLIC WORKS - UTILITIES & ENV	Util: Senior Secretary	67.11
PUBLIC WORKS - UTILITIES & ENV	Util: Senior Utilities Engineer	108.60
PUBLIC WORKS - UTILITIES & ENV	Util: Senior Utility Leader	85.69
PUBLIC WORKS - UTILITIES & ENV	Util: Senior Utility Leader - Sewer	90.05
PUBLIC WORKS - UTILITIES & ENV	Util: Senior Utility Service Rep.	89.97
PUBLIC WORKS - UTILITIES & ENV	Util: Solid Waste Manager	108.00
PUBLIC WORKS - UTILITIES & ENV	Util: Sr Utility Customer Svc Leader	82.94
PUBLIC WORKS - UTILITIES & ENV	Util: Sr Wpsc Inspector	90.58
PUBLIC WORKS - UTILITIES & ENV	Util: Storekeeper - Expediter	68.49
PUBLIC WORKS - UTILITIES & ENV	Util: Sustainability Tech/Assist	61.34
PUBLIC WORKS - UTILITIES & ENV	Util: Technical Intern	52.86
PUBLIC WORKS - UTILITIES & ENV	Util: Util Field Svcs Supervisor	100.17
PUBLIC WORKS - UTILITIES & ENV	Util: Utilities Maintenance Mechanic	78.90
PUBLIC WORKS - UTILITIES & ENV	Util: Utilities O & M Manager	108.08
PUBLIC WORKS - UTILITIES & ENV	Util: Utilities O & M Supervisor	113.98
PUBLIC WORKS - UTILITIES & ENV	Util: Utilities Service Worker	60.02
PUBLIC WORKS - UTILITIES & ENV	Util: Utility Leader	76.23
PUBLIC WORKS - UTILITIES & ENV	Util: Utility Leader-Sewer	79.79
PUBLIC WORKS - UTILITIES & ENV	Util: Utility Worker	70.01
PUBLIC WORKS - UTILITIES & ENV	Util: Utility Worker-Sewer	68.03
PUBLIC WORKS - UTILITIES & ENV	Util: Water Meter Mechanic	72.11
PUBLIC WORKS - UTILITIES & ENV	Util: Water Meter Reader	66.25
PUBLIC WORKS - UTILITIES & ENV	Util: Water Meter Reader Pt	64.41
PUBLIC WORKS - UTILITIES & ENV	Util: Water Pollution Control Admin	99.75
PUBLIC WORKS - UTILITIES & ENV	Util: Wpcf Lead Operator	84.35

## City of Hayward - User Fee

### Fully Burdened Hourly Rate Calculation - Full Time Employees

Department	Dept/Position	Fully Burdened Hourly Rate
PUBLIC WORKS - UTILITIES & ENV	Util: Wpcf Maintenance Supervisor	113.65
PUBLIC WORKS - UTILITIES & ENV	Util: Wpcf Manager	113.70
PUBLIC WORKS - UTILITIES & ENV	Util: Wpcf Operations Supervisor	107.00
PUBLIC WORKS - UTILITIES & ENV	Util: Wpcf Operator	68.41
PUBLIC WORKS - UTILITIES & ENV	Util: Wpcf Ops & Maintenance Mgr	118.41
PUBLIC WORKS - UTILITIES & ENV	Util: Wpsc Inspector	84.96
PUBLIC WORKS - UTILITIES & ENV	Util: Wstewtr Coll Sys Sprvsr	107.56

**APPENDIX C – COST RECOVERY ANALYSIS & SUGGESTED FEE LEVELS**

The following tables provide the results of the analysis, resulting full cost recovery amount, and recommended fees. For fees in which the full cost, percent targeted cost recovery level, or percent change is listed as “NA”, the amount or percentage was not calculable based on cost data or variable fee structure. This is most common when either the current or the suggested fee includes a variable component that is not comparable on a one to one basis, a full cost was not calculated (for penalties and fines), or when there is not a current fee amount to compare against.

## All City Departments

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Administrative Citations	First Violation			NA	100.00	NA	\$ 100.00	0%
Administrative Citations	Second Violation			NA	200.00	NA	\$ 200.00	0%
Administrative Citations	Third and Subsequent Violations			NA	500.00	NA	\$ 500.00	0%
CD-ROM or DVD		each		\$ 20.00	20.00	100%	\$ 20.00	0%
Dishonored or Returned Payment from Bank or Credit Card	If paid within 30 days of notification			NA	\$25 + check amount	100%	\$25 + check amount	NA
Dishonored or Returned Payment from Bank or Credit Card	If paid after 30 days of notification		Subject to forgiveness of all or a portion of the fee by the Director of Finance. As authorized by the California Civil Code 1719 but not less than \$25.00	NA	As authorized by Civil Code 1719	100%	As authorized by Civil Code 1719	NA
Credit/Debit Card Payment Transaction Fee		per transaction		NA	3.95	100%	\$ 3.95	0%
Clerk-Assited Telephone Credit/Debit Card Payment			or 3%, whichever is greater	NA	3.95	100%	\$ 3.95	0%
Photocopying of File Materials	Black and White Copy (letter or legals)	per page		Variable	.5 first ten, .10 thereafter	100%	.5 first ten, .10 thereafter	NA
Photocopying of File Materials	Black and White Copy (11x17)	per page		Variable	1.00 first ten, .20 thereafter	100%	1.00 first ten, .20 thereafter	NA
Photocopying of File Materials	Color Copy (letter amd legal sizes)	per page		Variable	0.75	100%	\$ 0.75	0%
Photocopying of File Materials	Color Copy (11x17)	per page		Variable	1.50	100%	\$ 1.50	0%
	Research or Analysis of Records	per hour	involving more than 15 minutes (min \$20 charge)	\$ 76.92	39.00	100%	\$ 76.00	95%
Reinspection Fee				\$ 117.24	125.00	100%	\$ 117.00	-6%
Administrative Hearing Fee				\$ 761.10	50.00	100%	\$ 761.00	1422%

## City Clerk

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Certification of Documents	First Page			\$ 13.32	15.00	100%	\$ 13.00	-13%
Certification of Documents	Each Succeeding Pages	per page		\$ 6.91	6.00	100%	\$ 7.00	17%
Certificate of Residency		per issuance		\$ 19.23	15.00	78%	\$ 15.00	0%
Photocopying of Public Records	Black & White Copy: 8.5x11 or 14	first page		Variable	0.50	100%	\$ 0.50	0%
Photocopying of Public Records	Black & White Copy: 8.5x11 or 14	each subsequent page	same document	Variable	0.10	100%	\$ 0.10	0%
Photocopying of Public Records	Black & White Copy: 11x17	first page		Variable	1.00	100%	\$ 1.00	0%
Photocopying of Public Records	Black & White Copy: 11x17	each subsequent page	same document	Variable	0.20	100%	\$ 0.20	0%
Photocopying of Public Records	Color Copy: 8.5x11 or 14	per page		Variable	0.75	100%	\$ 0.75	0%
Photocopying of Public Records	Color Copy: 11x17	per page		Variable	1.50	100%	\$ 1.50	0%
Photocopying of Public Records	Photocopying of FPPC forms/statements	per page	Per Government Code 81008	NA	0.10	100%	\$ 0.10	0%
Traffic Code				NA	10.00	NA	\$ 10.00	0%
Traffic Regulations				NA	10.00	NA	\$ 10.00	0%
Reproduction of DVD of Meetings	City Council	per Disc	admin fee +actual contractor's invoice charges	\$ 20.00	20.00	100%	\$ 20.00	0%
Reproduction of DVD of Meetings	Planning Commission	per Disc	admin fee +actual contractor's invoice charges	\$ 20.00	20.00	100%	\$ 20.00	0%
Publication of "Notice of Intent to Circulate a Petition for Municipal Initiative"			refundable if a sufficient petition is filed within one year; Per Cal Election Code 9202b	NA	200.00	NA	\$ 200.00	0%
Election Year	Publication cost of the candidate's statement in the sample ballot pamphlet			Variable	actual printer cost	100%	actual printer cost	NA
Notary Service		per document	set by state statute	NA	10.00	NA	\$ 10.00	0%
Passport Service	Passport Fee (age 16 and over)		Set and Payable to US Dept of State	NA	110.00	NA	\$ 110.00	0%
Passport Service	Passport Fee (under 16)		Set and Payable to US Dept of State	NA	80.00	NA	\$ 80.00	0%
Passport Service	Passport Execution Fee		Set by US Dept of State, Payable to City of Hayward	NA	25.00	NA	\$ 25.00	0%
Passport Service	Express Mail from COH to LA		Set by USPS, Payable to City of Hayward	NA	22.95	NA	Set by USPS	NA
Passport Service	Express Mail from State to Customer		Set and Payable to US Dept of State	NA	20.66	NA	Set by US Dept of State	NA
Passport Service	Passport Photo		Payable to City of Hayward	\$ 19.23	7.50	39%	\$ 7.50	0%

## Finance

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Operating Permits	Bingo Permit - Initial or Renewal			\$ 28.85	50.00	100%	\$ 28.00	-44%
Operating Permits	Card Club Permit - Application Fee			\$ 94.67	40.00	100%	\$ 94.00	135%
Operating Permits	Closeout Sale Permit - Initial Fee			\$ 24.50	76.00	100%	\$ 24.00	-68%
Operating Permits	Closeout Sale Permit - Renewal			\$ 24.50	67.00	100%	\$ 24.00	-64%
Operating Permits	Cabarets and Dance Licenses and Permits: Annual License	per year	payable quarterly in advance	\$ 24.50	103.00	100%	\$ 24.00	-77%
Operating Permits	Preferential Parking Permit - Initial Fee & Biennial Renewal Fee		up to two residential or visitor permits	\$ 18.55	50.00	100%	\$ 18.00	-64%
Operating Permits	Preferential Parking Permit - Each additional residential permit			\$ 6.68	25.00	100%	\$ 6.00	-76%
Operating Permits	Preferential Parking Permit - Each additional visitor permit			\$ 6.68	25.00	100%	\$ 6.00	-76%
Operating Permits	Preferential Parking Permit - Permit Replacement Fee			\$ 11.87	10.00	100%	\$ 11.00	10%
Miscellaneous Fees	Monthly Listing of New Hayward Based Businesses	per month		\$ 15.12	5.50	100%	\$ 15.00	173%
Miscellaneous Fees	Business Verification/Ownership Research	per business		\$ 23.51	8.00	100%	\$ 23.00	188%
Miscellaneous Fees	Parking Tax Offset Fee			\$ 2.50	2.50	100%	\$ 2.50	0%
Miscellaneous Fees	Credit/Debit Card Payment Transaction Fee	per Transaction		\$ 3.95	3.95	100%	\$ 3.95	0%
Miscellaneous Fees	Clerk-Assisted Telephone Credit/Debit Card Payment			\$ 2.50	3.95 or 3% whichever is higher	100%	\$ 2.50	NA
Annual Business License Processing Fee	Cost for maintaining/processing business records in our Munis system - Database Fee	per record		\$ 19.31	New	52%	\$ 10.00	NA
Customer Initiated Chargeback Fee	Cost recovery for time spent processing chargebacks.	per chargeback		\$ 62.40	New	40%	\$ 25.00	NA

City Manager

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Administrative Services	Economic Development Committee Agenda		per year		\$ 4.00	4.00	100%	\$ 4.00	0%
Administrative Services	Economic Development Committee Minutes		per year		\$ 4.00	4.00	100%	\$ 4.00	0%
Administrative Services	Economic Profile or Plan		each		\$ 5.00	5.00	100%	\$ 5.00	0%
Administrative Services	Annual Bonds Issue Fees				NA	1/8 of 1% of bond amount	NA	1/8 of 1% of bond amount	NA
Administrative Services	Low Income Mortgage Credit				NA	2% of first year's credit payable as part of State Fee	NA	2% of first year's credit payable as part of State Fee	NA
Economic Development	Hayward Film Permit	Film Permit applications	per day		NA	125.00	NA	\$ 125.00	0%
Economic Development	Hayward Film Permit	Expedited Film Permit (3-5 days)		excludes larger productions	NA	250.00	NA	\$ 250.00	0%
Economic Development	Hayward Film Permit	Film Permit (TV series, movies, feature films, pilots)	per day		NA	175.00	NA	\$ 175.00	0%
Economic Development	Hayward Film Permit	Minor Encroachment Permit (filming)	flat fee	excluding work to be performed by Public Works, i.e. no traffic control plan provided, just review	NA	834.00	NA	\$ 834.00	0%
Economic Development	Hayward Film Permit	Major Encroachment Permit (filming)	flat fee	includes work from Public Works, traffic control plan	NA	1,507.00	NA	\$ 1,507.00	0%
Economic Development	Hayward Film Permit	Police clearance (filing)	hourly		NA	105.00	NA	\$ 105.00	0%
Economic Development	Hayward Film Permit	Fire Permit (filming)	flat fee	does not include cost if presence is required at event	NA	100.00	NA	\$ 100.00	0%
Economic Development	Hayward Film Permit	Filming on City Property/Facilities/Hangers (varies)	per day	Airport Property and Hangars- filming and photography requests will be authorized at the discretion of the Airport Manager provided that the requested activity will in no way interfere with the safe, orderly and uninterrupted use of Airport facilities by Airport users or portrays the Airport in a negative manner. (extra labor, security, engineering or comparable cost are not included)	NA	1,500.00	NA	\$ 1,500.00	0%
Economic Development	Hayward Film Permit	Filming at City Hall	per day	Does not include cost of guard, janitorial and insurance	NA	575.00	NA	\$ 575.00	0%



## Planning

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Planning	Pre Application Meeting				NA	No Charge	0%	No Charge	NA
Planning	Code Assistance Meeting				NA	No Charge	0%	No Charge	NA
Planning	Annexation Proceedings		Deposit		NA	15,000.00	100%	\$ 15,000.00	0%
Planning	LAFCO Utility Service Agreement		Deposit	Preparation of documents in connection with utility service to property outside of the City limits	NA	5,000.00	100%	\$ 5,000.00	0%
Planning	Environment Assessment (Contract) Consultant Oversight		Deposit		NA	5,000.00	100%	\$ 5,000.00	0%
Planning	General Plan Amendment		Deposit		NA	12,000.00	100%	\$ 12,000.00	0%
Planning	Text Change to Zoning Ordinance		Deposit		NA	12,000.00	100%	\$ 12,000.00	0%
Planning	Rezoning and Prezoning		Deposit	Including New or Major Modification to a Planned Development	NA	12,000.00	100%	\$ 12,000.00	0%
Planning	Rezoning		Deposit	Planned Development Precise Plan or Preliminary Plan Minor Modification	NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Conditional Use Permit		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Administrative Use Permit	Chickens	Per Application		NA	500.00	NA	\$ 500.00	0%
Planning	Administrative Use Permit	Food Vendors	Per Box		NA	700.00	NA	\$ 700.00	0%
Planning	Administrative Use Permit	Unattended Collection Boxes	Deposit		NA	1,300.00	100%	\$ 1,300.00	0%
Planning	Administrative Use Permit	Processed Administratively	Deposit		NA	2,000.00	100%	\$ 2,000.00	0%
Planning	Administrative Use Permit	Involving Public Hearing	Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Site Plan Review	Processed Administratively	Deposit		NA	2,000.00	100%	\$ 2,000.00	0%
Planning	Site Plan Review	Involving Public Hearing	Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Variance/Warrants - Processed Administratively		Deposit		NA	2,000.00	100%	\$ 2,000.00	0%
Planning	Variance/Warrants & Exceptions - Involving Public Hearing		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Modifications of Approved Development Plan - Processed Administratively		Deposit		NA	2,000.00	100%	\$ 2,000.00	0%
Planning	Modification of Rehearing Approved Development Plan - Involving Public Hearing		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Extension of Approved Development Plan/ Applications	Extension of Approved Development Plan/ Applications	Deposit		NA	1,000.00	100%	\$ 1,000.00	0%
Planning	Designation of Historical or Architectural Significance		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Development Agreement	Annual Review	Deposit		NA	12,000.00	100%	\$ 12,000.00	0%
Planning	Development Agreement	Amendment Processing	Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Development Agreement	Review of application, negotiation of agreements. Processing through Planning Commission and City Council	Deposit		NA	1,000.00	100%	\$ 1,000.00	0%
Planning	Written Verification of Zoning Designation or Similar Requests		Per Application		NA	500.00	NA	\$ 500.00	0%
Planning	Research		Per hour after first 15 minutes	\$41 for first 15 minutes	\$ 163.58	\$216 plus \$41	100%	\$ 163.00	NA
Planning	Zoning Conformance Permit		Per Application		NA	210.00	NA	\$ 210.00	0%
Planning	Sign Permits	One Business			\$ 327.16	300.00	100%	\$ 327.00	9%
Planning	Sign Permits	Each Additional Business - same application			\$ 327.16	250.00	100%	\$ 327.00	31%
Planning	Sign Permits	Temporary Sign Permit	Deposit	Banners, Flags, Streamers, Pennants, Bunting, Searchlights, Inflatable Signs, Human Signs; plus \$200 Deposit	NA	\$100 fee + \$200	100%	\$100 fee + \$200	NA
Planning	Sign Permits	Portable/A-Fram Signs		Revocable Encroachment Permit	\$ 327.16	50.00	15%	\$ 50.00	0%
Planning	Sign Permits	Mural Art Signs		Registration Fee	\$ 490.74	50.00	10%	\$ 50.00	0%
Planning	Sign Program				\$ 817.91	1,500.00	100%	\$ 817.00	-46%
Planning	Appeal Fee for Applicant		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Appeal Fee Other Than Applicant				\$ 408.95	250.00	100%	\$ 408.00	63%
Planning	Tentative Tract or Tentative Parcel Map	Processed Administratively	Deposit		NA	4,000.00	100%	\$ 4,000.00	0%
Planning	Tentative Tract or Tentative Parcel Map	Involving Public Hearing	Deposit		NA	6,000.00	100%	\$ 6,000.00	0%
Planning	Final Parcel Map		Deposit		NA	2,000.00	100%	\$ 2,000.00	0%
Planning	Final Tract Map		Deposit		NA	6,000.00	100%	\$ 6,000.00	0%

Planning

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Planning	Lot Line Adjustment		Deposit		NA	4,000.00	100%	\$ 4,000.00	0%
Planning	Certificate of Merger or Certificate of Compliance		Deposit		NA	4,000.00	100%	\$ 4,000.00	0%
Planning	Grading Permit Application				\$ 1,635.82	4,000.00	100%	\$ 1,635.00	-59%
Planning	Security Gate Application				\$ 1,635.82	2,000.00	100%	\$ 1,635.00	-18%
Planning	Encroachment Permit - Street Events			The City Manager may waive this fee for certain events	\$ 2,944.47	1,500.00	100%	\$ 2,944.00	96%
Planning	Encroachment Permit Application - Major Work				\$ 2,453.72	4,000.00	100%	\$ 2,453.00	-39%
Planning	Encroachment Permit Application - Minor Work				\$ 1,308.65	2,000.00	100%	\$ 1,308.00	-35%
Planning	Food Sharing Event				NA	No Charge	0%	No Charge	NA
Planning	Tree Preservation	Annual Pruning Certification			\$ 817.91	126.00	100%	\$ 817.00	548%
Planning	Tree Preservation	Tree removal/pruning			\$ 490.74	211.00	100%	\$ 490.00	132%
Planning	Mobilehome Park Closure/Change of Use				\$ 9,814.90	12,000.00	100%	\$ 9,814.00	-18%
Planning	General Plan Update Fee			12 % of Building Permit Fee	NA	12% of Building Permit Fee	100%	12% of Building Permit Fee	NA

Note: All 3rd Party or contract costs will be billed at full cost when needed

## Code Enforcement - Rental Housing &amp; Hotel Inspection

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Rental Housing & Hotel Inspection Fees and Penalties	Annual fee for rental housing, hotel or motel units	Single Family, duplex, triplex or fourplex			\$ 88.51	41.00	100%	\$ 88.51	116%
Rental Housing & Hotel Inspection Fees and Penalties	Annual fee for rental housing, hotel or motel units	Five or more units	per unit		\$ 22.13	10.00	100%	\$ 22.13	121%
Rental Housing & Hotel Inspection Fees and Penalties	Request for postponement of initial inspection or progress check	First request			\$ -	No Charge	100%	No Charge	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Initial Inspection (No violations found)			\$ 350.33	No Charge	100%	Included in Annual Fee	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Initial Inspection (Violations found)			\$ 350.33	\$272 per parcel + \$27 hotel/motel room with violation	100%	\$ 350.33	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Progress Checks - First Progress Check (Violations corrected)			\$ 350.33	No Charge	100%	No Charge	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Progress Checks - First Progress Check (Violations not corrected)			\$ 350.33	\$154 per parcel + \$53 hotel/motel room with violation	100%	\$ 350.33	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Progress Checks - Second Progress Check		plus \$400 penalty	\$ 350.33	\$154 per parcel + \$53 hotel/motel room with violation + \$200 penalty	100%	\$ 350.33	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Progress Checks - Third Progress Check		plus \$800 penalty	\$ 350.33	\$154 per parcel + \$53 hotel/motel room with violation + \$400 penalty	100%	\$ 350.33	NA
Rental Housing & Hotel Inspection Fees and Penalties	Inspection, report and enforcement actions pursuant to HMC, Ch.9, Art. 5. Rental unit parcels	Progress Checks - Fourth and subsequent Progress Check		plus \$1600 penalty	\$ 350.33	\$154 per parcel + \$53 hotel/motel room with violation + \$800 penalty	100%	\$ 350.33	NA
Rental Housing & Hotel Inspection Fees and Penalties	Initial Inspection or Progress Check - No Access or Re-schedule	No Access - First Site Visit		plus \$400 penalty	\$ 116.78	100.00	100%	\$ 116.78	17%
Rental Housing & Hotel Inspection Fees and Penalties	Initial Inspection or Progress Check - No Access or Re-schedule	No Access - Second Site Visit		plus \$800 penalty	\$ 116.78	200.00	100%	\$ 116.78	-42%
Rental Housing & Hotel Inspection Fees and Penalties	Initial Inspection or Progress Check - No Access or Re-schedule	No Access - Third and subsequent Site Visit		plus \$1600 penalty	\$ 116.78	400.00	100%	\$ 116.78	-71%
Rental Housing & Hotel Inspection Fees and Penalties	Rent Control Deregulation Inspection pursuant to Ord. No. 83-023, as amended	Initial inspection/survey and one re-inspection			\$ 700.65	246.00	100%	\$ 700.65	185%
Rental Housing & Hotel Inspection Fees and Penalties	Rent Control Deregulation Inspection pursuant to Ord. No. 83-023, as amended	Additional re-inspections	per inspection		\$ 350.33	154.00	100%	\$ 350.33	127%
Rental Housing & Hotel Inspection Fees and Penalties	Lien (per parcel)				\$ 630.90	342.00	100%	\$ 630.90	84%
Rental Housing & Hotel Inspection Fees and Penalties	AdministrativeHearing Fee				\$ 946.35	225.00	100%	\$ 946.35	321%

## Code Enforcement - Community Preservation Program

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Community Preservation Program	Request for Postponement of Inspection	1st Request			\$ 84.20	No Charge	0%	No Charge	NA
Community Preservation Program	Request for Postponement of Inspection	2nd Request		plus \$100 penalty	\$ 84.20	No Charge	0%	No Charge	NA
Community Preservation Program	Request for Postponement of Inspection	3rd Request		plus \$200 penalty	\$ 84.20	No Charge	0%	No Charge	NA
Community Preservation Program	Request for Postponement of Inspection	"No Show" for Inspection		plus \$200 penalty	\$ 392.68	175.00	100%	\$ 392.00	124%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Initial inspection)			\$ 626.70	No Charge	0%	No Charge	NA
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Reinspection shows violation eliminated)			\$ 626.70	No Charge	0%	No Charge	NA
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Reinspection shows violation still exists)		plus \$100 penalty	\$ 626.70	522.00	100%	\$ 626.00	20%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Second inspection shows violation still exists)		plus \$200 penalty	\$ 626.70	522.00	100%	\$ 626.00	20%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Third inspection shows violation still exists)		plus \$500 penalty	\$ 626.70	522.00	100%	\$ 626.00	20%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (Fourth inspection shows violation still exists)		plus \$500 penalty	\$ 626.70	522.00	100%	\$ 626.00	20%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	First Violation (fifth and subsequent inspections shows violation still exists)		plus \$500 penalty	\$ 626.70	522.00	100%	\$ 626.00	20%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	Subsequent violation within 1 year (Initial inspection and notices)		plus \$800 penalty	\$ 743.71	651.00	100%	\$ 743.00	14%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	Subsequent violation within 1 year (Each subsequent inspection violation still exists)		plus \$1000 penalty	\$ 626.70	506.00	100%	\$ 626.00	24%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	Abatement Costs	per parcel	plus contractor costs	\$ 1,325.86	992.00	100%	\$ 1,325.86	34%
Community Preservation Program	Violation of Community Preservation, Sign, Vehicle, Weed Abatement and Zoning Ordinances	Lien/Special Assessment Processing	per parcel		\$ 1,811.98	342.00	100%	\$ 1,811.98	430%
Community Preservation Program		Hearing Fee	per hearing	Administrative, special Assessment, Administrative Citation, and Lien Hearings	\$ 761.10	225.00	100%	\$ 761.00	238%
Community Preservation Program	Operating Permits	Tobacco Retailer License - Initial or Renewal Fee			NA	400.00	NA	\$ 400.00	0%

Police

Fee Group 1	Fee Group 2	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Animal Control	Impounding Charges	For each dog and cat	1st impoundment			\$ 86.03	35.00	100%	\$ 86.00	146%
Animal Control	Impounding Charges	For each dog and cat	2nd impoundment within one year			\$ 81.03	75.00	100%	\$ 81.00	8%
Animal Control	Impounding Charges	For each dog and cat	3rd impoundment within one year			\$ 149.77	150.00	100%	\$ 149.00	-1%
Animal Control	Impounding Charges	For each dog and cat	Impound dangerous animal			\$ 148.67	150.00	100%	\$ 148.00	-1%
Animal Control	Impounding Charges	For each dog and cat	Field Impound			\$ 125.75	100.00	100%	\$ 125.00	25%
Animal Control	Impounding Charges	For any unsterilized dog or cat impounded, an additional fee is assessed as mandated by the State of California Food & Agricultural Code.	1st Impoundment		State mandated penalty - F & A 30804.7	NA	35.00	NA	\$ 35.00	0%
Animal Control	Impounding Charges	For any unsterilized dog or cat impounded, an additional fee is assessed as mandated by the State of California Food & Agricultural Code.	2nd Impoundment		State mandated penalty - F & A 30804.7	NA	50.00	NA	\$ 50.00	0%
Animal Control	Impounding Charges	For any unsterilized dog or cat impounded, an additional fee is assessed as mandated by the State of California Food & Agricultural Code.	3rd Impoundment		State mandated penalty - F & A 30804.7	NA	100.00	NA	\$ 100.00	0%
Animal Control	Impounding Charges	For each horse, bull, cow, steer, calf, colt, sheep, lamb, goat or hog	1st impoundment		minimum \$40 (Charge will be total direct)	Variable	Case by Case	100%	Case by Case	NA
Animal Control	Impounding Charges	For each horse, bull, cow, steer, calf, colt, sheep, lamb, goat or hog	2nd impoundment within one year		minimum \$40	Variable	Case by Case	100%	Case by Case	NA
Animal Control	Impounding Charges	For each horse, bull, cow, steer, calf, colt, sheep, lamb, goat or hog	3rd impoundment within one year		minimum \$40	Variable	Case by Case	100%	Case by Case	NA
Animal Control	Impounding Charges		For each non-specified animal (rabbit, monkey, rat, etc.)		minimum \$40	Variable	Case by Case	100%	Case by Case	NA
Animal Control	Feeding and Boarding Charges		For each dog, cat or small domestic pet	per day		\$ 30.98	14.00	100%	\$ 30.00	114%
Animal Control	Feeding and Boarding Charges		Special needs animal (medications given, treatment)	per day		\$ 39.97	30.00	100%	\$ 39.00	30%
Animal Control	Feeding and Boarding Charges		For each horse, bull, cow, hog, steer, lamb, sheep, goat, colt, or calf.	per day	minimum (RTO); Fees will depend on actual board cost charged by ranch or 3rd party facility	Variable	10.00	100%	Based on Animal Needs	NA
Animal Control	Feeding and Boarding Charges		For each non-specified animal	per day	minimum (RTO)	\$ 19.97	2.00	100%	\$ 19.00	850%
Animal Control	Special Services		Owner surrender of adult unlicensed animals (includes boarding fees for the State mandated holding period)	per animal	plus 4 days of mandated board charged seperately	\$ 46.52	85.00	58%	\$ 27.00	-68%
Animal Control	Special Services		Owner surrender of additional animals less than ten weeks of age. Boarding fees for the State mandated holding period will also be charged.	per animal		\$ 13.29	5.00	100%	\$ 13.00	160%
Animal Control	Special Services		Owner surrenders - small animals/bird	per animal		\$ 46.52	30.00	100%	\$ 46.00	53%
Animal Control	Special Services		Owner brings dead animal to shelter for disposal (Under 50 lbs.)	per animal		\$ 37.02	54.00	100%	\$ 37.00	-31%
Animal Control	Special Services		Owner brings dead animal to shelter for disposal (Over 50 lbs.)	per animal		\$ 42.01	67.00	100%	\$ 42.00	-37%
Animal Control	Special Services		Transport fee for any owned animal, live or dead, transported to shelter	per animal		\$ 96.73	133.00	100%	\$ 96.00	-28%
Animal Control	Special Services		Transportation of stray injured or sick animal to a veterinarian, where owner is later identified.			Variable	Case by Case	100%	Case by Case	NA
Animal Control	Special Services		Veterinary treatment provided to an animal housed in the Shelter where the owner is later identified			Variable	Actual Vet Costs	100%	Actual Vet Costs	NA
Animal Control	Special Services		Rabies vaccination certificate			Variable	Actual Vet Costs	100%	Actual Vet Costs	NA
Animal Control	Special Services		Para-influenza type vaccine			Variable	Actual Vet Costs	100%	Actual Vet Costs	NA
Animal Control	Special Services		Medical Testing		Minimum (\$50 maximum)	\$ 17.98	10.00	100%	\$ 17.00	70%
Animal Control	Special Services		Microchip Insertion (Animal adopted from the Shelter)			\$ 30.00	15.00	100%	\$ 29.00	93%
Animal Control	Special Services		Microchip Insertion (Animals not adopted from the Shelter)			\$ 30.00	25.00	100%	\$ 29.00	16%
Animal Control	Animal Licence and Permit Fees	Unsterilized dog or cat	Flat fee is for 1, 2 or 3 years depending on Rabies Vaccination Certificate (not to exceed 3 years)			\$ 16.03	17.00	100%	\$ 16.00	-6%
Animal Control	Animal Licence and Permit Fees	Unsterilized dog or cat	Unsterilized animal		penalty	NA	35.00	NA	\$ 35.00	0%
Animal Control	Animal Licence and Permit Fees	Unsterilized dog or cat	Unsterilized license renewal		plus penalty	NA	17.00	NA	\$ 17.00	0%

Police

Fee Group 1	Fee Group 2	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Flat Fee is for 1, 2 or 3 years depending on Rabies Vaccination Certificate duration (not to exceed 3 years)			\$ 16.03	17.00	100%	\$ 16.00	-6%
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Sterilized, license renewal			\$ 13.82	17.00	100%	\$ 13.00	-24%
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Late Penalty			NA	5.00	NA	\$ 5.00	0%
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Replacement/Duplicate License			\$ 13.82	8.00	100%	\$ 13.00	63%
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Seeing or hearing dog			\$ 16.03	No Charge	0%	No Charge	NA
Animal Control	Animal Licence and Permit Fees	Sterilized dog or cat license	Fancier's Permit			\$ 243.26	250.00	100%	\$ 243.00	-3%
Animal Control	Pick-up and Disposal of Dead Animals from Veterinarian		For 1 to 5 animals			\$ 107.89	50.00	100%	\$ 107.00	114%
Animal Control	Pick-up and Disposal of Dead Animals from Veterinarian		For Over 5 animals	each		\$ 12.50	10.00	100%	\$ 12.00	20%
Animal Control	Observation Fees		For each dog, cat or small domestic pet for quarantine, evidence and protective custody.		per day	\$ 4.49	14.00	100%	\$ 4.00	-71%
Animal Control	Observation Fees		Other Animals			Variable	Actual Costs	100%	Actual Costs	NA
Animal Control	Observation Fees		Property inspections (required prior to home quarantines and for the private retention of all animals declared dangerous outside a City of Hayward hearing).		per inspection	\$ 72.64	53.00	100%	\$ 72.00	36%
Animal Control	Adoption Fees		The fees charged for dogs and cats offered for adoption shall be set by the Animal Services Manager. In no case shall this amount be less than \$5.00. In no case shall animals listed as "Owner Surrendered" be adopted by the previous owner without payment of all fees and charges (as specified in the schedule) for shelter service in impounding and caring for the animal.		minimum \$5	Variable	Case by Case	100%	Case by Case	NA
Animal Control	Adoption Fees		All Other Animals			Variable	Market Value	100%	Market Value	NA
Animal Control	Adoption Fees		Spaying and neutering (mandated for dogs and cats prior to adoption)			Variable	Veterinary contract cost	100%	Veterinary contract cost	NA
Animal Control	Adoption Fees		Administrative processing fee for the return of animals adopted from the shelter			\$ 11.03	10.00	100%	\$ 11.00	10%
Animal Control			Hearing Fee			\$ 496.63	150.00	100%	\$ 496.00	231%
Police Administration	Photocopying of Reports		Traffic Accident Reports	per report		\$ 16.54	12.00	100%	\$ 16.00	33%
Police Administration	Photocopying of Reports		Other Reports	per report		\$ 16.54	5.50	100%	\$ 16.00	191%
Police Administration			Photographs			\$ 24.92	Time & Motion	100%	\$ 24.00	NA
Police Administration			Fingerprinting	each	Fingerprint processing fees established by Federal or State agencies shall be additional charge	\$ 26.81	23.00	100%	\$ 26.00	13%
Police Administration	Traffic & Police Security Services		Traffic control and police security services for pre-planned, non-city sponsored events			Variable	Time & Motion	100%	Actual Cost	NA
Police Administration	Traffic & Police Security Services		Planned traffic control for contractors and utilities			Variable	Time & Motion	100%	Actual Cost	NA
Police Administration	Permit Processing	Taxi Drivers	Initial Permit			\$ 609.48	260.00	100%	\$ 609.00	134%
Police Administration	Permit Processing	Taxi Drivers	Annual renewal			\$ 304.74	186.00	100%	\$ 304.00	63%
Police Administration	Permit Processing	Taxi Drivers	Annual taxi operating sticker			\$ 152.37	247.00	100%	\$ 152.00	-38%
Police Administration	Permit Processing	Taxi Drivers	Lost permit replacement			\$ 26.81	91.00	100%	\$ 26.00	-71%
Police Administration	Permit Processing	Tow Permits	Company 1st License			\$ 304.74	297.00	100%	\$ 304.00	2%
Police Administration	Permit Processing	Tow Permits	Company Annual Renewal			\$ 40.21	297.00	100%	\$ 40.00	-87%
Police Administration	Permit Processing	Tow Permits	Driver 1st License			\$ 304.74	297.00	100%	\$ 304.00	2%
Police Administration	Permit Processing	Tow Permits	Driver Annual Renewal			\$ 40.21	297.00	100%	\$ 40.00	-87%
Police Administration	Permit Processing	Tow Permits	Lost Permit Replacement			\$ 40.21	74.00	100%	\$ 40.00	-46%
Police Administration	Permit Processing	Massage Establishment/technician permit	Initial Inspection/application and processing of new massage establishment			\$ 761.85	300.00	100%	\$ 761.00	154%
Police Administration	Permit Processing	Massage Establishment/technician permit	Annual Renewal fee for massage establishment			\$ 241.26	150.00	100%	\$ 241.00	61%
Police Administration	Permit Processing	Massage Establishment/technician permit	Badge Replacement			\$ 80.42	76.00	100%	\$ 80.00	5%
Police Administration	Permit Processing	Massage Establishment/technician permit	Massage Out-Call initial inspection /application			\$ 761.85	600.00	100%	\$ 761.00	27%
Police Administration	Permit Processing	Massage Establishment/technician permit	Massage Out-Call Renewal			\$ 241.26	300.00	100%	\$ 241.00	-20%

## Police

Fee Group 1	Fee Group 2	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Police Administration	Permit Processing	Card clubs employee permit	Initial permit			\$ 241.26	153.00	100%	\$ 241.00	58%
Police Administration	Permit Processing	Card clubs employee permit	Annual renewal			\$ 160.84	153.00	100%	\$ 160.00	5%
Police Administration	Permit Processing	Card clubs employee permit	Lost permit replacement			\$ 80.42	76.00	100%	\$ 80.00	5%
Police Administration	Permit Processing		Auto Sales/Repair Permit			\$ 160.84	175.00	100%	\$ 160.00	-9%
Police Administration	Permit Processing		Background investigation			Variable	Time & Motion	100%	Time & Motion	NA
Police Administration	Permit Processing		Firearm dealers annual permit			\$ 1,294.99	513.00	100%	\$ 1,294.00	152%
Police Administration	Permit Processing		Diversion program			Variable	Time & Motion	0%	Time & Motion	NA
Police Administration	Permit Processing		Petty Theft Workshop	per participant		NA	80.00	0%	\$ 80.00	0%
Police Administration	Permit Processing		Other permit processing			Variable	Time & Motion	100%	Time & Motion	NA
Police Administration	Permit Processing		Alcohol Sales-Special Event Permits			\$ 304.74	42.00	100%	\$ 304.00	624%
Police Administration	Alarm Permit Fee		new and annual renewal			\$ 16.54	32.00	100%	\$ 16.00	-50%
Police Administration	Alarm Permit Fee		Low income or persons in a temporary or permanent disabled status			\$ 22.05	15.00	54%	\$ 12.00	-20%
Police Administration	False Alarm Fees		First False Alarm Fee			\$ 185.45	No Charge	100%	\$ 185.00	NA
Police Administration	False Alarm Fees		Second False Alarm Fee			\$ 185.45	182.00	100%	\$ 185.00	2%
Police Administration	False Alarm Fees		Third False Alarm Fee		plus \$50 penalty	\$ 185.45	182.00	100%	\$ 185.00	2%
Police Administration	False Alarm Fees		Fourth False Alarm Fee		plus \$200 penalty	\$ 185.45	182.00	100%	\$ 185.00	2%
Police Administration	False Alarm Fees		Fifth and Each Fee		plus \$400 penalty	\$ 185.45	182.00	100%	\$ 185.00	2%
Police Administration			Vehicle Release Fee			\$ 33.08	235.00	100%	\$ 33.00	-86%
Police Administration	Vehicle Verification or Administrative Fee		Onsite verification			\$ 76.18	43.00	100%	\$ 76.00	77%
Police Administration	Vehicle Verification or Administrative Fee		Offsite verification			\$ 152.37	175.00	100%	\$ 152.00	-13%
Police Administration			Communication Tapes		per tape	\$ 98.28	103.00	100%	\$ 98.00	-5%
Police Administration			DVD or Flash Drive video requests			\$ 20.00	New	100%	\$ 20.00	NA
Police Administration			Clearance Letters		per letter	\$ 38.59	43.00	100%	\$ 38.00	-12%
Police Administration			Vehicle Abatement		per vehicle	\$ 160.84	263.00	100%	\$ 160.00	-39%
Police Administration	Prisoner Booking Fee		Cite & Release		per prisoner	NA	89.00	NA	\$ 89.00	0%
Police Administration	Prisoner Booking Fee		Hold for Court		per prisoner	NA	180.00	NA	\$ 180.00	0%
Police Administration	Prisoner Booking Fee		Transfer to Santa Rita		per prisoner	NA	199.00	NA	\$ 199.00	0%
Police Administration	Social Host Accountability Ordinance		First Violation		per sec 4-11.20 HMC - PENALTY	NA	750.00	NA	\$ 750.00	0%
Police Administration	Social Host Accountability Ordinance		Second Violation		per sec 4-11.20 HMC - PENALTY	NA	1,500.00	NA	\$ 1,500.00	0%
Police Administration	Social Host Accountability Ordinance		Third & Subsequent Violations		per sec 4-11.20 HMC - PENALTY	NA	2,500.00	NA	\$ 2,500.00	0%
Police Administration	Social Host Accountability Ordinance		Recovery of the cost of the public safety response to a "Social Host" ordinance violation using the fully burdened cost allocation rate		per sec 4-11.20 HMC - PENALTY	NA	Time & Motion	NA	Time & Motion	NA
Police Administration			Firearms Range Maintenance Fees		apportions the upkeep of the firearms range among user law enforcement agencies over a fiscal year period	NA	1,250.00	NA	\$ 1,250.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Level I		per sec 10-1.2750 HMC - fee set in Alcohol ordinance	NA	280.00	NA	\$ 280.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Level II		per sec 10-1.2750 HMC - fee set in Alcohol ordinance	NA	1,120.00	NA	\$ 1,120.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Critical Incident Fee		per sec 10-1.2750 HMC	NA	Time & Motion	NA	Time & Motion	NA
Police Administration	Alcoholic Beverage Outlets Fees		Violation of Ordinance: First Offense		per sec 10-1.2750 HMC - PENALTY	NA	750.00	NA	\$ 750.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Violation of Ordinance: Second Offense		per sec 10-1.2750 HMC - PENALTY	NA	1,500.00	NA	\$ 1,500.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Violation of Ordinance: Third Offense		per sec 10-1.2750 HMC - PENALTY	NA	2,500.00	NA	\$ 2,500.00	0%
Police Administration	Alcoholic Beverage Outlets Fees		Reinspection Fee		per sec 10-1.2750 HMC	NA	Time & Motion	NA	Time & Motion	NA
Police Administration	Alcoholic Beverage Outlets Fees		Alcohol Sales - Special Event Permit		per sec 10-1.2750 HMC - fee set in Alcohol ordinance	NA	42.00	NA	\$ 42.00	0%

Fire Prevention

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
	Standard Hourly Rate		per hour		\$ 221.26	210.00	100%	\$ 221.00	5%
	Overtime (Afterhour Inspection)		per hour		\$ 331.89	316.00	100%	\$ 331.00	5%
	Expedited Plan Review		per hour		\$ 331.89	316.00	100%	\$ 331.00	5%
	New Fire Sprinkler Systems PLUS Hydraulic Calculation Fee* (See Below)	1-29 Heads	per floor or system		\$ 1,548.81	1,476.00	100%	\$ 1,548.00	5%
	New Fire Sprinkler Systems PLUS Hydraulic Calculation Fee* (See Below)	30-100 Heads	per floor or system		\$ 1,880.70	1,793.00	100%	\$ 1,880.00	5%
	New Fire Sprinkler Systems PLUS Hydraulic Calculation Fee* (See Below)	101-200 Heads	per floor or system		\$ 2,101.96	2,004.00	100%	\$ 2,101.00	5%
	New Fire Sprinkler Systems PLUS Hydraulic Calculation Fee* (See Below)	201-350 Heads	per floor or system		\$ 2,433.85	2,320.00	100%	\$ 2,433.00	5%
	New Fire Sprinkler Systems PLUS Hydraulic Calculation Fee* (See Below)	351+ Heads	per floor or system		\$ 2,986.99	2,847.00	100%	\$ 2,986.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	LESS THAN 30 HEADS W/ NO HYDRO		Minor plan check required-only one inspection	\$ 663.78	630.00	100%	\$ 663.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	LESS THAN 30 HEADS WITH HYDRO		Minor plan check required-only one inspection	\$ 885.04	840.00	100%	\$ 885.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	30-100 Heads	per floor or system		\$ 1,659.44	1,582.00	100%	\$ 1,659.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	101-200 Heads	per floor or system		\$ 2,101.96	2,004.00	100%	\$ 2,101.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	201-350 Heads	per floor or system		\$ 2,433.85	2,320.00	100%	\$ 2,433.00	5%
	Fire Sprinkler — Tenant Improvements (PLUS Hydraulic Calculation Fee*, if applicable)	351+ Heads	per floor or system		\$ 2,986.99	2,847.00	100%	\$ 2,986.00	5%
	TRACT REVIEW – Fire Sprinkler Master Plan Check PLUS Hydraulic Calculation Fee*	Duplicate TRACT Plan Check: 13D SYSTEM (SFD/TOWNHOUSE)	per floor or system		\$ 885.04	840.00	100%	\$ 885.00	5%
	TRACT REVIEW – Fire Sprinkler Master Plan Check PLUS Hydraulic Calculation Fee*	Duplicate TRACT Plan Check: 13 SYSTEM (BUILDING)	per floor or system	200 Heads and Below	\$ 1,106.29	1,050.00	100%	\$ 1,106.00	5%
	TRACT REVIEW – Fire Sprinkler Master Plan Check PLUS Hydraulic Calculation Fee*	Duplicate TRACT Plan Check: 13 SYSTEM (BUILDING)	per floor or system	201 – 350 Heads	\$ 1,327.55	1,260.00	100%	\$ 1,327.00	5%
	TRACT REVIEW – Fire Sprinkler Master Plan Check PLUS Hydraulic Calculation Fee*	Duplicate TRACT Plan Check: 13 SYSTEM (BUILDING)	per floor or system	351+ Heads	\$ 1,548.81	1,470.00	100%	\$ 1,548.00	5%
	Additional Fire Sprinkler Review Items	Hydraulic Calculation*	per remote area		\$ 885.04	843.00	100%	\$ 885.00	5%
	Additional Fire Sprinkler Review Items	Antifreeze System	per system		\$ 1,659.44	1,582.00	100%	\$ 1,659.00	5%
	Additional Fire Sprinkler Review Items	Dry Pipe Valve	per valve		\$ 1,770.07	1,687.00	100%	\$ 1,770.00	5%
	Additional Fire Sprinkler Review Items	Deluge/Pre Action	per valve		\$ 2,101.96	2,004.00	100%	\$ 2,101.00	5%
	Additional Fire Sprinkler Review Items	Pressure Reducing Station	per valve		\$ 2,433.85	2,320.00	100%	\$ 2,433.00	5%
		Fire Pump	per pump		\$ 2,876.37	2,742.00	100%	\$ 2,876.00	5%
		Water Storage Tank: Gravity	per tank		\$ 1,659.44	1,582.00	100%	\$ 1,659.00	5%
		Water Storage Tank: Pressure	per tank		\$ 1,659.44	1,582.00	100%	\$ 1,659.00	5%
	Fire Standpipe System	Class I, II, III & Article 81	per standpipe		\$ 1,991.33	1,898.00	100%	\$ 1,991.00	5%
	Fire Alarm System -New	0-15 Devices	per system	All Initiating and indicating appliances, including Dampers	\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
	Fire Alarm System -New	16-50 Devices	per system		\$ 1,548.81	1,476.00	100%	\$ 1,548.00	5%
	Fire Alarm System -New	51-100 Devices	per system		\$ 1,991.33	1,898.00	100%	\$ 1,991.00	5%
	Fire Alarm System -New	101-500 Devices	per system		\$ 2,433.85	2,320.00	100%	\$ 2,433.00	5%
	Fire Alarm System -New	Each additional 25 devices up to 1,000	per system		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
	Fire Alarm System -New	1001+	per system		\$ 4,425.18	4,219.00	100%	\$ 4,425.00	5%



## Fire Prevention

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Fire Alarm System -New	Each additional 100 devices		per system		\$ 2,212.59	2,109.00	100%	\$ 2,212.00	5%
	Existing system under 8 devices				\$ 663.78	630.00	100%	\$ 663.00	5%
Additional Fire Alarm Review Items	Hi/Lo Alarms		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Additional Fire Alarm Review Items	Low Air/Temp Alarms		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Additional Fire Alarm Review Items	Graphic Annunciator Review		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Clean Agent Gas Systems		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Dry Chemical Systems		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Wet Chemical/Kitchen Hood		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Foam Systems		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Paint Spray Booth		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Vehicle Access Gate		each		\$ 553.15	526.00	100%	\$ 553.00	5%
Hazardous Activities or Uses	Installation Permits: Monitoring		each		\$ 663.78	632.00	100%	\$ 663.00	5%
Hazardous Activities or Uses	Installation Permits: Aboveground—Flammable/Combustible Liquid Tank and/or Pipe		per site		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Hazardous Activities or Uses	Installation Permits: Underground—Flammable/Combustible Liquid Tank and/or Pipe		per site		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Hazardous Activities or Uses	Installation Permits: Fuel Dispensing System Complete		per site		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: High Piled/Rack/Shelf Storage		each		\$ 1,438.18	1,371.00	100%	\$ 1,438.00	5%
Hazardous Activities or Uses	Installation Permits: Smoke Control CFC		each		\$ 1,438.18	1,371.00	100%	\$ 1,438.00	5%
Hazardous Activities or Uses	Installation Permits: Medical Gas Alarms		per system		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
Hazardous Activities or Uses	Installation Permits: Refrigerant System		each		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Hazardous Activities or Uses	Installation Permits: Refrigerant Monitoring System		each		\$ 1,216.92	1,160.00	100%	\$ 1,216.00	5%
	AMMR Review		each		\$ 663.78	632.00	100%	\$ 663.00	5%
Activity Permits (Single Event/One-Time)	Open Flames and Candles (105.6.32)		per permit		\$ 885.04	843.00	100%	\$ 885.00	5%
Activity Permits (Single Event/One-Time)	Carnivals and Fairs (105.6.4)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Seasonal Lots (Christmas Tree/Pumpkin Lot)		per permit		\$ 221.26	210.00	100%	\$ 221.00	5%
Activity Permits (Single Event/One-Time)	Special Events (Haunted House/Camps)		per permit		\$ 221.26	210.00	100%	\$ 221.00	5%
Activity Permits (Single Event/One-Time)	Explosives (105.6.14)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Fireworks; Displays (105.6.14)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Hot-Works Operations (105.6.23)		per permit		\$ 885.04	843.00	100%	\$ 885.00	5%
Activity Permits (Single Event/One-Time)	LP-Gas (105.6.27)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Liquid or Gas-Fueled Vehicles or Equipment in Assembly Buildings (105.6.26)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Covered Mall Buildings (105.6.9)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Open Burning (105.6.30)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Pyrotechnical Special Effects Material (105.6.36)		per permit		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Activity Permits (Single Event/One-Time)	Small Tent Structure ( 750 Sq. Ft. or less)		per permit		\$ 553.15	526.00	95%	\$ 526.00	0%

## Fire Prevention

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Activity Permits (Single Event/One-Time)		Large Tent Structure (751 Sq. Ft. or above)	per permit		\$ 663.78	647.00	97%	\$ 647.00	0%
Activity Permits (Single Event/One-Time)		Fire Safety Inspections	per application		\$ 885.04	843.00	100%	\$ 885.00	5%
Activity Permits (Single Event/One-Time)		Non-Compliance Inspections	per inspection		\$ 885.04	843.00	100%	\$ 885.00	5%
Activity Permits (Single Event/One-Time)		Outside Agency	per inspection		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual State-Mandated Pre-Inspections		6 or less Occupants	per facility		\$ 774.41	50.00	6%	\$ 50.00	0%
Annual State-Mandated Pre-Inspections		7 or more Occupants	per facility		\$ 885.04	100.00	11%	\$ 100.00	0%
Annual State-Mandated		Apartments	per facility		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual State-Mandated		Apartments: More than 100 Units	per facility		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Annual State-Mandated	24 Hour Community Care Facilities	7 to 49	per facility		\$ 829.72	791.00	100%	\$ 829.00	5%
Annual State-Mandated	24 Hour Community Care Facilities	50 or More	per facility		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual State-Mandated	Day Care Centers	Residential 9-14	per facility		\$ 221.26	384.00	100%	\$ 221.00	-42%
Annual State-Mandated	Day Care Centers	Commercial 15+	per facility		\$ 442.52	436.00	100%	\$ 442.00	1%
Annual State-Mandated		High Rise Building	per facility		\$ 1,327.55	1,265.00	100%	\$ 1,327.00	5%
Annual State-Mandated		Homes for the Mentally Impaired (7 or more Occupants)	per facility		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual State-Mandated		Hospital and Jail	per facility		\$ 1,991.33	1,898.00	100%	\$ 1,991.00	5%
Annual State-Mandated		Hotels/Motels	per facility		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual State-Mandated		School	per facility		\$ 995.66	949.00	100%	\$ 995.00	5%
Reports		Life Safety Report	per report	\$0.10 each additional page of same document	Variable	\$0.50/page for first ten (10) pages of each document	100%	.5 first ten, .10 thereafter	NA
Reports		Life Safety Report Photographs	per photograph set		Variable	Direct cost of Duplication	100%	Direct cost of Duplication	NA
Reports		Subpoenaed Reports	per report	\$0.10 each additional page of same document	Variable	\$0.50/page for first ten (10) pages of each document	100%	.5 first ten, .10 thereafter	NA
Other Fire Fees		Technology Fee	per permit		NA	17.00	NA	\$ 17.00	0%
Other Fire Fees		Underground Fire Service Plan Check	each		\$ 1,991.33	1,898.00	100%	\$ 1,991.00	5%
Other Fire Fees		Emergency Underground Repair	each		\$ 663.78	630.00	100%	\$ 663.00	5%
Other Fire Fees		Hydrant Flow Test (existing Hydrants)	each		\$ 774.41	738.00	100%	\$ 774.00	5%
Other Fire Fees		Fire Plans Examiner Miscellaneous	each		\$ 331.89	316.00	100%	\$ 331.00	5%
Other Fire Fees		Re-Inspection Fee	per hour		\$ 387.20	369.00	100%	\$ 387.00	5%
Other Fire Fees		False Alarm Response *	per billed incident		\$ 995.66	949.00	100%	\$ 995.00	5%
Other Fire Fees		Fire Hydrants	per hydrant		\$ 221.26	210.00	100%	\$ 221.00	5%
Other Fire Fees		Re-roofing Permits /Siding/Windows (Applicable only in Wildland/Urban Interface)	per application		\$ 110.63	105.00	100%	\$ 110.00	5%
Other Fire Fees		Fire Permit Extension Fee	per 6-month extension		\$ 110.63	105.00	100%	\$ 110.00	5%
		Pre-Application/General Plan Review/Code Assistance	per meeting		\$ 885.04	843.00	100%	\$ 885.00	5%
		Self Inspection Program	per facility		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
		Planning/Engineering Referrals (HWD)	per application		\$ 885.04	843.00	100%	\$ 885.00	5%
		Business License Reviews	each		\$ 774.41	738.00	100%	\$ 774.00	5%
		Fairview Planning Referrals	each		\$ 331.89	316.00	100%	\$ 331.00	5%
		Fairview New Construction	per application		\$ 995.66	949.00	100%	\$ 995.00	5%
Annual Permits		Aerosol Products (105.6.1)	per year		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%

## Fire Prevention

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Annual Permits		Amusement Buildings (105.6.2)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Aviation Facilities (105.6.3)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Carnivals and Fairs (105.6.4)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Cellulose Nitrate Film (105.6.5)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Combustible Dust-Producing Operations (105.6.6)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Combustible Fibers (105.6.7)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Compressed Gases (105.6.8)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Covered Mall Buildings (105.6.9)	per year		\$ 2,433.85	2,300.00	100%	\$ 2,433.00	6%
Annual Permits		Cryogenic Fluids (105.6.10)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Cutting and Welding (105.6.11)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Dry Cleaning Plants (105.6.12)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Exhibits and Trade Shows (105.6.13)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Explosives (105.6.14)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Fire Hydrants and Valves (105.6.15)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Flammable and Combustible Liquids (105.6.16)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Floor Finishing (105.6.17)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Fruit and Crop Ripening (105.6.18)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Fumigation or Thermal Insecticide Fogging (105.6.19)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Hazardous Materials (105.6.20)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		HPM facilities (105.6.21)	per year		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Annual Permits		High-Piled Storage < 12000 SF (105.6.22)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		High-Piled Storage > 12000 SF (105.6.22)	per year		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Annual Permits		Hot-Works Operations (105.6.23)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Industrial Ovens (105.6.24)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Lumber Yards and WoodWorking Plants (105.6.25)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Liquid or Gas-Fueled Vehicles or Equipment in Assembly Buildings (105.6.26)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		LP-Gas (105.6.27)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Magnesium (105.6.28)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Miscellaneous Combustible Storage (105.6.29)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Open Burning (105.6.30)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Open Flames and Torches (105.6.31)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Open Flames and Candles (105.6.32)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Organic Coatings (105.6.33)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Places of Assembly < 300 (105.6.34)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Places of Assembly > 300 (105.6.34)	per year		\$ 1,106.29	1,054.00	100%	\$ 1,106.00	5%
Annual Permits		Private Fire Hydrants (105.6.35)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Pyrotechnical Special Effects Material (105.6.36)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Pyroxylin Plastics (105.6.37)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Refrigeration Equipment (105.6.38)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Repair Garages and Motor Fuel-Dispensing Facilities (105.6.39)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Rooftop Heliports (105.6.40)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Spraying or Dipping (105.6.41)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Storage of Scrap Tires and Tire Byproducts (105.6.42)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Tire-Rebuilding Plants (105.6.44)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Waste Handling (105.6.45)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Wood Products (105.6.46)	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Annual Permits		Essential City Facilities	per year		\$ 885.04	843.00	100%	\$ 885.00	5%
Fire Department Miscellaneous Fees: Building Permits		Minor Tenant Improvement	per permit		\$ 663.78	630.00	100%	\$ 663.00	5%

**Fire Prevention**

Fee Group	Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Fire Department Miscellaneous Fees: Building Permits		Revision-minor changes to (E) permit	per permit		\$ 331.89	316.00	100%	\$ 331.00	5%
Fire Department Miscellaneous Fees: Building Permits		Cellular Sites: Existing Site	per permit		\$ 663.78	630.00	100%	\$ 663.00	5%
Fire Department Miscellaneous Fees: Building Permits		Cellular Sites: New Site	per square footage		Variable	SEE CHART	100%	Variable	NA
Fire Department Miscellaneous Fees: Building Permits		Equipment Installations	per permit		\$ 663.78	630.00	100%	\$ 663.00	5%
Fire Department Miscellaneous Fees: Building Permits		HVAC/air units If over 2,000 cfm	per permit		\$ 221.26	210.00	100%	\$ 221.00	5%

## Hazardous Materials

Fee Group	Title	Sub Title	Unit	Notes	Full Cost per Inspt/Project	Avg Annual Cost per Inspt*	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Hazardous Materials Storage Permit	1A: Storage of one (1) or more types	Solid up to 500 lbs (pounds)	per year	Municipal Code, Chapter 3, Article 8	\$ 702.13	\$ 234.04	245.00	100%	\$ 234.00	-4%
Hazardous Materials Storage Permit	1A: Storage of one (1) or more types	Liquid up to 55 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 702.13	\$ 234.04	245.00	100%	\$ 234.00	-4%
Hazardous Materials Storage Permit	1A: Storage of one (1) or more types	Gaseous up to 2,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 702.13	\$ 234.04	245.00	100%	\$ 234.00	-4%
Hazardous Materials Storage Permit	2A: Storage of one (1) or more types	Solid between 500 & 5,000 lbs	per year	Municipal Code, Chapter 3, Article 8	\$ 743.43	\$ 247.81	279.00	100%	\$ 247.00	-11%
Hazardous Materials Storage Permit	2A: Storage of one (1) or more types	Liquid between 55 & 550 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 743.43	\$ 247.81	279.00	100%	\$ 247.00	-11%
Hazardous Materials Storage Permit	2A: Storage of one (1) or more types	Gaseous between 200 & 2,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 743.43	\$ 247.81	279.00	100%	\$ 247.00	-11%
Hazardous Materials Storage Permit	3A: Storage of one (1) to five (5) types	Solid between 5,000 & 25,000 lbs	per year	Municipal Code, Chapter 3, Article 8	\$ 784.73	\$ 261.58	346.00	100%	\$ 261.00	-25%
Hazardous Materials Storage Permit	3A: Storage of one (1) to five (5) types	Liquid between 550 & 2,750 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 784.73	\$ 261.58	346.00	100%	\$ 261.00	-25%
Hazardous Materials Storage Permit	3A: Storage of one (1) to five (5) types	Gaseous between 2,000 & 10,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 784.73	\$ 261.58	346.00	100%	\$ 261.00	-25%
Hazardous Materials Storage Permit	3B: Storage of six (6) or more types	Solid between 5,000 & 25,000 lbs	per year	Municipal Code, Chapter 3, Article 8	\$ 867.33	\$ 289.11	380.00	100%	\$ 289.00	-24%
Hazardous Materials Storage Permit	3B: Storage of six (6) or more types	Liquid between 550 & 2,750 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 867.33	\$ 289.11	380.00	100%	\$ 289.00	-24%
Hazardous Materials Storage Permit	3B: Storage of six (6) or more types	Gaseous between 2,000 & 10,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 867.33	\$ 289.11	380.00	100%	\$ 289.00	-24%
Hazardous Materials Storage Permit	4A: Storage of one (1) to five (5) types	Solid between 25,000 & 50,000 lbs	per year	Municipal Code, Chapter 3, Article 8	\$ 908.64	\$ 302.88	397.00	100%	\$ 302.00	-24%
Hazardous Materials Storage Permit	4A: Storage of one (1) to five (5) types	Liquid between 2,750 & 5,000 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 908.64	\$ 302.88	397.00	100%	\$ 302.00	-24%
Hazardous Materials Storage Permit	4A: Storage of one (1) to five (5) types	Gaseous between 10,000 & 20,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 908.64	\$ 302.88	397.00	100%	\$ 302.00	-24%
Hazardous Materials Storage Permit	4B: Storage of six (6) or more types	Solid between 25,000 & 50,000 lbs	per year	Municipal Code, Chapter 3, Article 8	\$ 949.94	\$ 316.65	414.00	100%	\$ 316.00	-24%
Hazardous Materials Storage Permit	4B: Storage of six (6) or more types	Liquid between 2,750 & 5,000 gallons	per year	Municipal Code, Chapter 3, Article 8	\$ 949.94	\$ 316.65	414.00	100%	\$ 316.00	-24%
Hazardous Materials Storage Permit	4B: Storage of six (6) or more types	Gaseous between 10,000 & 20,000 cubic feet at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 949.94	\$ 316.65	414.00	100%	\$ 316.00	-24%
Hazardous Materials Storage Permit	5A: Storage of one (1) to five (5) types	Solid 50,000 pounds or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,073.84	\$ 357.95	448.00	100%	\$ 357.00	-20%
Hazardous Materials Storage Permit	5A: Storage of one (1) to five (5) types	Liquid 5,000 gallons or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,073.84	\$ 357.95	448.00	100%	\$ 357.00	-20%
Hazardous Materials Storage Permit	5A: Storage of one (1) to five (5) types	Gaseous 20,000 cu. ft. or more at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 1,073.84	\$ 357.95	448.00	100%	\$ 357.00	-20%
Hazardous Materials Storage Permit	5B: Storage of six (6) to ten (10) types	Solid 50,000 pounds or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,197.75	\$ 399.25	482.00	100%	\$ 399.00	-17%
Hazardous Materials Storage Permit	5B: Storage of six (6) to ten (10) types	Liquid 5,000 gallons or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,197.75	\$ 399.25	482.00	100%	\$ 399.00	-17%
Hazardous Materials Storage Permit	5B: Storage of six (6) to ten (10) types	Gaseous 20,000 cu. ft. or more at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 1,197.75	\$ 399.25	482.00	100%	\$ 399.00	-17%
Hazardous Materials Storage Permit	5C: Storage of eleven (11) or more types	Solid 50,000 pounds or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,239.05	\$ 413.02	516.00	100%	\$ 413.00	-20%
Hazardous Materials Storage Permit	5C: Storage of eleven (11) or more types	Liquid 5,000 gallons or more	per year	Municipal Code, Chapter 3, Article 8	\$ 1,239.05	\$ 413.02	516.00	100%	\$ 413.00	-20%
Hazardous Materials Storage Permit	5C: Storage of eleven (11) or more types	Gaseous 20,000 cu. ft. or more at STP	per year	Municipal Code, Chapter 3, Article 8	\$ 1,239.05	\$ 413.02	516.00	100%	\$ 413.00	-20%
Other CUPA Program Elements	Annual State Surcharges	CUPA Program Oversight	per facility	Set by State	NA	N/A	24.00	NA	\$ 24.00	0%
Other CUPA Program Elements	Annual State Surcharges	Underground Storage Tanks (UST) Program	per UST	Set by State	NA	N/A	15.00	NA	\$ 15.00	0%
Other CUPA Program Elements	Annual State Surcharges	CalARP Program	per site	Set by State	NA	N/A	270.00	NA	\$ 270.00	0%
Other CUPA Program Elements	Annual State Surcharges	California Electronic Reporting System (CERS)	per facility	Set by State	NA	N/A	25.00	NA	\$ 25.00	0%
Other CUPA Program Elements	Hazardous Waste Generator Program	Up to 27 gallons; 220 lbs generated per month	per year		\$ 536.92	\$ 178.97	183.00	100%	\$ 178.00	-3%

## Hazardous Materials

Fee Group	Title	Sub Title	Unit	Notes	Full Cost per Insp/Project	Avg Annual Cost per Insp*	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Other CUPA Program Elements	Hazardous Waste Generator Program	28 to 270 gallons; 221 to 2,220 lbs per month	per year		\$ 991.24	\$ 330.41	206.00	100%	\$ 330.00	60%
Other CUPA Program Elements	Hazardous Waste Generator Program	271 gallons or more; 2,221 lbs or more per month	per year		\$ 1,321.65	\$ 440.55	313.00	100%	\$ 440.00	41%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Permit by Rule (Fixed Units)	per facility per year		\$ 1,321.65	\$ 440.55	282.00	100%	\$ 440.00	56%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Permit by Rule (Transportable units)	per facility per year		\$ 1,321.65	\$ 440.55	282.00	100%	\$ 440.00	56%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Conditional Authorization	per facility per year		\$ 743.43	\$ 247.81	248.00	100%	\$ 247.00	0%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Conditional Exemption, Specified Waste	per facility per year		\$ 660.83	\$ 220.28	214.00	100%	\$ 220.00	3%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Conditional Exemption, Small Quantity Treatment	per facility per year		\$ 660.83	\$ 220.28	214.00	100%	\$ 220.00	3%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Conditional Exemption, Commercial Laundry	per facility per year		\$ 660.83	\$ 220.28	214.00	100%	\$ 220.00	3%
Other CUPA Program Elements	Hazardous Waste Treatment (Tiered Permit) Program	Conditional Exemption, Limited	per facility per year		\$ 660.83	\$ 220.28	214.00	100%	\$ 220.00	3%
Other CUPA Program Elements		Hazardous Materials Business Plan (HMBP)	per facility per year		\$ 743.43	\$ 247.81	206.00	100%	\$ 247.00	20%
Other CUPA Program Elements		Underground Storage Tank (UST) Program	for 1st UST per year		\$ 1,239.05	\$ 1,239.05	656.00	100%	\$ 1,239.00	89%
Other CUPA Program Elements		Underground Storage Tank (UST) Program	per addn'l UST per year		\$ 536.92	\$ 536.92	142.00	100%	\$ 536.00	277%
Other CUPA Program Elements	California Accidental Release Prevention (CalARP) Program	Aboveground Petroleum Storage Act Program - Spill Prevention Control and Countermeasure Plan	per facility per year		\$ 908.64	\$ 302.88	233.00	100%	\$ 302.00	30%
Other CUPA Program Elements	California Accidental Release Prevention (CalARP) Program	Small CalARP facility	per facility per year		\$ 2,560.70	\$ 2,560.70	1,244.00	100%	\$ 2,560.00	106%
Other CUPA Program Elements	California Accidental Release Prevention (CalARP) Program	Large CalARP facility	per facility per year		\$ 2,643.31	\$ 2,643.31	2,490.00	100%	\$ 2,643.00	6%
New Construction Permits and Fees	New Construction	Large, Tenant Improvement – New Facility			\$ -	NA	3,969.00	NA	\$ 3,969.00	0%
New Construction Permits and Fees	New Construction	Medium, Tenant Improvement – New Facility			\$ -	NA	2,605.00	NA	\$ 2,605.00	0%
New Construction Permits and Fees	New Construction	Small, Tenant Improvement – New Facility			\$ -	NA	1,319.00	NA	\$ 1,319.00	0%
New Construction Permits and Fees	New Facility – No Construction	Medium to Large			\$ 1,982.48		1,601.00	100%	\$ 1,982.00	24%
New Construction Permits and Fees	New Facility – No Construction	Small			\$ 991.24		776.00	100%	\$ 991.00	28%
New Construction Permits and Fees	Underground Storage Tank	System Installation - VPH			\$ 4,171.47		3,433.00	100%	\$ 4,171.00	21%
New Construction Permits and Fees	Underground Storage Tank	Piping Installation			\$ 1,445.56		1,191.00	100%	\$ 1,445.00	21%
New Construction Permits and Fees	Underground Storage Tank	Piping Installation - VPH			\$ 1,775.97		New	100%	\$ 1,775.00	NA
New Construction Permits and Fees	Underground Storage Tank	UDC/Sump Installation			\$ 1,445.56		1,191.00	100%	\$ 1,445.00	21%
New Construction Permits and Fees	Underground Storage Tank	UDC/Sump Installation - VPH			\$ 1,775.97		New	100%	\$ 1,775.00	NA
New Construction Permits and Fees	Underground Storage Tank	System Removal			\$ 1,817.27		1,480.00	100%	\$ 1,817.00	23%
New Construction Permits and Fees	Underground Storage Tank	Piping Removal			\$ 1,156.45		957.00	100%	\$ 1,156.00	21%
New Construction Permits and Fees	Underground Storage Tank	UDC/Sump Removal			\$ 1,156.45		957.00	100%	\$ 1,156.00	21%
New Construction Permits and Fees	Underground Storage Tank	EVR Phase I Installation or Upgrade			\$ 660.83		542.00	100%	\$ 660.00	22%
New Construction Permits and Fees	Underground Storage Tank	EVR Phase II Installation or Upgrade			\$ 1,197.75		989.00	100%	\$ 1,197.00	21%
New Construction Permits and Fees	Underground Storage Tank	Monitoring System Installation or Upgrade			\$ 1,073.84		889.00	100%	\$ 1,073.00	21%
New Construction Permits and Fees	Underground Storage Tank	System Tank/Piping Repair			\$ 1,899.88		1,598.00	100%	\$ 1,899.00	19%
New Construction Permits and Fees	Underground Storage Tank	System Tank/Piping Repair - VPH			\$ 2,230.29		New	100%	\$ 2,230.00	NA
New Construction Permits and Fees	Underground Storage Tank	System Miscellaneous Component Repair - Major			\$ 1,899.88		1,598.00	100%	\$ 1,899.00	19%
New Construction Permits and Fees	Underground Storage Tank	System Miscellaneous Component Repair - Major - VPH			\$ 2,230.29		1,882.00	100%	\$ 2,230.00	18%
New Construction Permits and Fees	Underground Storage Tank	System Miscellaneous Component Repair - Minor			\$ 784.73		656.00	100%	\$ 784.00	20%
New Construction Permits and Fees	Underground Storage Tank	System Miscellaneous Component Repair - Minor - VPH			\$ 1,115.14		940.00	100%	\$ 1,115.00	19%
New Construction Permits and Fees	Underground Storage Tank	Temporary Closure			\$ 1,486.86		1,256.00	100%	\$ 1,486.00	18%
New Construction Permits and Fees	Aboveground Storage Tanks	System Installation			\$ 1,239.05		1,064.00	100%	\$ 1,239.00	16%

## Hazardous Materials

Fee Group	Title	Sub Title	Unit	Notes	Full Cost per Insp/Project	Avg Annual Cost per Insp*	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
New Construction Permits and Fees	Aboveground Storage Tanks	System Removal			\$ 1,073.84		915.00	100%	\$ 1,073.00	17%
New Construction Permits and Fees	Aboveground Storage Tanks	System Repair or Modification			\$ 949.94		793.00	100%	\$ 949.00	20%
New Construction Permits and Fees	California Accidental Release Prevention (CalARP) Program	Large- Risk Management Plan Review			\$ 7,103.88		6,692.00	100%	\$ 7,103.00	6%
New Construction Permits and Fees	California Accidental Release Prevention (CalARP) Program	Small- Risk Management Plan Review			\$ 4,460.58		4,202.00	100%	\$ 4,460.00	6%
New Construction Permits and Fees	California Accidental Release Prevention (CalARP) Program	Other costs incurred, including but not limited to third-party review, laboratory work, public notice, communication and correspondence			\$ 165.21		142.00	100%	\$ 165.00	16%
New Construction Permits and Fees	Meetings	Code Assistance Meeting			\$ 413.02		348.00	100%	\$ 413.00	19%
New Construction Permits and Fees	Meetings	Pre-Application Meeting			\$ 330.41		281.00	100%	\$ 330.00	17%
New Construction Permits and Fees	Request for Alternate Means of Protection (AMP)	Review			\$ 660.83		232.00	100%	\$ 660.00	184%
Miscellaneous	Facility Closure	3A and above – full facility closure			\$ 1,817.27		1,520.00	100%	\$ 1,817.00	20%
Miscellaneous	Facility Closure	3A and above – partial facility closure			\$ 1,032.54		860.00	100%	\$ 1,032.00	20%
Miscellaneous	Facility Closure	Below 3A – full facility closure			\$ 619.52		521.00	100%	\$ 619.00	19%
Miscellaneous	Facility Closure	Below 3A – partial facility closure			\$ 413.02		346.00	100%	\$ 413.00	19%
Miscellaneous	Contamination	Staff Oversight	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	Site Clearance	New construction/use – large			\$ 413.02		386.00	100%	\$ 413.00	7%
Miscellaneous	Site Clearance	New construction/use – small			\$ 247.81		230.00	100%	\$ 247.00	7%
Miscellaneous	Site Clearance	Property transfer – large			\$ 413.02		386.00	100%	\$ 413.00	7%
Miscellaneous	Site Clearance	Property transfer – small			\$ 247.81		230.00	100%	\$ 247.00	7%
Miscellaneous	Other Inspections and Compliance Verification	Re-inspection (CUPA and non-CUPA)	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	Other Inspections and Compliance Verification	Re-inspection beyond allowed by permit	per inspection		\$ 330.41		270.00	100%	\$ 330.00	22%
Miscellaneous	Other Inspections and Compliance Verification	After-hours inspection	per hour		\$ 247.81		214.00	100%	\$ 247.00	15%
Miscellaneous	Other Inspections and Compliance Verification	Miscellaneous Inspections and Activities	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	Other Inspections and Compliance Verification	Compliance verification	per notice		\$ 82.60		72.00	100%	\$ 82.00	14%
Miscellaneous	California Environmental Reporting System	Assistance Fee	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	California Environmental Reporting System	Assistance Fee (after hours)	per hour		\$ 247.81		214.00	100%	\$ 247.00	15%
Miscellaneous	Plan Checking	Review Fee	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	Plan Checking	Checking Fee	per hour		\$ 165.21		142.00	100%	\$ 165.00	16%
Miscellaneous	Plan Checking	Expedited Plan Checking Fee	per hour		\$ 247.81		214.00	100%	\$ 247.00	15%

\*All elements of permitted facilities are inspected once every three (3) years, with the exception of the UST and CalARP elements, which is why the full cost of the inspection must be divided by three (3) for all the other elements in order to get the annual cost of inspector

# Technology Services

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Video Technician	Video Services including editing and duplication	Per hour, per technician		\$ 98.47	75.00	100%	\$ 98.00	31%
	GIS Map Fee		plus materials	\$ 76.49	Variable	100%	\$ 76.00	NA



## Library and Community Services

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Overdue Fines	Print material, videotapes and sound recordings	per day	maximum - cost of item	NA	0.25	NA	\$ 0.25	0%
Overdue Fines	DVD's	per day	maximum - cost of item	NA	0.25	NA	\$ 0.25	0%
Overdue Fines	Reference materials (return within 7 days)	per day	maximum - cost of item	NA	3.00	NA	\$ 3.00	0%
Overdue Fines	Billing Fee – reference materials (returns after 7 days)			NA	75.00	NA	\$ 75.00	0%
Overdue Fines	Billing Fee – all others			NA	20.00	NA	\$ 20.00	0%
Overdue Fines	Fine Limit (non-returns)			Variable	Original cost of item plus Billing and Processing Fees	NA	Original cost of item plus Billing and Processing Fees	NA
Replacement of Lost/Damaged Pamphlet			(includes \$0.50 for Barcode Replacement)	\$ 2.00	2.00	100%	\$ 2.00	0%
Replacement of Lost/Damaged Audio/Visual Case	Multiple Cassettes/CD/DVD Cases			\$ 9.00	9.00	100%	\$ 9.00	0%
Replacement of Lost/Damaged Audio/Visual Case	Cassette Bags			\$ 3.00	3.00	100%	\$ 3.00	0%
Replacement of Lost/Damaged Audio/Visual Case	Single Compact Disc and DVD Cases			\$ 3.00	3.00	100%	\$ 3.00	0%
Replacement of Lost/Damaged Audio/Visual Case	Video Cassette Cases			\$ 4.00	4.00	100%	\$ 4.00	0%
Replacement of Lost/Damaged Audio/Visual Case	Video Booklet			\$ 3.00	3.00	100%	\$ 3.00	0%
	Inter-Library Loan		(+ any charges imposed by the lending library)	\$ 5.34	5.00	100%	\$ 5.00	0%
	Processing fee for lost item		(in addition to original cost of item)	\$ 26.71	6.00	22%	\$ 6.00	0%
	Replacement of lost library card (borrower's card)			\$ 2.00	2.00	100%	\$ 2.00	0%
	Replacement lost/damaged bar codes			\$ 1.00	1.00	100%	\$ 1.00	0%
	Teacher Loan Box		(includes \$0.50 for Barcode Replacement)	NA	10.00	100%	\$ 10.00	0%
	Mailing of library materials		Cost of mailing	Variable	Cost of mailing	100%	Cost of mailing	NA
"Fines-Free" Library Loan Program Membership Fees	Extended loan of up to 3 items at a time	per month		NA	2.99	NA	\$ 2.99	NA
"Fines-Free" Library Loan Program Membership Fees	Extended loan of up to 5 items at a time	per month		NA	4.99	NA	\$ 4.99	NA
"Fines-Free" Library Loan Program Membership Fees	Extended loan of up to 10 items at a time	per month		NA	8.99	NA	\$ 8.99	NA
	Rental of Equipment		Deposit based on cost of equipment	Variable	New	100%	Variable	NA

## Maintenance Services

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
City Hall Rental	Rotunda	Per Event	Includes 20 tables and 150 chairs	NA	675.00	0%	Market Based	NA
City Hall Rental	Prefunction Area	Per Event	Includes 20 tables and 150 chairs	NA	408.00	0%	Market Based	NA
City Hall Rental	Plaza – Half Day Rental	4-Hour Rental		NA	470.00	0%	Market Based	NA
City Hall Rental	Plaza – Full Day Rental	All Day Rental		NA	517.00	0%	Market Based	NA
City Hall Rental	Council Chambers	Per Event		NA	470.00	0%	Market Based	NA
City Hall Rental	Security Admin Fee	Per Event	plus security contract cost	\$ 57.75	47.00	100%	\$ 57.00	21%
City Hall Rental	Janitorial Admin Fee	Per Event	plus janitorial contract cost	\$ 57.75	47.00	100%	\$ 57.00	21%
City Hall Rental	Portable Bar	Per Event		\$ 76.00	76.00	100%	\$ 76.00	0%
City Hall Rental	Sound System	Per Event		\$ 133.00	133.00	100%	\$ 133.00	0%
City Hall Rental	Insurance Admin Fee – Third Party	Per Issuance		\$ 86.62	54.00	100%	\$ 86.00	59%
City Hall Rental	Cleaning and Damage Deposit	Per Event	Range from \$250 upwards, depending on size and nature of event	Variable	250.00	NA	\$ 250.00	0%
Equipment Rental	Chair Rental	per chair	(for one setup and per day)	\$ 3.85	3.00	100%	\$ 3.00	0%
Equipment Rental	60" Round Table (seats 8-10)	per table	(for one setup and per day)	\$ 11.55	9.00	100%	\$ 11.00	22%
Equipment Rental	24" Round Table (Bistro)	per table	(for one setup and per day)	\$ 9.62	8.00	100%	\$ 9.00	13%
Equipment Rental	8 Foot Long Table	per table	(for one setup and per day)	\$ 9.62	8.00	100%	\$ 9.00	13%
Equipment Rental	8 Foot Long Class Room Table	per table	(for one setup and per day)	\$ 9.62	8.00	100%	\$ 9.00	13%
Equipment Rental	Indoor Dance Floor (12' x 12')		(setup and take-down fee)	\$ 259.87	240.00	100%	\$ 259.00	8%
Equipment Rental	Table Linen: White - Round		(setup, take-down, laundry, and replacement/damage)	\$ 11.55	9.00	100%	\$ 11.00	22%
Equipment Rental	Table Linen: White - Small Round Cocktail Tables		(setup, take-down, laundry, and replacement/damage)	\$ 11.55	9.00	100%	\$ 11.00	22%
Equipment Rental	Table Linen: White - Square		(setup, take-down, laundry, and replacement/damage)	\$ 11.55	9.00	100%	\$ 11.00	22%
Equipment Rental	Table Linen: Banquet Drapes (5ft)		(setup, take-down, laundry, and replacement/damage)	\$ 15.40	12.00	100%	\$ 15.00	25%
Equipment Rental	Table Linen: Banquet Drapes (6ft)		(setup, take-down, laundry, and replacement/damage)	\$ 17.32	12.00	100%	\$ 17.00	42%
Equipment Rental	Table Linen: Banquet Drapes (8ft)		(setup, take-down, laundry, and replacement/damage)	\$ 21.17	17.00	100%	\$ 21.00	24%
Street Maintenance	Sign Fabricated & Installed by City Crew			\$ 566.43	317.00	100%	\$ 566.00	79%
Street Maintenance	Illegal Dumping on Public Right-of-Way - First Violation - Initial Inspection		No Penalty	\$ 224.28	No Charge	0%	No Charge	NA
Street Maintenance	Illegal Dumping on Public Right-of-Way - First Violation - First Follow-up inspection shows violation eliminated		No Penalty	\$ 339.78	No Charge	0%	No Charge	NA

## Maintenance Services

Title	Sub Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Street Maintenance	Illegal Dumping on Public Right-of-Way - First Follow-up inspection shows violation still exists, City abates illegal dumping		plus \$100 Penalty	\$ 1,181.18	920.00	100%	\$ 1,181.00	28%
Street Maintenance	Illegal Dumping on Public Right-of-Way - Subsequent Violation (within 12 months/same owner) Initial Inspection		No Penalty	\$ 224.28	No Charge	0%	No Charge	NA
Street Maintenance	Illegal Dumping on Public Right-of-Way - Subsequent Violation (within 12 months/same owner) First Follow-up inspection shows violation eliminated		No Penalty	\$ 339.78	No Charge	0%	No Charge	NA
Street Maintenance	Illegal Dumping on Public Right-of-Way - Subsequent Violation (within 12 months/same owner) First Follow-up inspection shows violation still exists, City abates illegal dumping		\$800 Penalty	\$ 1,181.18	920.00	100%	\$ 1,181.00	28%
Street Maintenance	Illegal Dumping on Public Right-of-Way - Subsequent Violation (within 12 months/same owner) Each subsequent inspection shows violation still exists		\$1000 Penalty	\$ 1,181.18	920.00	100%	\$ 1,181.00	28%
Street Maintenance	Illegal Dumping on Public Right-of-way - Special Assessment	per parcel		NA	342.00	NA	\$ 342.00	0%
	Special Events	per hour		\$ 115.50	New	100%	\$ 115.00	NA

## Public Works

Fee Group 1	Fee Group 2	Fee Group 3	Fee Group 4	Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage			Aircraft Hangar Waiting List Application		Refundable Deposit	NA	100.00	NA	\$ 100.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Row "A" T-Hangars	per month		NA	242.00	NA	\$ 242.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Standard T-Hangars	per month		NA	340.00	NA	\$ 340.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Large T-Hangars	per month		NA	466.00	NA	\$ 466.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Exec	per month		NA	848.00	NA	\$ 848.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Executive I Hangars	per month		NA	1,119.00	NA	\$ 1,119.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Space		Executive II Hangars	per month		NA	1,221.00	NA	\$ 1,221.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Storage Rooms		Small	per month		NA	71.00	NA	\$ 71.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Storage Rooms		Medium	per month		NA	90.00	NA	\$ 90.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Storage Rooms		Large	per month		NA	174.00	NA	\$ 174.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Storage Rooms		Extra Large	per month		NA	222.00	NA	\$ 222.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Hangar Storage Rooms		Office Spaces	per month		NA	647.00	NA	\$ 647.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Tie Downs (Aircraft Gross Weight/Wing Span)		Single Engine	per month	3,500 lb.	NA	60.00	NA	\$ 60.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Tie Downs (Aircraft Gross Weight/Wing Span)		Twin Engine	per month	12,500 lb. less than 50 ft.	NA	75.00	NA	\$ 75.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Tie Downs (Aircraft Gross Weight/Wing Span)		12,501 - 25,000 lb. more than 50 ft.	per month		NA	108.00	NA	\$ 108.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Tie Downs (Aircraft Gross Weight/Wing Span)		25,001 - 75,000 lb.	per month		NA	161.00	NA	\$ 161.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Tie Downs (Aircraft Gross Weight/Wing Span)		Excess of 75,000 lbs.	per month		NA	216.00	NA	\$ 216.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		Single Engine	per month	3,500 lb. less than 40 ft.	NA	6.00	NA	\$ 6.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		Twin Engine	per month	12,500 lb. less than 50 ft.	NA	8.00	NA	\$ 8.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		12,501 - 25,000 lb. more than 50 ft.	per month		NA	12.00	NA	\$ 12.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		25,001 - 75,000 lb.	per month		NA	23.00	NA	\$ 23.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		Excess of 75,000 lbs	per month		NA	29.00	NA	\$ 29.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage	Transient Overnight Tie Downs (Aircraft Gross Weight/Wing Span)		Lighter-than air Airships	per month		NA	20.00	NA	\$ 20.00	0%
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage			Late Charge		whichever is greater	NA	\$15 or 5% of rent	NA	\$15 or 5% of rent	NA
Airport Services	Monthly and Daily Fees for Aircraft Parking and Storage			service of a member firm of the California Association of Photocopiers and Process Servers			NA	50.00	NA	\$ 50.00	0%
Airport Services	Permits			Airport Annual Business Permit			NA	120.00	NA	\$ 120.00	0%
Airport Services	Permits			Taxiway Access Permit			NA	786.00	NA	\$ 786.00	0%
Airport Services	Gate Access Cards			Initial Issue			NA	Free	NA	Free	NA
Airport Services	Gate Access Cards			Initial Issue for non-direct Airport Tenants			NA	35.00	NA	\$ 35.00	0%
Airport Services	Gate Access Cards			Replacement			NA	25.00	NA	\$ 25.00	0%
Airport Services	Hangar Padlock Keys			Duplicate Key			NA	5.00	NA	\$ 5.00	0%
Airport Services	Hangar Padlock Keys			Re-key Padlock			NA	35.00	NA	\$ 35.00	0%

## Public Works

Fee Group 1	Fee Group 2	Fee Group 3	Fee Group 4	Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Airport Services	Landing Fee			0 - 3,500 pounds	Per Landing		NA	2.00	NA	\$ 2.00	0%
Airport Services	Landing Fee			3,501 - 6,250 pounds	Per Landing		NA	4.00	NA	\$ 4.00	0%
Airport Services	Landing Fee			6,251 - 12,500 pounds	Per Landing		NA	8.00	NA	\$ 8.00	0%
Airport Services	Landing Fee			12,501 - 25,000 pounds	Per Landing		NA	16.00	NA	\$ 16.00	0%
Airport Services	Landing Fee			25,001 - 50,000 pounds	Per Landing		NA	32.00	NA	\$ 32.00	0%
Airport Services	Landing Fee			50,001 pounds and above	Per Landing		NA	64.00	NA	\$ 64.00	0%
Airport Services	Landing Fee			0 - 3,500 pounds	Daily		NA	5.00	NA	\$ 5.00	0%
Airport Services	Landing Fee			3,501 - 6,250 pounds	Daily		NA	10.00	NA	\$ 10.00	0%
Airport Services	Landing Fee			6,251 - 12,500 pounds	Daily		NA	20.00	NA	\$ 20.00	0%
Airport Services	Landing Fee			12,501 - 25,000 pounds	Daily		NA	40.00	NA	\$ 40.00	0%
Airport Services	Landing Fee			25,001 - 50,000 pounds	Daily		NA	80.00	NA	\$ 80.00	0%
Airport Services	Landing Fee			50,001 pounds and above	Daily		NA	160.00	NA	\$ 160.00	0%
Airport Services	Landing Fee			0 - 3,500 pounds	Monthly		NA	13.00	NA	\$ 13.00	0%
Airport Services	Landing Fee			3,501 - 6,250 pounds	Monthly		NA	26.00	NA	\$ 26.00	0%
Airport Services	Landing Fee			6,251 - 12,500 pounds	Monthly		NA	52.00	NA	\$ 52.00	0%
Airport Services	Landing Fee			12,501 - 25,000 pounds	Monthly		NA	104.00	NA	\$ 104.00	0%
Airport Services	Landing Fee			25,001 - 50,000 pounds	Monthly		NA	208.00	NA	\$ 208.00	0%
Airport Services	Landing Fee			50,001 pounds and above	Monthly		NA	416.00	NA	\$ 416.00	0%
Airport Services	Hangar Exchange			Administration Fee for Exchange between Tenants	each Tenant		NA	60.00	NA	\$ 60.00	0%
Airport Services	Hangar Exchange			Administration Fee for Exchange into Vacant Hangar			NA	60.00	NA	\$ 60.00	0%
Airport Services				Tie-Down Exchange		Administration Fee to Exchange tie-down spaces	NA	25.00	NA	\$ 25.00	0%
Airport Services	Vacated Hangar Cleanup			Cleanup and disposal of items, minimum charge of 2 hours			NA	150.00	NA	\$ 150.00	0%
Airport Services	Vacated Hangar Cleanup			Additional hours, hourly rate			NA	75.00	NA	\$ 75.00	0%
Airport Services				Ramp Sweeping Services			NA	90.00	NA	\$ 90.00	0%
Airport Services				Maintenance Staff Service Charge	hourly	plus materials	NA	75.00	NA	\$ 75.00	0%
Airport Services	Airport Administration Building Meeting Room			Non-profit Aviation organization charging no fee to the public			NA	No charge	NA	No charge	NA
Airport Services	Airport Administration Building Meeting Room			For-profit Aviation organization charging a fee to the public	per day		NA	200.00	NA	\$ 200.00	0%
Engineering Services	Publication			Standard Detail			\$ 68.97	17.00	49%	\$ 34.00	100%
Engineering Services	Publication			No Parking Signs			\$ 25.78	14.00	100%	\$ 25.00	79%
Engineering Services	Publication			Copy and print full size prints (24x36) first 10 pages			\$ 5.00	5.00	100%	\$ 5.00	0%
Engineering Services	Publication			Copy and print full size prints (24x36) 11+ pages			\$ 2.00	2.00	100%	\$ 2.00	0%
Engineering Services	Survey			Curb and gutter staking, up to 100 linear ft.			\$ 851.41	760.00	100%	\$ 851.00	12%
Engineering Services	Survey			Curb and gutter staking: after 100 linear feet - each additional 50 linear feet			\$ 372.15	190.00	100%	\$ 372.00	96%
Engineering Services	Survey			Grade calculations and cut sheets per location			\$ 372.15	342.00	100%	\$ 372.00	9%
Engineering Services	Survey			Form checking: up to 100 linear feet			\$ 761.28	760.00	100%	\$ 761.00	0%
Engineering Services	Survey			Form checking: after 100 linear feet - each additional 50 linear feet			\$ 190.11	190.00	100%	\$ 190.00	0%
Engineering Services	Sidewalk Rehabilitation Program			Single Family Residential lots			\$ 2,542.00	550.00	22%	\$ 550.00	0%
Engineering Services	Sidewalk Rehabilitation Program			Multi Family with 1 or 2 damaged locations			\$ 2,542.00	550.00	22%	\$ 550.00	0%
Engineering Services	Sidewalk Rehabilitation Program			Additional locations			\$ 2,542.00	550.00	22%	\$ 550.00	0%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Concrete		Major Street Improvement Plan Review Curb, gutter, and/or sidewalk (including driveway) first 100 linear feet	Deposit	Time and Materials	\$ 2,520.29	2,400.00	100%	\$ 2,520.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Concrete		Each additional 100 linear feet or fraction thereof			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Concrete		Driveway, handicapped ramp, curb return			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Concrete		Planter strip fill (each property)			\$ 154.62	146.00	100%	\$ 154.00	5%

## Public Works

Fee Group 1	Fee Group 2	Fee Group 3	Fee Group 4	Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Drainage system and appurtenance, first 100 linear feet			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Each additional 100 linear feet or fraction thereof			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Drainage tie-in to existing structures			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Non-standard structures (other than above)			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Manholes, vaults, area drains, storm water inlets, other standard structures			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Drainage		Storm Water Interceptors			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Street cuts, trenches, up to 100 linear feet			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Each additional 100 linear feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Street cuts, other, up to 100 square feet			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Each additional 100 sq. feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Debris box placed in right-of-way			\$ 270.63	259.00	100%	\$ 270.00	4%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Sidewalk area obstruction fee, first week			\$ 579.84	578.00	100%	\$ 579.00	0%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Sidewalk area obstruction fee, each additional week			\$ 115.95	108.00	100%	\$ 115.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Street Work & Miscellaneous		Compaction tests - each test as required per hour			\$ 115.95	Time & Materials	100%	Time & Materials	NA
Engineering Services	Public Works Encroachment Permit Inspection Fees	Monitoring well inspection and plan review		First well: Inspection			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Monitoring well inspection and plan review		First well: Plan Review			\$ 534.64	436.00	100%	\$ 534.00	22%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Monitoring well inspection and plan review		Each additional well at same site: Inspection			\$ 193.29	184.00	100%	\$ 193.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Utility Services - New or Repaired		Each new or replaced utility pole location			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Utility Services - New or Repaired		Each utility service connection in sidewalk or street (gas, electric, telephone, etc.)			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	From main in street or easement to building up to 100 linear feet			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	Each additional 100 linear feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	Add for monitoring structure if required			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	From existing stub at right-of-way to building up to 100 linear feet			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	Each additional 100 linear feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	Each building sewer repair or replacement: In public right-of-way, complete			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Laterals	Each building sewer repair or replacement: In public right-of-way, complete: In private property (no street evacuation)			\$ 425.18	403.00	100%	\$ 425.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Building Court Mains	Each building court main when plan, profile and cut sheet are required, initial 100 feet or less			\$ 541.13	512.00	100%	\$ 541.00	6%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Building Court Mains	Each additional 100 feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Building Court Mains	Each building court main when plan only is required for initial 100 feet or less			\$ 483.16	457.00	100%	\$ 483.00	6%

Public Works

Fee Group 1	Fee Group 2	Fee Group 3	Fee Group 4	Title	Unit	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	Suggested Fee	Percent Change
Engineering Services	Public Works Encroachment Permit Inspection Fees	Sanitary Sewers	Sanitary Sewer Building Court Mains	Each additional 100 feet or fraction thereof			\$ 309.24	293.00	100%	\$ 309.00	5%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Additional Inspectors				For any public works encroachment permit on which an unreasonable number of inspections are required, an additional fee per inspection will be charged for each inspection over and above the number deemed reasonable by the City Engineer.	\$ 270.63	259.00	100%	\$ 270.00	4%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Development Plan Review		Industrial/Commercial			Variable	730.00	100%	\$ 730.00	0%
Engineering Services	Public Works Encroachment Permit Inspection Fees	Development Plan Review		Residential			Variable	360.00	100%	\$ 360.00	0%
Penalties	Public Works penalty for grading without a permit						NA	2,000.00	NA	\$ 2,000.00	0%
Penalties	Code violation illegal project, penalty fee may be applied daily						NA	125.00	NA	\$ 125.00	0%
Penalties	Code Enforcement Investigations fees for permit not yet obtained						NA	2,000.00	NA	\$ 2,000.00	0%

Utilities & Environmental Services

Fee Group 1	Fee Group 2	Fee Group 3	Title	Notes	Full Cost	Current Fee	2017		2018			
							Cost Recovery Level (%)	Suggested Fee	Percent Change	Cost Recovery Level (%)	Suggested Fee	Percent Change
Water Service Charges			Fire Flow Test	Does not apply to special circumstances as determined by City	\$ 326.57	300.00	100%	\$ 326.00	9%	100%	\$ 326.00	9%
Water Service Charges	Other Water System Fees and Charges		Account Establishment Fee		\$ 70.69	40.00	72%	\$ 51.00	28%	100%	\$ 70.00	75%
Water Service Charges	Other Water System Fees and Charges		After-Hours Meter Activation Fee		\$ 72.34	70.00	97%	\$ 70.00	0%	100%	\$ 72.00	3%
Water Service Charges	Other Water System Fees and Charges		Meter Lock Fee		\$ 92.06	80.00	87%	\$ 80.00	0%	100%	\$ 92.00	15%
Water Service Charges	Other Water System Fees and Charges		Meter Removal Fee		\$ 90.22	80.00	89%	\$ 80.00	0%	100%	\$ 90.00	13%
Water Service Charges	Other Water System Fees and Charges		Meter Test Fee (≤ 1 inch meter)		\$ 223.25	70.00	48%	\$ 106.00	51%	100%	\$ 223.00	219%
Water Service Charges	Other Water System Fees and Charges		Meter Test Fee (1 1/2 - 2 inch meter)		\$ 295.37	290.00	98%	\$ 290.00	0%	100%	\$ 295.00	2%
Water Service Charges	Other Water System Fees and Charges		Meter Test Fee (≥ 3 inch meter)		\$ 367.48	290.00	100%	\$ 367.00	27%	100%	\$ 367.00	27%
Water Service Charges	Other Water System Fees and Charges		Noticing Fee		\$ 6.57	5.00	76%	\$ 5.00	0%	100%	\$ 6.00	20%
Water Service Charges	Development Plan Review		Industrial		\$ 179.93	N/A	50%	\$ 89.00	NA	100%	\$ 179.00	NA
Water Service Charges	Development Plan Review		Commercial		\$ 112.46	N/A	50%	\$ 56.00	NA	100%	\$ 112.00	NA
Water Service Charges	Development Plan Review		Residential		\$ 67.47	N/A	50%	\$ 33.00	NA	100%	\$ 67.00	NA
Stormwater System Service Charges			Stormwater Treatment Measure Inspection		\$ 352.87	275.00	100%	\$ 352.00	28%	100%	\$ 352.00	28%
Stormwater System Service Charges	Stormwater Facility Inspections		Industrial (under State Permit)		\$ 303.88	185.00	76%	\$ 229.00	24%	100%	\$ 303.00	64%
Stormwater System Service Charges	Stormwater Facility Inspections		Industrial (not under State Permit)		\$ 303.88	150.00	66%	\$ 200.00	33%	100%	\$ 303.00	102%
Stormwater System Service Charges	Stormwater Facility Inspections		Restaurant		\$ 196.39	130.00	80%	\$ 156.00	20%	100%	\$ 196.00	51%
Stormwater System Service Charges	Stormwater Facility Inspections		Commercial		\$ 165.90	110.00	80%	\$ 132.00	20%	100%	\$ 165.00	50%
Solid Waste Plan Review Fees	Development Plan Review		Single Family or Remodel		\$ 52.07	50.00	96%	\$ 50.00	0%	96%	\$ 50.00	0%
Solid Waste Plan Review Fees	Development Plan Review		Tract Development		\$ 169.15	160.00	95%	\$ 160.00	0%	95%	\$ 160.00	0%
Solid Waste Plan Review Fees	Development Plan Review	Commercial/Industrial	Tennant Improvement w/ Trash Enclosure		\$ 128.73	120.00	93%	\$ 120.00	0%	93%	\$ 120.00	0%
Solid Waste Plan Review Fees	Development Plan Review	Commercial/Industrial	Tennant Improvement w/o Trash Enclosure		\$ 87.84	80.00	91%	\$ 80.00	0%	91%	\$ 80.00	0%
Solid Waste Plan Review Fees	Development Plan Review		Mixed Use (Commercial & Residential)		Variable	Actual Cost	100%	Actual Cost	NA	100%	Actual Cost	NA
Wastewater Discharge Permit Fees & Miscellaneous Charges	Development Plan Review		Industrial		\$ 338.37	165.00	66%	\$ 221.00	34%	100%	\$ 338.00	105%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Development Plan Review		Commercial		\$ 338.37	95.00	44%	\$ 148.00	56%	100%	\$ 338.00	256%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Development Plan Review		Residential		\$ 206.47	50.00	39%	\$ 80.00	60%	100%	\$ 206.00	312%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Categorical	New Permit		\$ 3,103.50	2,210.00	83%	\$ 2,581.00	17%	100%	\$ 3,103.00	40%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Categorical	Permit Renewal		\$ 2,131.50	1,500.00	83%	\$ 1,760.00	17%	100%	\$ 2,131.00	42%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Categorical	Amendment		\$ 761.01	560.00	85%	\$ 645.00	15%	100%	\$ 761.00	36%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Non-Categorical Significant	New Permit		\$ 2,101.84	1,410.00	80%	\$ 1,687.00	20%	100%	\$ 2,101.00	49%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Non-Categorical Significant	Permit Renewal		\$ 1,525.67	1,010.00	80%	\$ 1,215.00	20%	100%	\$ 1,525.00	51%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Non-Categorical Significant	Amendment		\$ 594.58	410.00	82%	\$ 485.00	18%	100%	\$ 594.00	45%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Groundwater	New Permit		\$ 1,109.98	740.00	100%	\$ 1,109.00	50%	100%	\$ 1,109.00	50%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Groundwater	Permit Renewal		\$ 594.58	440.00	100%	\$ 594.00	35%	100%	\$ 594.00	35%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Groundwater	Amendment		\$ 367.08	270.00	100%	\$ 367.00	36%	100%	\$ 367.00	36%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Non-Sewered Credit	New Permit		\$ 334.64	410.00	100%	\$ 334.00	-19%	100%	\$ 334.00	-19%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Non-Sewered Credit	Permit Renewal		\$ 334.64	410.00	100%	\$ 334.00	-19%	100%	\$ 334.00	-19%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Discharge Permit Fees	Special Purpose	New Permit	One time Discharge	\$ 600.20	390.00	100%	\$ 600.00	54%	100%	\$ 600.00	54%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Compliance Schedule		Compliance Schedule	for correction violations	\$ 701.39	695.00	99%	\$ 695.00	0%	99%	\$ 695.00	0%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Composite Sample with Lab Costs		\$ 583.35	580.00	99%	\$ 580.00	0%	99%	\$ 580.00	0%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Composite Sample without Lab Costs		\$ 313.35	300.00	96%	\$ 300.00	0%	96%	\$ 300.00	0%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Grab Sample		\$ 270.87	185.00	100%	\$ 270.00	46%	100%	\$ 270.00	46%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Violation Follow-Up Sample with Lab Cost		\$ 590.90	585.00	99%	\$ 585.00	0%	99%	\$ 585.00	0%



**Utilities & Environmental Services**

Fee Group 1	Fee Group 2	Fee Group 3	Title	Notes	Full Cost	Current Fee	Cost Recovery Level (%)	2017		2018		
								Suggested Fee	Percent Change	Cost Recovery Level (%)	Suggested Fee	Percent Change
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Violation Follow-Up Sample without Lab Cost		\$ 320.90	300.00	93%	\$ 300.00	0%	93%	\$ 300.00	0%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Wastewater Sampling		Sampling Equipment Fee		\$ 25.00	25.00	100%	\$ 25.00	0%	100%	\$ 25.00	0%
Wastewater Discharge Permit Fees & Miscellaneous Charges	Violation follow-up inspection		Violation follow-up inspection		\$ 509.62	345.00	81%	\$ 411.00	19%	100%	\$ 509.00	48%

\* Two year phase in of Utilities & Environmental Services fees to achieve full cost recovery as detailed for 2018 Suggested Fees

## A. Building Permit Fees

**BUILDING PERMIT FEES CALCULATED BY VALUATION****This includes all new buildings, additions, tenant improvements, residential remodels and cell sites**

- Valuation is defined as the fair market value of materials and labor for the work.
- Valuation shall be the higher of the stated valuation or the figure from the current International Code Council valuation table below.
- The current ICC Valuation data table below is adjusted with a regional construction cost modifier for the San Francisco Bay Area of 16%\*.  
*\*Source: The local modifier is 1.16 times the cost per square foot as published in the Building Standards Journal, April 2002 edition.*
- The valuation for tenant improvements, residential remodels or other projects that do not involve new square footage, shall be a minimum of **60%** of the cost per square foot in the valuation table below.

**Construction Type and  
Minimum Cost Per Square Foot****International Building Code Group***\*Building Division staff will help determine the valuation for occupancies or construction types not listed in this table.*

	<b>IIA</b>	<b>IIB</b>	<b>IIIA</b>	<b>IIIB</b>	<b>VA</b>	<b>VB</b>
<b>A-1</b> Assembly, theaters, with stage	250.68	240.19	225.83	219.32	206.42	198.60
<b>A-1</b> Assembly, theaters, without stage	228.45	217.96	203.72	197.21	184.31	176.49
<b>A-2</b> Assembly, restaurants, bars, banquet halls	192.64	186.17	173.98	170.26	157.39	153.11
<b>A-3</b> Assembly, churches	230.86	220.38	206.42	199.91	187.02	179.20
<b>A-3</b> Assembly, general, community halls, libraries	189.02	179.70	164.41	159.06	145.00	138.34
<b>A-4</b> Assembly, arenas	226.13	216.80	201.40	196.05	181.99	175.33
<b>B</b> Business	197.57	187.78	171.16	164.72	150.21	143.56
<b>E</b> Educational	208.97	199.66	186.44	176.96	162.93	157.97
<b>F-1</b> Factory and industrial, moderate hazard	113.48	109.24	97.87	93.45	80.62	75.91
<b>F-2</b> Factory and industrial, low hazard	113.48	108.08	97.87	92.29	80.62	74.75
<b>H-1</b> High Hazard, explosives	106.56	101.15	91.18	85.60	73.93	N/A
<b>H-2 H-3 H-4</b> High Hazard	106.56	101.15	91.18	85.60	73.93	68.06
<b>H-5</b> (HPM) semiconductor fabrication	197.57	187.78	171.16	164.72	150.21	143.56
<b>I-1</b> Institutional, supervised environment	198.33	188.77	174.64	169.92	156.62	151.64
<b>I-2</b> Institutional, hospitals	343.28	333.50	315.69	N/A	294.74	N/A
<b>I-2</b> Institutional, nursing homes	233.15	223.37	207.90	N/A	186.95	N/A
<b>I-4</b> Institutional, day care facilities	198.33	188.77	174.64	169.92	156.62	151.64
<b>M</b> Mercantile	141.28	134.80	123.37	119.65	106.78	102.50
<b>R-1</b> Residential, hotels	200.16	190.60	176.76	172.04	158.75	153.76
<b>R-2</b> Residential, multiple family	165.67	156.11	142.97	138.25	124.96	119.97
<b>R-3</b> Residential, one- and two-family	158.35	154.08	148.42	144.55	138.89	130.68
<b>R-4</b> Residential, care	198.33	188.77	174.64	169.92	156.62	151.64
<b>S-1</b> Storage, moderate hazard	104.24	99.99	88.86	84.44	71.61	66.90
<b>S-2</b> Storage, low hazard	104.24	98.83	88.86	83.28	71.61	65.74
<b>U</b> Utility, miscellaneous	80.09	76.01	68.70	64.16	54.32	51.77

**BUILDING PERMIT FEES CALCULATED BY VALUATION**

**This includes all new buildings, additions, tenant improvements, residential remodels and cell sites**

*\*All sub-permits (plumbing, mechanical and electrical) are included in the plan check and inspection fees for valuation based projects.*

- Once the valuation for the project is established, use the table below to determine the Building Inspection Fee. Several other fees are based on the Building Inspection Fee and this is outlined on the next page.

<b>TOTAL VALUATION (Materials and Labor)</b>	<b>BUILDING INSPECTION FEE</b>
\$1 to \$500	\$29.77
\$501 to \$2000	\$29.77 for the first \$500 plus \$3.87 for each additional \$100 or fraction thereof, to and including \$2000
\$2,001 to \$25,000	\$87.82 for the first \$2000 plus \$17.74 for each additional \$1000 or fraction thereof, to and including \$25,000
\$25,001 to \$50,000	\$495.68 for the first \$25,000 plus \$12.80 for each additional \$1000 or fraction thereof, to and including \$50,000
\$50,001 to \$100,000	\$815.70 for the first \$50,000 plus \$8.87 for each additional \$1000 or fraction thereof, to and including \$100,000
\$100,001 to \$500,000	\$1259.15 for the first \$100,000 plus \$7.09 for each additional \$1000 or fraction thereof, to and including \$500,000
\$500,001 to \$1,000,000	\$4097.18 for the first \$500,000 plus \$6.02 for each additional \$1000 or fraction thereof, to and including \$1,000,000
\$1,000,001 and up	\$7109.14 for the first \$1,000,000 plus \$4.00 for each additional \$1000 or fraction thereof

**BUILDING PERMIT FEES CALCULATED BY VALUATION\***

This includes all new buildings, additions, tenant improvements, residential remodels and cell sites.

\*All sub-permits (plumbing, mechanical and electrical) are included in the plan check and inspection fees for valuation based projects.

**INSPECTION FEES**

\*\*Fire re-inspection fees are \$387

\*Hazardous Materials Inspection Fees vary on complexity of project (see Hazardous Materials comments below in Plan Review Fee Section for examples and contacts for estimates.)

<b>BUILDING INSPECTION FEE</b>	<i>Based from Fee Table</i>	\$ _____
<b>**FIRE INSPECTION FEE</b>	<i>Flat Rate</i>	\$221
<b>*HAZ-MAT INSPECTION FEE</b>	<i>Minimum</i>	\$284/inspection
<b>PLANNING + LANDSCAPE INSPECTION FEE</b>	<i>Flat Rate</i>	\$212

**PLAN REVIEW FEES**

The Building Plan Check Fee applies to all permits. Other review fees will be applied based on the specific scope of work.

\*Hazardous Materials Review and Inspection fees generally range from \$1,300 for small projects, such as cellular communication sites to \$4,000 for larger or more complex projects, such as those that may have H-Occupancies. Please contact the Hayward Fire Department at (510) 583-4900 for an estimate for your specific project.

<b>BUILDING INSPECTION FEE x 1.0 = BUILDING PLAN CHECK FEE:</b>		\$ _____
<i>Plan Check fees for master plans shall be 1.25 x the BUILDING INSPECTION FEE</i>		
<b>BUILDING INSPECTION FEE x .35 = PLANNING REVIEW FEE:</b>		\$ _____
<b>BUILDING INSPECTION FEE x .35 = FIRE REVIEW FEE:</b>		\$ _____
<b>*HAZ-MAT REVIEW FEE</b>	<i>Minimum</i>	\$142/hour
<b>SOLID WASTE REVIEW FEE</b>	<i>Flat Rate</i>	\$80
<b>PLOT PLAN REVIEW FEE</b>	<i>Flat Rate per Plot</i>	\$491
<i>This only applies to production homes.</i>		
<b>FIRE PLOT PLAN REVIEW FEE</b>	<i>Flat Rate per Plot</i>	\$110
<i>This only applies to production homes.</i>		

**ADMINISTRATIVE FEES**

Administrative fees apply to all permits. This includes the individual permits not calculated by valuation on the following pages.

<b>BUILDING INSPECTION FEE x .03 = TECHNOLOGY FEE:</b>	\$ _____
<b>PERMIT ISSUANCE FEE (Flat Rate applies to all permits)</b>	\$147

SMIP FEE RESIDENTIAL: .00013% OF VALUATION	CA BUILDING STANDARDS FEE: \$1.00 (Valuation \$1-25k) \$2.00 (Valuation \$25-50k) \$3.00 (Valuation \$50-75k) \$4.00 (Valuation \$75-100k) Add \$1 per every 25k over 100k	SMIP: \$ _____
SMIP FEE COMMERCIAL: .00028% OF VALUATION		CA BLDG. STANDARDS FEE \$ _____

**BUILDING PERMIT FEE:** \$ \_\_\_\_\_

The Building Permit Fee is defined as the sum of the plan check, inspection, and administrative fees. Some projects will also have impact fees which are calculated separately.

**FLAT RATE PERMIT FEES**

These items will also have administrative fees added to the permit. In some cases, hourly plan review fees will also be required.

<b><u>Miscellaneous Permit Fees – Not Calculated by Valuation</u></b>	<b>Unit</b>	<b>Fee</b>
<b>1. Standard Hourly Rate</b> (or fraction thereof) for Plan Check and Inspections	hour	\$147/hour
<b>2. Revision</b> (permit issuance fee and hourly plan check will also be charged)	hour	\$147
<b>3. Permit Issuance Fee</b> (applies to all permits)	each	\$147
<b>4. Miscellaneous Items</b> (for items that do not have a set fee)	each	\$147
<b>5. Plot Plan Review</b>		
a. Plot Plan Review and Processing (in addition to permit issuance fee)		\$441
<b>6. Address Assignment</b>		
a. Single	each	\$220.50
b. Multiple	each	\$73.50
		<b>Building Inspection Fee</b>
<b>7. Demolition</b>		
a. Commercial/Residential demolition up to 3,000 square feet	0-3000 sf	\$294
b. Each additional 3,000 square feet	each	\$147
<b>8. Equipment Installation</b>	first piece	\$294
a. Additional Equipment at Same Site	each	\$147
b. Equipment Pad	each	\$220.50
<b>9. Damaged Building Survey</b>		
Fire, flood, vehicle or similar damage		\$588
<b>10. Patio Covers</b>		
a. Patio Cover (requires drawings and hourly plan check)	each	\$294
b. Enclosed Patio (requires drawings and hourly plan check)	each	\$588
<b>11. Photovoltaic Systems</b>		
a. Residential (for systems that are not flush mounted, hourly plan check fees apply)	each system	\$300
b. Commercial, up to 50 kilowatts (hourly plan check fees apply)	each system	\$1,000
c. Commercial, each additional kilowatt 51kw-250kw (hourly plan check fees apply)	each kw	\$7
d. Commercial, each additional kilowatt over 250kw (hourly plan check fees apply)	each kw	\$5
<b>12. Residential Package Permits</b>		
a. Tub / Shower Enclosure (includes trades)		\$147
b. Remodel- Complete Bathroom (includes trades)		\$220.50
c. Remodel- Kitchen (includes trades)		\$441
<b>13. Storage Racks</b>		
a. Up to 100 linear feet	first 100lf	\$441
b. Each additional 100 linear feet	each 100lf	\$147

**FLAT RATE PERMIT FEES**

These items will also have administrative fees added to the permit. In some cases, hourly plan review fees will also be required.

<b><u>Plumbing Mechanical &amp; Electrical Fees – Not Calculated by Valuation</u></b>	<b>Unit</b>	<b>Building Inspector Fee</b>
<b>14. Plumbing Permits – Residential (single-family and duplexes)</b>		
a. Water Heater	each	\$73.50
b. Fixtures – covers 2 Inspections for any type or number of fixtures	2 site visits	\$147
c. Water Service Repair / Replacement	each	\$73.50
d. Water Pipe (Repair or Replacement)	each	\$147
e. Sewer on private property or Cleanout Installation	each	\$147
f. Sewer Ejector System	each	\$147
g. Solar Water Heating System - <i>Hourly plan check fees may apply for systems that are not flush mounted or have other structural issues.</i>	each	\$147
h. Residential Gas Piping		\$147
i. Residential Gas Test or Meter Reset	each	\$147
<b>15. Plumbing Permits – Commercial + Multi-Family</b>		
a. Water Heater (Repair or Replacement)	each	\$147
b. Water Service (Repair or Replacement)	each	\$147
c. Sewer Ejector System	each	\$147
d. Industrial / Commercial Process Piping System	Each 100 linear feet or fraction thereof	\$147
e. Gas Piping	Each 100 linear feet or fraction thereof	\$147
f. Gas Test / Meter Reset	each	\$147
g. Sewer on private property or Cleanout Installation	each	\$147
h. Grease Trap	each	\$147
i. Grease Interceptor	each	\$147
j. Vacuum Breaker, Backflow Preventer or Pressure Regulator	each	\$147
<b>16. Mechanical Permits – Residential (single-family and duplexes)</b>		
a. Heating and/or Cooling Equipment (including ducts)	each	\$147
b. Wall Furnace	each	\$147
c. Kitchen Hood and Bathroom Vents	each	\$73.50
<b>17. Mechanical Permits – Commercial + Multi-Family</b>		
<i>*For units over 400 pounds or for replacements that are not in the same location, hourly plan review fees apply.</i>		
a. *HVAC unit (includes all associated sub-permits)	each	\$220.50
b. *Air Handler Unit	each	\$147
c. Vent System	each	\$147
d. Exhaust Hood Replacement (additional hourly plan check may apply)	each	\$147
<b>18. Electrical Permits – Commercial, Residential + Multi-Family</b>		
a. General Electrical Permit - Residential (rough and final)	each	\$294
b. General Electrical Permit – Commercial + Multi-Family (rough and final)	each	\$441
c. Service Upgrade -- Residential	each	\$514.50
d. Additional Meter Reset (general electrical permit for first)	each	\$73.50
e. Temporary Power Installation	each	\$147

**FLAT RATE PERMIT FEES**

These items will also have administrative fees added to the permit. In some cases, hourly plan review fees will also be required.

		<b>Building Inspection Fee</b>
<b>Electrical Permits (Continued)</b>		
f. Residential E.V. charger	each	\$73.50
g. Commercial E.V. charger (may require additional hourly plan review)	each	\$294
h. Minor Residential Electrical Permit (final only- no rough)	each	\$147
i. Minor Commercial Electrical Permit (final only- no rough)	each	\$220.50

**Additional Services and Violations – Not Calculated by Valuation**

	<b>Unit</b>	<b>Fee</b>
<b>19. Expedited Services</b>		
a. Expedited Hourly Plan Review	hour	\$220.50/hour
b. Expedited Plan Review	each	200% of Plan Review Fee
c. Phased Approval Permits	each	\$588
d. Temporary Certificate of Occupancy	each	\$588
<b>22. Copies, Re-Print + Change of Contractor</b>		
a. Printing Scanned / Archived Drawings	each	\$10 per sheet
b. Job Card / Permit Re-Print	each	\$147
c. Change of Contractor	each	\$147
<b>23. Special Inspector Qualification Review</b>		
a. Initial Review for Approved Inspector List	each	\$588
b. Renewal Review (after 3 years)	each	\$294
<b>24. Violation Fees</b>		
a. Investigation Fee for work done without Permits (in addition to the regular permit fees)	Each project	200% of the Building Permit Fee
b. Filing of Notice of Substandard or Hazardous Structure	each	\$147
c. Removal of Notice of Substandard or Hazardous Structure	each	\$147
d. Placards for Condemnation	each	\$147
e. Notice and Order	each	\$147
f. Code violation/illegal project	each day	\$125



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** LB 16-103

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**DATE:** October 25, 2016

**TO:** Mayor and City Council

**FROM:** Director of Human Resources

**SUBJECT**

Request for the Council to Interview, Select, and Appoint Four (4) Members to the Personnel Commission and Provide Feedback on the Proposed Revisions to the Scope of the Personnel Commission

**RECOMMENDATION**

That the Council interviews, selects, and appoints four (4) members to the Personnel Commission and provide feedback on the proposed revisions to the scope of the Personnel Commission.

**ATTACHMENTS**

Attachment I      Staff Report





DATE: October 25, 2016  
TO: Mayor and City Council  
FROM: Director of Human Resources

## SUBJECT

Request for the Council to Interview, Select, and Appoint Four (4) Members to the Personnel Commission and Provide Feedback on the Proposed Revisions to the Scope of the Personnel Commission

## RECOMMENDATION

That the Council interviews, selects, and appoints four (4) members to the Personnel Commission and provide feedback on the proposed revisions to the scope of the Personnel Commission.

## BACKGROUND/DISCUSSION

Following the Council's typical Board and Commission recruitment process this past summer, there was a desire to revisit the scope and purpose of the Personnel Commission. As such, the Council did not interview or select any candidates to fill the four vacancies that currently exist on the Commission. As background, Article IX, Section 907 of the Hayward City Charter mandates that there be a Personnel Board ("Personnel Commission"), and that the City Council makes appointments to the Board. The Personnel Commission meets every other month and consists of seven (7) members. The Commission "acts in an advisory capacity to the Council and the City Manager on personnel administration". There are currently four (4) vacancies.

The duties of the Personnel Commission are enumerated in the Hayward City Charter as follows:

- Recommend to the Council after a public hearing thereon, the adoption, amendment or repeal of personnel rules and regulations; and,
- Hear appeals of any person in the classified service, relative to any suspension, demotion or dismissal; and,
- Make any investigation which it may consider desirable concerning the administration of personnel in the municipal services and report its findings to the City Council and City Manager; and,

- Perform such other duties with reference to personnel administration not inconsistent with this Charter as the Council may require by ordinance or resolution.

In May 2011, the Council approved Ordinance Number 11-05, which updated the scope of the Personnel Commission as provided for in the Hayward Municipal Code, Chapter 2, Article 3 to include:

- Ensure the City's employment and personnel practices comply with all applicable federal and state anti-discrimination laws.
- Review and adopt a classification plan for each position in the classified service.
- Review and recommend a salary plan for the city's classified service.
- Review recruitment and selection equal employment opportunity data and make recommendations related to the outreach program to support a program which includes communication to a diverse pool of qualified candidates.
- Make an investigation concerning administration of personnel in City service.
- Review training programs provided to City employees regarding the intent and content of the Administrative Rule Against Harassment and Retaliation.

The Charter and the Municipal Code provide the framework for the Personnel Commission to be a highly functional and meaningful advisory board to the Council and to the City Manager. With the updating of the City's Classification Plan and Job Specifications project that started in 2011, the Commission has spent the majority of its time over the past few years reviewing job specifications, a task that is initiated by Human Resources staff and discussed with Union representatives, prior to Personnel Commission review. The Commission also reviews and recommends approval of the Salary Plan, and receives and comments on diversity statistics for City recruitments. While each of the above functions are essential, they are, in some cases, duplicative, time consuming, and have the potential to delay recruitment processes.

Community members who volunteer their time to serve on City Boards indicate that they want to make a difference and participate in a meaningful and engaging process consistent with what their peers in other agencies experience. There are several opportunities to provide exactly this type of experience for the members of the Personnel Commission. For example, Human Resources staff is currently in the process of revising the City's outdated Personnel Rules, which in accordance to the Charter, the Personnel Commission will review and recommend to the Council. Reviewing the proposed changes to the Personnel Rules is important because they provide administrative policy for many areas of human resources, including recruitment and discipline. This task is consistent with what is done in other agencies and allows for input to essential hiring and personnel administration process. Another example of a role the Commission could play is making recommendations regarding the outreach program to include communications that reach a diverse pool of qualified candidates. Identifying and supporting programs that encourage diversity in recruitment outreach efforts is important and allows for members to contribute in a meaningful way. This is something that several past and current members have commented is lacking in the

existing role of the Commissioners because of the inordinate amount of time they spend reviewing job specifications.

In order to better provide an opportunity for members to be engaged and provide a meaningful service to the Hayward community, once the current vacancies are filled, staff will work with the Commission to revise the Mission of the Personnel Commission, which is old and outdated. Moreover, staff recommends the elimination of some tasks, including the review of job specifications that add a redundant level of bureaucracy, unnecessarily consume staff time and resources, and seldom result in substantive changes. Some recommendations staff may make to the scope of the Personnel Commission include:

- Promoting diversity within the classified service.
- Assessing, overseeing and recommending processes for recruitment and retention of a highly qualified and capable workforce.
- Reviewing incentive programs to ensure they support the City's larger attraction and retention goals.
- Reviewing the City's training programs and objectives

The proposed changes are consistent with the work that members of similar boards in other agencies perform. Moreover, they eliminate redundancy and allow for a more efficient delivery of HR services. Any substantive revisions to the duties of the Personnel Commission will require revisions to Chapter 2, Article 3 of the Municipal Code and will require Council approval.

Staff recommends that Council conduct a limited recruitment process and then interview, select, and appoint four (4) new members to the Personnel Commission by January 2017. Following this process, staff would engage with members of the Personnel Commission in the process of revising the scope of duties and updating the Mission statement. By engaging with the current and new members of the Commission in this process, they are more likely to find the duties more engaging and have a more meaningful role that adds value to the City's human resources processes. Following the discussions with the Personnel Commission in early 2017, staff will return to the Council for review and approval of any proposed changes to the scope of the Commission. The three (3) current Commissioners are aware of these developments and have been invited to attend the October 25, 2016 Council meeting.

In drafting this report, staff has engaged in discussion with Council Member Marvin Peixoto, current Council liaison to the Personnel Commission.

## FISCAL IMPACT

There is no fiscal impact associated with this report.

## NEXT STEPS

Following Council feedback, staff will conduct a recruitment for the Personnel Commission. Council will then interview, select, and appoint four (4) new members to the Personnel Commission by January 2017.

Once the current vacancies are filled, the City Manager will attend a Personnel Commission meeting to discuss the value of the board and the reasons that staff is requesting that the scope and mission of the board be revised.

Human Resources staff will then work with the Personnel Commission to develop the revised scope and mission and will also prepare any necessary changes to the Municipal Code for Council review and approval.

Prepared and Recommended by: Nina S. Collins, Director of Human Resources

Approved by:

A handwritten signature in black ink, appearing to read "Kelly McAdoo". The signature is fluid and cursive, with the first name "Kelly" being more prominent than the last name "McAdoo".

---

Kelly McAdoo, City Manager



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
www.Hayward-CA.gov

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**File #:** LB 16-104

---

**DATE:** October 25, 2016

**TO:** Redevelopment Successor Agency Board

**FROM:** Acting Director of Finance

**SUBJECT**

Approval of the Preliminary and Final Official Statements for the Redevelopment Successor Agency of the City of Hayward 2016 Tax Allocation Refunding Bonds (Refunding the Outstanding 2004 and 2006 Tax Allocation Bonds), a Bond Purchase Agreement with the Underwriters and Confirming the Issuance of the Bonds.

**RECOMMENDATION**

That the Hayward Redevelopment Successor Agency Board ("Successor Agency"), adopts the attached resolution (Attachment I) confirming the issuance of the 2016 Tax Allocation Refunding Bonds ("Refunding Bonds") to refinance the outstanding Tax Allocation Bonds, Series 2004 and Tax Allocation Bonds, Series 2006 (collectively, the "Outstanding Bonds"), approving the preliminary and final official statement ("POS"), approving a bond purchase agreement with Stifel, Nicolaus & Company, Incorporated and Hilltop Securities Inc. (collectively, the "Underwriters") and providing for other matters properly related thereto.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Redevelopment Successor Agency Resolution
Attachment III	Draft Preliminary Official Statement (POS)
Attachment IV	Draft Bond Purchase Agreement



DATE: October 25, 2016

TO: Redevelopment Successor Agency Board

FROM: Acting Director of Finance

SUBJECT:

Approval of the Preliminary and Final Official Statements for the Redevelopment Successor Agency of the City of Hayward 2016 Tax Allocation Refunding Bonds (Refunding the Outstanding 2004 and 2006 Tax Allocation Bonds), a Bond Purchase Agreement with the Underwriters and Confirming the Issuance of the Bonds

#### RECOMMENDATION

That the Redevelopment Successor Agency of the City of Hayward (“Successor Agency”), adopts the attached resolution (Attachment I) confirming the issuance of the 2016 Tax Allocation Refunding Bonds (“Refunding Bonds”) to refinance the outstanding Tax Allocation Bonds, Series 2004 and Tax Allocation Bonds, Series 2006 (collectively, the “Outstanding Bonds”), approving the preliminary and final official statement (“POS”), approving a bond purchase agreement with Stifel, Nicolaus & Company, Incorporated and Hilltop Securities Inc. (collectively, the “Underwriters”) and providing for other matters properly related thereto.

#### BACKGROUND

On June 2, 2004, the Redevelopment Agency of the City of Hayward (“Redevelopment Agency”) issued \$44,790,000 of Tax Allocation Bonds, Series 2004 (“2004 Bonds”) with a final maturity of March 1, 2034. In addition, on June 20, 2006, the Redevelopment Agency issued \$11,800,000 of Tax Allocation Bonds, Series 2006 (“2006 Bonds”) with a final maturity of March 1, 2036. The 2004 and most of the 2006 bond proceeds were used to finance the joint development by the former Redevelopment Agency and the Hayward Unified School District of the new Burbank Elementary School, the development costs of the new Cannery Park and play fields, and associated street, water and sewer improvements.

NHA Advisors, LLC, serving as the City’s municipal financial advisor, has determined that the Outstanding Bonds can now be refinanced with significantly lower interest rates and substantially lower debt service. Lower bond debt service will allow a greater amount of tax increment to be allocated to all taxing entities (including the City) in the same proportion as existing tax increment revenues.

## DISCUSSION

The Successor Agency approved the initial refinancing resolution and draft bond documents at the May 3, 2016 meeting which included directing staff and its consultants to prepare the necessary approval package for the California State Department of Finance (“DOF”). The Successor Agency received DOF approval to move forward with the financing on September 14, 2016.

Upon the Successor Agency’s approval of the POS and bond purchase agreement, staff will work with the Underwriters, bond counsel/disclosure counsel (Jones Hall) and the municipal advisor (NHA Advisors) to complete the credit review process with the rating agencies and prepare the necessary information to market the Refunding Bonds.

The attached Preliminary Official Statement has been reviewed and approved for transmittal to the Successor Agency by staff and its financing team. The Preliminary Official Statement must include all facts that would be material to an investor in the Refunding Bonds. Material information is information that there is a substantial likelihood would have actual significance in the deliberations of the reasonable investor when deciding whether to buy or sell the Refunding Bonds. Members of the Governing Board may review the Preliminary Official Statement and/or question staff and consultants to make sure they feel comfortable that it includes all material facts.

## FISCAL IMPACT

Issuance of the Refunding Bonds will increase the amount of tax increment revenues that are available to distribute to affected taxing entities. Overall cash flow savings are estimated to be approximately \$9,000,000. The City of Hayward’s General Fund will receive approximately 17.39% of the cash flow savings, or about \$1,750,000 over the remaining debt service term. Current projections indicate the City would receive over \$100,000 per year through FY 2029 and approximately \$50,000 per year during the remaining term through FY 2036. The balance of the debt service interest savings will be distributed among the other local taxing agencies.

Assuming approval by the Successor Agency, the Refunding Bonds are expected to be priced in mid-November with issuance in early December. Assuming the Successor Agency is able to submit an amended Recognized Obligation Payment Schedule (ROPS) request shortly after the bonds close, the first cash distributions of RPTTF to taxing entities, including the City of Hayward’s General Fund, that show an increase as a result of the proposed refunding would take place in June 2017.

## PUBLIC INPUT

On March 2, 2016 and April 5, 2016, the Council Budget & Finance Committee and the City Council, respectively, reviewed the City’s current debt portfolio and discussed with City staff the opportunity to refinance existing debt for financial savings.

## NEXT STEPS

Pending Successor Agency approval, staff will work with the financing team to develop the bond credit package and necessary bond marketing materials in the next 30 days. The Oversight Board for the Successor Agency does not need to approve the POS or the bond purchase agreement.

Prepared by: John Stefanski, Management Analyst

Recommended by: Dustin Claussen, Acting Director of Finance

Approved by:



---

Kelly McAdoo, City Manager



## REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD

RESOLUTION NO. RSA-\_\_\_\_

Introduced by Agency Member \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAYWARD, ACTING AS THE GOVERNING BOARD OF THE REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD, A SEPARATE LEGAL ENTITY, CONFIRMING THE ISSUANCE OF REFUNDING BONDS, APPROVING PRELIMINARY AND FINAL OFFICIAL STATEMENTS AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references hereinafter being to such Code), the Redevelopment Agency of the City of Hayward (the "Former Agency") has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the Redevelopment Successor Agency of the City of Hayward (the "Successor Agency") has become the successor entity to the Former Agency;

WHEREAS, prior to dissolution of the Former Agency, for the purpose of financing redevelopment activities of the Former Agency, the Former Agency issued two outstanding series of bonds (the "Outstanding Bonds"):

(i) \$44,790,000 Redevelopment Agency of the City of Hayward Downtown Hayward Redevelopment Project Tax Allocation Bonds, Series 2004 ("2004 Bonds") and

(ii) \$11,800,000 Redevelopment Agency of the City of Hayward Downtown Hayward Redevelopment Project Tax Allocation Bonds, Series 2006 ("2006 Bonds");

WHEREAS, Section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters");

WHEREAS, the Successor Agency, pursuant to Resolution No. RSA 16-02 (the "SA Resolution"), adopted on May 3, 2016, approved the issuance by the Successor Agency of its Redevelopment Successor Agency of the City of Hayward 2016 Tax Allocation Refunding Bonds (the "Refunding Bonds") for the purpose of refunding the Outstanding Bonds, subject to the Savings Parameters being met;

WHEREAS, the Successor Agency requested that the Oversight Board for the Successor Agency (the "Oversight Board") approve the issuance of the Refunding Bonds by the Successor Agency;

WHEREAS, the Oversight Board, by Resolution No. 2016-03 (the "OB Resolution"), adopted on June 8, 2016, approved the issuance of the Refunding Bonds by the Successor Agency, and the OB Resolution, together with additional materials, were submitted to the California Department of Finance for its approval of the OB Resolution and the issuance of the Refunding Bonds;

WHEREAS, the Successor Agency, with the assistance of its disclosure counsel, Jones Hall, A Professional Law Corporation, has prepared a draft of the Official Statement for the Refunding Bonds (the "Official Statement"), which contains, among other things, information regarding the Refunding Bonds, the Former Agency and the Successor Agency, the preliminary form of which is on file with the Secretary of the Successor Agency; and

WHEREAS, the Successor Agency, with the aid of its staff, has reviewed the Official Statement and wishes at this time to approve its use and distribution as in the public interests of the Successor Agency and applicable taxing entities;

NOW, THEREFORE, BE IT RESOLVED that the City Council, acting as the Governing Board of the Redevelopment Successor Agency of the City of Hayward, hereby finds, resolves and determines that the foregoing recitals are true and correct, and, together with information provided by Successor Agency staff and the public, form the basis for the approvals, findings, resolutions and determinations set forth below:

1. Confirmation of Issuance of Refunding Bonds. The Successor Agency hereby confirms its actions in the SA Resolution authorizing and approving the issuance and sale of the Refunding Bonds.
2. Approval of Official Statement. The Successor Agency hereby approves the preliminary Official Statement in substantially the form on file with the Secretary of the Successor Agency. Distribution of the preliminary Official Statement by the Successor Agency and the Underwriter of the Refunding Bonds (as defined below) is hereby approved, and, prior to the distribution of the preliminary Official Statement, the Mayor of the City of Hayward, as Chair of the Successor Agency, the City Manager of the City of Hayward, as the chief administrative officer of the Successor Agency, the Finance Director, as the chief financial officer of the Successor Agency, the City Attorney of the City, as the general counsel of the Successor Agency, or the written designee of any such officer (each, an "Authorized Officer"), each acting alone, are authorized and directed, on behalf of the Successor Agency, to deem the preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by the Authorized Officer executing the same, and such information permitted to be excluded from the preliminary Official Statement pursuant to the Rule, is hereby approved for delivery to the purchasers of the Refunding Bonds, and each Authorized Officer, acting alone, is authorized and directed to execute and deliver the final Official Statement for and on behalf of the Successor Agency, to deliver to the Underwriter a certificate with respect to the information set forth therein and to deliver to the Underwriter a continuing disclosure undertaking substantially in the form appended to the final Official Statement.
3. Confirmation of Underwriter; Approval of Bond Purchase Agreement. In the SA Resolution, the Successor Agency directed the City's Finance Director to select an underwriter for the Refunding Bonds following distribution of a Request for Proposals to qualified underwriters identified by the Finance Director in consultation with NHA Advisors, LLC, the Successor Agency's municipal advisor ("Municipal Advisor"). The Finance Director selected Stifel, Nicolaus & Company, Incorporated and Hilltop Securities Inc. (collectively, the "Underwriter"), and the Successor Agency hereby confirms the selection of the Underwriter.

A form of Bond Purchase Agreement between the Successor Agency and the Underwriter is on file with the Secretary, and the form of the Bond Purchase Agreement is hereby approved. An Authorized Officer is hereby authorized and directed to execute and deliver the Bond Purchase Agreement for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement. The Successor Agency hereby authorizes the delivery and performance of the Bond Purchase Agreement.

4. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in connection with the issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.
  
5. Effective Date. This Resolution shall take effect immediately upon its adoption.

HAYWARD, CALIFORNIA, October 18, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES:	AGENCY MEMBERS:
NOES:	AGENCY MEMBERS:
ABSTAIN:	AGENCY MEMBERS:
ABSENT:	AGENCY MEMBERS:

ATTEST: \_\_\_\_\_  
Secretary of the Redevelopment Successor  
Agency of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
General Counsel of the  
Redevelopment Successor Agency  
of the City of Hayward

**PRELIMINARY OFFICIAL STATEMENT DATED \_\_\_\_\_, 2016****NEW ISSUE—BOOK-ENTRY**

**RATINGS: Insured Rating: S&P: “\_”**  
**Underlying Rating: S&P: “\_”**  
**See “CONCLUDING INFORMATION – Ratings”**

*In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described in this Official Statement, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, such interest on the Bonds is exempt from California personal income taxes. See "TAX MATTERS."*

\$ \_\_\_\_\_ \*

**REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD  
 2016 TAX ALLOCATION REFUNDING BONDS**

**Dated: Delivery Date**

**Due: September 1, as shown on the inside front cover**

**Purpose of the Bonds.** The above captioned bonds (the "Bonds") are being issued by the Redevelopment Successor Agency of the City of Hayward (the "Successor Agency"), as successor agency to the former Redevelopment Agency of the City of Hayward (the "Former Agency") to (i) refund two outstanding series of bonds issued by the Former Agency (the "2004 Bonds" and the "2006 Bonds") payable from tax increment revenue generated in the Former Agency's Downtown Hayward Redevelopment Project Area (the "Project Area"), (ii) purchase a bond insurance policy and (iii) pay costs of issuance.

**Book-Entry.** The Bonds will be delivered as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to ultimate purchasers ("Beneficial Owners") in the denomination of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. Beneficial Owners will not be entitled to receive delivery of bonds representing their ownership interest in the Bonds.

**Payments.** Annual principal of, premium if any, and semiannual interest on the Bonds due March 1 and September 1 of each year, commencing March 1, 2017 will be payable by The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"), to DTC for subsequent disbursement to DTC participants, so long as DTC or its nominee remains the registered owner of the Bonds. See "THE BONDS."

**Redemption\*.** The Bonds are subject to optional redemption and mandatory sinking account redemption prior to maturity. See "THE BONDS – Redemption."

**Security for the Bonds.** The Bonds are payable from and secured by a first lien and pledge of Tax Revenues (as described herein) allocable to the Successor Agency under the Dissolution Act (described herein) to be derived from parcels in the Project Area, and from moneys in certain funds and accounts established under the Indenture of Trust, dated as of \_\_\_\_\_ 1, 2016 (the "Indenture"), by and between the Successor Agency and the Trustee, as further described in this Official Statement. See "SECURITY FOR THE BONDS."

The Successor Agency will initially fund a reserve account for the Bonds with a debt service reserve fund surety policy. See "SECURITY FOR THE BONDS – Debt Service Reserve Account."

**Limited Obligations.** The Bonds are special obligations of the Successor Agency and are secured by an irrevocable pledge of, and are payable as to principal, interest and premium, if any, from Tax Revenues and other funds described in this Official Statement. The Bonds, interest and premium, if any, thereon are not a debt of the City of Hayward (the "City"), the County of Alameda (the "County"), the State of California (the "State") or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State nor any of their political subdivisions except the Successor Agency is liable thereon. The Bonds, interest thereon and premium, if any, are not payable out of any funds or properties other than those set forth in the Indenture. Neither the members of the Successor Agency, the Oversight Board of the Successor Agency, the County Board of Supervisors nor any persons executing the Bonds are liable personally on the Bonds.

**[Bond Insurance.** The Successor Agency has applied for an insurance policy for the Bonds and a reserve fund insurance policy. The Successor Agency may purchase such insurance to be delivered concurrently with the delivery of the Bonds for some or all maturities. Any such decision will be made at the time of pricing.]

*This cover page of the Official Statement contains information for quick reference only. It is not a complete summary of the Bonds. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision. Attention is hereby directed to certain risk factors more fully described in this Official Statement. See "RISK FACTORS."*

The Bonds are offered, when, as and if issued, subject to the approval of Jones Hall, A Professional Law Corporation, San Francisco, Bond Counsel to the Successor Agency. Jones Hall, A Professional Law Corporation, is also serving as Disclosure Counsel to the Successor Agency. In addition, certain legal matters will be passed upon for the Successor Agency by the City Attorney of the City, as Successor Agency general counsel. Certain legal matters will be passed on for the Underwriter by Stradling, Yocca, Carlson & Rauth, Newport Beach, California. It is anticipated that the Bonds will be available for delivery through the book-entry facilities of DTC, on or about \_\_\_\_\_, 2016.

[Underwriter's Logo- Hilltop/Stifel]

The date of this Official Statement is \_\_\_\_\_, 2016.

\* Preliminary, subject to change.

**MATURITY SCHEDULE\***

<u>Maturity Date (September 1)</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP<sup>†</sup> (Base _____)</u>
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\*Preliminary; subject to change.

† Copyright 2016, CUSIP Global Services, and a registered trademark of the American Bankers Association. CUSIP data is provided by CUSIP Global Services, which is managed on behalf of American Bankers Association by S&P Capital IQ. Neither the Successor Agency nor the Underwriter assumes any responsibility for the accuracy of the CUSIP data.

**SUCCESSOR AGENCY TO THE  
HAYWARD REDEVELOPMENT AGENCY**

**CITY COUNCIL/SUCCESSOR AGENCY BOARD**

Barbara Halliday, Mayor  
Al Mendall, Councilmember  
Francisco Zermeño, Councilmember  
Marvin Peixoto, Councilmember  
Mark Salinas, Councilmember  
Sara Lamnin, Councilmember  
Elisa Márquez, Councilmember

**CITY/SUCCESSOR AGENCY STAFF**

Kelly McAdoo, City Manager  
Dustin Claussen, Acting Director of Finance  
Michael Lawson, City Attorney  
Miriam Lens, City Clerk

**SPECIAL SERVICES**

**Financial Advisor**

NHA Advisors, LLC  
San Rafael, California

**Bond & Disclosure Counsel**

Jones Hall, A Professional Law Corporation  
San Francisco, California

**Trustee**

The Bank of New York Mellon Trust Company, N.A.  
San Francisco, California

**Fiscal Consultant**

HdL Coren & Cone  
Diamond Bar, California

**Verification Agent**

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

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## GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

**No Offering May Be Made Except by this Official Statement.** No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations with respect to the Bonds other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized.

**No Unlawful Offers or Solicitations.** This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

**Effective Date.** This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the Successor Agency or the Project Area since the date of this Official Statement.

**Use of this Official Statement.** This Official Statement is submitted in connection with the sale of the Bonds referred to in this Official Statement and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract with the purchasers of the Bonds.

**Preparation of this Official Statement.** The information contained in this Official Statement has been obtained from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

**Document References and Summaries.** All references to and summaries of the Indenture or other documents contained in this Official Statement are subject to the provisions of those documents and do not purport to be complete statements of those documents.

**Stabilization of and Changes to Offering Prices.** The Underwriter may overallocate or take other steps that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the Bonds to certain dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

**Bonds are Exempt from Securities Laws Registration.** The issuance and sale of the Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions for the issuance and sale of municipal securities provided under Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934.

**Application for Insurance.** The Successor Agency has applied for a municipal bond insurance policy for the Bonds and a reserve fund insurance policy. The Successor Agency may purchase such insurance to be delivered concurrently with the delivery of the Bonds for some or all maturities. Any such decision will be made at the time of pricing.

**Estimates and Projections.** Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" as described in the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE SUCCESSOR AGENCY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

**Website.** The City maintains an Internet website, but the information on the website is not incorporated in this Official Statement.



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**OFFICIAL STATEMENT**

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**REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD  
2016 TAX ALLOCATION REFUNDING BONDS**

This Official Statement, including the cover page, is provided to furnish information in connection with the sale by the Redevelopment Successor Agency of the City of Hayward (the “**Successor Agency**”) of the above-captioned bonds (the “**Bonds**”).

**INTRODUCTION**

*This introduction is not a summary of this Official Statement. It is only a brief description and guide to, and is qualified by, the more complete and detailed information contained in the entire Official Statement including the cover page and the appendices hereto, and the documents summarized or described herein. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.*

**Authority and Use of Proceeds**

The Successor Agency is issuing the Bonds pursuant to authority granted by Part 1 (commencing with Section 33000) and Part 1.85 of Division 24 (commencing with Section 34170) of the California Health and Safety Code (the “**Redevelopment Law**”), Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the “**Refunding Law**”), including the Dissolution Act described herein, and an Indenture of Trust dated as of \_\_\_\_\_ 1, 2016 (the “**Indenture**”) by and between the Successor Agency and The Bank of New York Mellon Trust Company, N.A., Los Angeles, California, as trustee (the “**Trustee**”). See “THE BONDS – Authority for Issuance.”

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\* Preliminary, subject to change.

The Successor Agency is issuing the Bonds in order to redeem and defease the following bonds issued by the Redevelopment Agency of the City of Hayward (the “**Former Agency**”):

- \$44,790,000 Redevelopment Agency of the City of Hayward 2003 Tax Allocation Bonds, Series A (the “**2004 Bonds**”), and
- \$20,625,000 Redevelopment Agency of the City of Hayward Downtown Hayward Redevelopment Project Tax Allocation Bonds, Series 2006 (the “**2006 Bonds**”).

The proceeds of the 2004 Bonds and the 2006 Bonds (together, the “**Prior Bonds**”) were used to finance or refinance redevelopment activities in the Former Agency’s Downtown Hayward Redevelopment Project Area (the “**Project Area**”).

Proceeds of the Bonds will also be used to pay the costs of issuing the Bonds, including the premium for a municipal bond insurance policy and/or reserve fund insurance policy for the Bonds, if applicable.

### **The City and the Successor Agency**

**The City.** The City of Hayward (the “**City**”) is located fourteen miles south of Oakland in the San Francisco Bay area and includes sixty-one square miles lying between the eastern shore of the San Francisco Bay and the southern Oakland-Berkeley Hills. The City is the sixth largest city in the San Francisco Bay Area and the third largest city in Alameda County (the “**County**”). The City serves as a major transportation hub and center of commercial and industrial activity, with immediate access to major interstate freeways, rail lines, and public transit routes such as Bay Area Rapid Transit (BART). The community includes approximately 49,000 homes, residences of all types, and considerable commercial and industrial development. Major institutional facilities include California State University-East Bay, Chabot Community College, one major hospital, and state and county offices.

**The Former Agency.** The Successor Agency is the successor entity to the Former Agency, which was dissolved under the Dissolution Act (described herein). The Former Agency was activated in 1969, at which time the City Council declared itself to be the governing board of the Former Agency. The Former Agency adopted the redevelopment plan for the Project Area in 1975. The Project Area is the only redevelopment project area of the Former Agency.

**Dissolution Act.** On June 29, 2011, Assembly Bill No. 26 (“**AB 1X 26**”) was enacted together with a companion bill, Assembly Bill No. 27 (“**AB 1X 27**”). The provisions of AB 1X 26 provided for the dissolution of all redevelopment agencies statewide as of February 1, 2012. The provisions of AB 1X 27 permitted redevelopment agencies to avoid such dissolution by the payment of certain amounts. A lawsuit was brought in the California Supreme Court, *California Redevelopment Association, et al., v. Matosantos, et al.*, 53 Cal. 4th 231 (Cal. Dec. 29, 2011), challenging the constitutionality of AB 1X 26 and AB 1X 27. On December 19, 2012, the California Supreme Court largely upheld AB 1X 26, invalidated AB 1X 27, and held that AB 1X 26 may be severed from AB 1X 27 and enforced independently. As a result of AB 1X 26 and the decision of the California Supreme Court in the California Redevelopment Association case, as of February 1, 2012, all redevelopment agencies in the State were dissolved, including the Former Agency, and successor agencies were designated as successor entities to the former

redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies.

The primary provisions enacted by AB 1X 26 relating to the dissolution and wind down of former redevelopment agency affairs are found in Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State, as amended on June 27, 2012 by Assembly Bill No. 1484 (“**AB 1484**”) and on September 22, 2015 by Senate Bill 107 (as further amended from time to time, the “**Dissolution Act**”).

**Successor Agency.** Pursuant to Section 34173 of the Dissolution Act, the City acts as the Successor Agency to the Former Agency. Subdivision (g) of Section 34173 of the Dissolution Act, added by AB 1484, expressly affirms that the Successor Agency is a separate public and legal entity from the City, that the two entities shall not merge, and that the liabilities of the Former Agency will not be transferred to the City nor will the assets of the Former Agency become assets of the City.

### **The Project Area**

The Project Area includes the City’s commercial center, which contains numerous businesses, city buildings, and governmental and cultural facilities, including Centennial Hall (a multipurpose conference center), the main library, the Hayward Little Theater, Japanese Gardens, and several parks. Amendments to the redevelopment plan in 1987, 1998 and 2001 added a total of 1,108 acres to the Project Area. The assessed value of the Project Area in fiscal year 2016-17 was approximately \$2.219 billion and Tax Revenues are projected to be approximately \$16.28 million.

See “THE PROJECT AREA” for additional information on land use and property ownership within the Project Area.

### **Security for the Bonds - Tax Allocation Financing**

The Dissolution Act authorizes the Successor Agency to issue refunding bonds secured by a pledge of, and lien on, and repaid from incremental property tax revenues (the “**Tax Revenues**,” as defined in the Indenture) deposited with respect to the Project Area from time to time in the Redevelopment Property Tax Trust Fund (the “**Redevelopment Property Tax Trust Fund**”) established and held by the Alameda County Auditor-Controller (the “**County Auditor-Controller**”). See “SECURITY FOR THE BONDS - Tax Revenues” for the definition of “Tax Revenues.” Section 34177.5(a)(1) authorizes the issuance of such refunding bonds to provide savings to the Successor Agency, provided that (i) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other indebtedness does not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded, and (ii) the principal amount of the refunding bonds or other indebtedness does not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance. See “SECURITY FOR THE BONDS.”

Prior to the enactment of AB 1X 26, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance which adopted the redevelopment plan

became the base year valuation. Assuming the taxable valuation never dropped below the base year level, the taxing agencies receiving property taxes thereafter received only that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion of property taxes produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of redevelopment agency obligations.

As a consequence of the dissolution of redevelopment agencies, all property tax revenues that would have been allocated to redevelopment agencies are now allocated to the applicable redevelopment property tax trust fund created by the county auditor-controller for the “successor agency.” Such funds are to be used for payments on indebtedness and other “enforceable obligations” (as defined in the Dissolution Act), and to pay certain administrative costs, with amounts in excess of those to be considered property taxes that will be distributed to taxing agencies. In addition, under the Dissolution Act tax increment is no longer deemed to flow directly to the successor agency. Further, the Dissolution Act no longer requires successor agencies to deposit a portion of the tax increment into a low- and moderate-income housing fund. Rather, all funds are considered property taxes.

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Former Agency from the Project Area had the Former Agency not been dissolved pursuant to the operation of AB 1X 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the Redevelopment Property Tax Trust Fund. The Dissolution Act provides that any bonds authorized thereunder to be issued by the Successor Agency will be considered indebtedness incurred by the dissolved Former Agency, with the same lien priority and legal effect as if the Bonds had been issued prior to the effective date of AB 1X 26, in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date, and will be included in the Successor Agency’s Recognized Obligation Payment Schedules. See “SECURITY FOR THE BONDS – Recognized Obligation Payment Schedules.”

The Dissolution Act further provides that property tax revenues pledged to any bonds authorized under the Dissolution Act, such as the Bonds, are taxes allocated to the successor agency pursuant to the provisions of the Redevelopment Law and the State Constitution.

Property tax revenues will be allocated to the Successor Agency on a semi-annual basis based on a Recognized Obligation Payment Schedule submitted by the Successor Agency to an oversight board established for the Successor Agency (the “**Oversight Board**”) and the State Department of Finance (the “**DOF**”). The County Auditor-Controller will distribute funds from the Redevelopment Property Tax Trust Fund for each six-month period in the order specified in the Dissolution Act. See “SECURITY FOR THE BONDS – Recognized Obligation Payment Schedules.”

Successor agencies have no power to levy property taxes and must rely on the allocation of taxes as described above. See “RISK FACTORS.”

## **Bond Insurance**

[[The Successor Agency has applied for an insurance policy for the Bonds. The Successor Agency may purchase such insurance to be delivered concurrently with the delivery of the Bonds for some or all maturities. Any such decision will be made at the time of pricing.]]

## **Limited Obligation**

The Bonds are special obligations of the Successor Agency and are secured by an irrevocable pledge of and lien on, and are payable as to principal, interest and premium, if any, from Tax Revenues and other funds. The Bonds and interest thereon and premium, if any, are not a debt of the City, the County, the State or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State nor any of their political subdivisions (except the Successor Agency) are liable thereon. The Bonds, interest thereon and premium, if any, are not payable out of any funds or properties other than those set forth in the Indenture. No member, officer, agent, or employee of the Successor Agency, the Oversight Board, the County Board of Supervisors or any person executing the Bonds is liable personally on the Bonds by reason of their issuance.

## **Debt Service Reserve Account**

Simultaneously with the issuance of the Bonds, in order to further secure the payment of the principal and interest on the Bonds, a debt service reserve account (the “**Reserve Account**”) [[[will be funded by proceeds of the Bonds or the deposit of a “**Qualified Reserve Account Credit Instrument**” (as defined in the Indenture) in the form of a debt service reserve fund surety policy (the “**Reserve Policy**”)]]] in an amount equal to the “**Reserve Requirement**” (as defined herein) to be issued by the Bond Insurer. See “SECURITY FOR THE BONDS – Debt Service Reserve Account.”

## **Professionals Involved in the Offering**

NHA Advisors, LLC, San Rafael, California, has served as financial advisor to the Successor Agency and has advised the Successor Agency with respect to the financial structure of the refinancing and as to other financial aspects of the transaction. *Payment of the fees and expenses of the financial advisor is contingent upon the sale and delivery of the Bonds.*

All proceedings in connection with the issuance of the Bonds are subject to the approval of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the Successor Agency. Jones Hall is also acting as Disclosure Counsel. Certain legal matters will be passed on for the Underwriter by Stradling, Yocca, Carlson & Rauth. In addition, certain legal matters will be passed upon for the Successor Agency by the City Attorney of the City. *Payment of the fees and expenses of Bond Counsel, Disclosure Counsel and Underwriter’s Counsel is contingent upon the sale and delivery of the Bonds.*

**Further Information**

Brief descriptions of the Redevelopment Law, the Dissolution Act, the Refunding Law, the Bonds, the Indenture, the Successor Agency, the Former Agency and the City are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. All references in this Official Statement to the Redevelopment Law, the Dissolution Act, the Refunding Law, the Bonds, the Indenture, the Constitution and the laws of the State as well as the proceedings of the Former Agency, the Successor Agency, the County and the City are qualified in their entirety by reference to such documents and laws. References in this Official Statement to the Bonds are qualified in their entirety by the form included in the Indenture and by the provisions of the Indenture. Capitalized terms used in this Official Statement and not otherwise defined shall have the meanings given to such terms as set forth in the Indenture.

During the period of the initial offering of the Bonds, copies of the draft forms of all documents are available from the Underwriter or from the City Clerk, City of Hayward, 777 B Street, Hayward, CA 94541.

***[End of Introduction]***

## REFUNDING PLAN

The Successor Agency is issuing the Bonds in order to refund on a current basis (i) the 2004 Bonds, which are currently outstanding in the aggregate principal amount of \$30,380,000, and (ii) the 2006 Bonds, which are currently outstanding in the aggregate principal amount of \$11,380,000. The 2004 Bonds are subject to optional redemption on any date on or after March 1, 2014 at a price equal to 100% of the principal amount thereon plus accrued and unpaid interest thereof; the 2006 Bonds are subject to optional redemption on any date on or after March 1, 2016 at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest thereon.

The 2004 Bonds were issued (a) to refund on a current basis the Former Agency's outstanding Downtown Hayward Redevelopment Project 1996 Tax Allocation Refunding Bonds (the "**1996 Bonds**") and (b) finance certain public facilities. The 1996 Bonds were issued for the purpose of refunding on an advance basis the Former Agency's outstanding Downtown Hayward Redevelopment Project 1989 Tax Allocation Bonds (the "**1989 Bonds**"). The 1989 Bonds were issued for the purpose of financing certain public facilities.

The 2006 Bonds were issued to finance various redevelopment activities in the Project Area.

After the defeasance of the Prior Bonds, there will be no other outstanding bonds of the Successor Agency with a senior or parity pledge and lien on Tax Revenues.

### **Redemption of the Prior Bonds**

At the time of issuance of the Bonds the Successor Agency will give Irrevocable Refunding Instructions to Wells Fargo Bank, N.A., as the Trustee for the Prior Bonds (the "**Prior Trustee**"), for the purpose of providing the terms and conditions relating to the deposit and application of proceeds of the Bonds and other moneys to provide for the payment and redemption of (i) all of the outstanding 2004 Bonds pursuant to an Indenture of Trust, dated as of May 1, 2004 (the "**2004 Indenture**"), by and between the Former Agency and the Prior Trustee and (ii) all of the outstanding 2006 Bonds pursuant to the 2004 Indenture, as supplemented by a First Supplement to Indenture of Trust, dated as of June 1, 2006 (the "**2006 First Supplement**"; the 2004 Indenture, as supplemented by the 2006 First Supplement, the "**2006 Indenture**"; together with the 2004 Indenture, the "**Refunded Bonds Indentures**"), by and between the Former Agency and the Prior Trustee.

Upon issuance of the Bonds, proceeds of the Bonds in the amount needed for redemption of the Prior Bonds will be transferred to the Redemption Accounts established under each Indenture to be applied, pursuant to the Irrevocable Refunding Instructions for redemption of the Prior Bonds on the Redemption Date. None of the amounts transferred to or on deposit in the Redemption Accounts will be applied for any purpose other than as provided in the Irrevocable Refunding Instructions.

Following redemption of the outstanding principal amount of all of the Prior Bonds, any monies remaining in each respective Redemption Account will be transferred to the Trustee for deposit into the Debt Service Fund established under the Indenture to be used to pay interest on the Bonds.

*The amounts held by the Prior Bonds Trustee in the respective Redemption Accounts are pledged solely to the amounts due and payable by the Successor Agency with respect to the Prior Bonds. Neither the funds deposited in the respective Redemption Accounts nor interest on the invested funds, if any, will be available for the payment of debt service with respect to the Bonds.*

**Verification of Mathematical Accuracy.** The sufficiency of amounts on deposit in the Redemption Accounts together with investment earnings thereon to pay the principal and accrued interest with respect to the applicable Prior Bonds being refunded will be verified by \_\_\_\_\_, certified public accountants (the “**Verification Agent**”). The Verification Agent will deliver a report to that effect on the date of delivery of the Bonds.

### **Estimated Sources and Uses of Funds**

The estimated sources and uses of funds are summarized below.

**Sources:**

Principal Amount of Bonds

*Plus:* Prior Bonds - Available Funds

*Plus:* Net Original Issue Premium/*Less:* Net Original Issue

Discount

**Total Sources**

**Uses:**

Refunding of 2004 Bonds

Refunding of 2006 Bonds

Costs of Issuance Fund <sup>(1)</sup>

Underwriter's Discount

**Total Uses**

(1) Costs of Issuance include fees and expenses for Bond Counsel, Disclosure Counsel, Financial Advisor, Trustee, Verification Agent, [premium for bond insurance, and reserve policy,] administrative costs, Successor Agency Counsel, printing expenses, rating fee, and other costs related to the issuance of the Bonds.



### Debt Service Schedule

The following table shows the annual debt service schedule for the Bonds, assuming no optional redemption of the Bonds.

<b>Bond Year Ending September 1</b>	<b>2016 Bonds Principal</b>	<b>2016 Bonds Interest</b>	<b>Total Debt Service</b>
2017			\$2,924,681
2018			3,079,525
2019			3,053,975
2020			3,053,675
2021			3,050,375
2022			3,048,975
2023			3,044,375
2024			3,046,375
2025			3,044,775
2026			3,044,475
2027			2,883,575
2028			2,898,988
2029			2,078,825
2030			1,271,575
2031			1,276,700
2032			1,274,900
2033			1,276,400
2034			1,276,100
2035			1,274,000
2036			1,275,000
2037			--
<b>Total</b>			<b>\$47,177,269</b>

## THE BONDS

### Authority for Issuance

The issuance of the Bonds and the execution and delivery of the Indenture were authorized by the Successor Agency pursuant to Resolution No. \_\_\_\_\_ adopted on May 3, 2016 (the “**Resolution**”), and approved by the Oversight Board pursuant to Resolution No. 2016-03 adopted on June 28, 2016 (the “**Oversight Board Resolution**”).

Pursuant to the Dissolution Act, written notice of the Oversight Board Resolution was provided to the DOF. On September 14, 2016, the DOF provided a letter to the Successor Agency stating that, based on the DOF’s review and application of the law, the Oversight Board Resolution approving the Bonds is approved by the DOF. See “APPENDIX G – State Department of Finance Approval Letter.”

Section 34177.5(f) of the Dissolution Act provides that when, as here, a successor agency issues refunding bonds with the approval of the oversight board and the DOF, the oversight board may not unilaterally approve any amendments to or early termination of the bonds, and the scheduled payments on the bonds shall be listed in the Recognized Obligation Payment Schedule and are not subject to further review and approval by the DOF or the California State Controller.

### Description of the Bonds

The Bonds will be issued and delivered in fully-registered form without coupons in the denomination of \$5,000 or any integral multiple thereof for each maturity, initially in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), New York, New York, as registered owner of all Bonds. The initially executed and delivered Bonds will be dated the date of delivery (the “**Closing Date**”) and mature on September 1 in the years and in the amounts shown on the inside cover page of this Official Statement.

Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) will be calculated on the basis of a 360-day year of twelve 30-day months at the rates shown on the inside cover page of this Official Statement, payable semiannually on March 1 and September 1 in each year, commencing on March 1, 2017 (each an “**Interest Payment Date**”), by check mailed to the registered owners thereof or upon the request of the Owners of \$1,000,000 or more in principal amount of Bonds, by wire transfer to an account in the United States which shall be designated in written instructions by such Owner to the Trustee on or before the Record Date preceding the Interest Payment Date. “**Record Date**” as defined in the Indenture means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

One fully-registered bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See “APPENDIX D – Book-Entry Only System.”

**Redemption\***

**Optional Redemption.** The Bonds maturing on or before September 1, 20\_\_ are not subject to optional redemption prior to maturity. The Bonds maturing on and after September 1, 20\_\_, are subject to redemption, at the option of the Successor Agency on any date on or after September 1, 20\_\_, as a whole or in part, by such maturities as shall be determined by the Successor Agency, and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

**Mandatory Sinking Account Redemption.** The Bonds that are Term Bonds maturing September 1, 20\_\_ shall be subject to mandatory redemption in whole, or in part by lot, on September 1 in each year, commencing September 1, 20\_\_, as set forth below, from sinking fund payments made by the Successor Agency, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on September 1 in the respective years as set forth in the following table; provided however, that (i) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to the Indenture, and (ii) if some but not all of such Term Bonds have been optionally redeemed, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency.

**Term Bonds Maturing September 1, 20\_\_**

<b>Sinking Account Redemption Date (September 1)</b>	<b>Principal Amount To Be Redeemed</b>
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**Purchase in Lieu of Redemption.** In lieu of such redemption of the Bonds, amounts on deposit in the Debt Service Fund or in the Principal Account or Sinking Account may also be used and withdrawn by the Successor Agency and the Trustee, respectively, at any time, upon the Written Request of the Successor Agency, for the purchase of the Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as the Successor Agency may in its discretion determine. The par amount of any Term Bonds so purchased by the Successor Agency in any twelve-month period ending on July 1 in any year shall be credited towards and shall reduce the par amount of the Term Bonds required to be redeemed pursuant to subsection (d) on September 1 in each year; provided that evidence satisfactory to the Trustee of such purchase has been delivered to the Trustee by said July 1. In no event shall the Successor Agency purchase any Term Bonds in lieu of redemption without canceling such Term Bonds.

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\* Preliminary, subject to change.

**Notice of Redemption.** The Trustee on behalf and at the expense of the Successor Agency shall mail (by first class mail, postage prepaid) notice of any redemption at least twenty (20) but not more than forty-five (45) days prior to the redemption date, to (i) to the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) the Securities Depositories and to the Information Services; but such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall state that optional redemption is conditioned upon the timely delivery of the redemption price by the Successor Agency to the Trustee for deposit in the Redemption Account, shall designate the CUSIP number of the Bonds to be redeemed, shall state the individual number of each Bond to be redeemed or shall state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and shall require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

**Right to Rescind Notice.** The Successor Agency has the right to rescind any notice of the optional redemption of Bonds by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of optional redemption will be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default. The Successor Agency and the Trustee have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee will mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose will, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

**Partial Redemption of Bonds.** In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Successor Agency will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

**Effect of Redemption.** From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption have been duly deposited with the Trustee, the Bonds so called will cease to be entitled to any benefit under the Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest will accrue thereon from and after the redemption date specified in such notice.

**Manner of Redemption.** Whenever any Bonds or portions thereof are to be selected for redemption by lot within a maturity, the Trustee will make the selection, in such manner as the Trustee deems appropriate.

## **Additional Bonds**

**Parity Debt.** In the Indenture, the Successor Agency covenants that it will not issue any bonds, notes or other obligations that are payable from or secured by a lien on Tax Revenues that is superior to the lien under the Indenture. The Successor Agency may issue bonds, notes or other obligations that are payable from and secured by a lien on Tax Revenues that is on parity with the lien under the Indenture ("**Parity Debt**") to refund all or a portion of the Outstanding Bonds provided that with respect to any such refunding (i) annual debt service on such Parity Debt, as applicable, is lower than annual debt service on the obligations being refunded during every year the obligations would otherwise be outstanding (ii) the final maturity of any such Parity Debt does not exceed the final maturity of the obligations being refunded, (iii) the interest rate on the Parity Debt shall be fixed on the date of issuance of the Parity Debt, (iv) principal payments shall be on September 1 and interest payments on September 1 and March 1, and (v) prior to the issuance of any Parity Debt, the Successor Agency shall use commercially reasonable efforts, to the extent permitted by law, to subordinate all amounts, if any, payable to a taxing entity pursuant to Section 33607.5 and 33607.7 to the payment of debt service on such Parity Debt.

After the defeasance of the Prior Bonds, there will be no other outstanding bonds of the Successor Agency with a senior or parity pledge and lien on Tax Revenues.

**Subordinate Debt.** The Indenture permits the Successor Agency to issue subordinated obligations which are either: (a) payable from, but not secured by a pledge of or lien upon, the Tax Revenues, including revenue bonds and other debts and obligations scheduled for payment pursuant to Section 34183(a)(2) of the Redevelopment Law; or (b) secured by a pledge of or lien upon the Tax Revenues which is subordinate to the pledge of and lien upon the Tax Revenues under the Indenture for the security of the Bonds and any Parity Debt ("**Subordinate Debt**"). Any Subordinate Debt shall be payable on the same dates as the Bonds and shall be in all respect, including security and payments, subordinate and junior to the Bonds.

*[Remainder of page intentionally left blank]*

## TAX INCREMENT FINANCING GENERALLY

### Property Tax Allocation and Collection Procedures

Tax Revenues to be used for payment of the Bonds are generated from increases in the total assessed value above the base year value. See "SECURITY FOR THE BONDS." The method by which a county allocates property taxes and tax increment revenues can have a significant impact on the receipt of such revenues. The County calculates tax increment to the Project Area by applying the one percent tax rate and certain overrides to incremental taxable value. Tax rates in excess of one percent are not levied in the Project Area. The County also allocates supplemental property tax revenues to the Project Area.

The County Auditor-Controller reduces the total amount of tax increment revenue by administrative expenses and the amount of property tax revenue to be distributed to those taxing entities which have elected to receive additional property tax allocations pursuant to former Health and Safety Code Section 33676, and also pursuant to Section 33401 tax sharing agreements. The County annually reports the tax increment levy due the Project Area to the Successor Agency.

Tax increment is allocated based on 100% of the County calculated levy, under the Teeter Plan. See "Teeter Plan" below.

**Classification.** In California, property which is subject to ad valorem taxes is classified as "secured" or "unsecured." Secured and unsecured property are entered on separate parts of the assessment roll maintained by the County assessor. The secured classification includes property on which any property tax levied by a county becomes a lien on that property. A tax levied on unsecured property does not become a lien against the taxed unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens on the secured property arising pursuant to State law, regardless of the time of the creation of other liens.

Generally, ad valorem taxes are collected by a county (the "**Taxing Authority**") for the benefit of the various entities (e.g., cities, schools and special districts) that share in the ad valorem tax (each a taxing entity) and successor agencies eligible to receive distributions from the respective Redevelopment Property Tax Trust Funds.

**Collections.** The method of collecting delinquent taxes is substantially different for secured and unsecured property. Counties have four ways of collecting unsecured personal property taxes: (a) initiating a civil action against the taxpayer; (b) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (c) filing a certificate of delinquency for record in the county recorder's office to obtain a lien on certain property of the taxpayer; and (d) seizing and selling personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes to the State for the amount of taxes which are delinquent.

**Penalty.** A 10% penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, property on the secured roll on which taxes are delinquent is declared in default by operation of law and declaration of the tax collector on or about June 30 of each fiscal year. Such property may thereafter be redeemed by payment of

the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the county tax collector. A 10% penalty also applies to delinquent taxes with respect to property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning on varying dates related to the tax bill mailing date.

**Delinquencies.** The valuation of property is determined as of the January 1 lien date as equalized in August of each year and equal installments of taxes levied upon secured property become delinquent on the following December 10 and April 10. Taxes on unsecured property are due January 1 and become delinquent August 31. Under the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (known as the Teeter Plan), as provided for in Section 4701 *et seq.* of the Revenue and Taxation Code of the State, tax increment revenues are allocated to each taxing agency in a county without regard to delinquencies in the payment of property taxes. The County uses the Teeter Plan and the Agency participates in the County's Teeter Plan. As a result of this allocation method, the Agency receives no adjustments for redemption payments on delinquent collections. The Agency does receive supplemental taxes and refunds, if any are deducted from amounts available for deposit to the Redevelopment Property Tax Trust Fund. There can be no assurance that the County Auditor-Controller will not change its policies with respect to delinquencies in property tax payments in the future.

**Unitary Property.** Assembly Bill 2890 (Statutes of 1986, Chapter 1457) provides that, commencing with fiscal year 1988-89, tax revenues derived from unitary property and assessed by the State Board of Equalization are accumulated in a single Tax Rate Area for the County. The tax revenues are then to be allocated to each taxing entity county-wide in accordance with AB 454 (Statutes of 1987, Chapter 921) which provides for the consolidation of all State-assessed property, except for regulated railroad property, into a single tax rate area in each county. Chapter 921 further provides for a new method of establishing tax rates on State-assessed property and distribution of property tax revenue derived from State-assessed property to taxing jurisdictions within each county in accordance with a new formula. Beginning in fiscal year 2007-08, unitary railroad values have been and continue to be reported on a countywide basis and allocated based on a formula pursuant to State law. State-assessed non-unitary values are reported at the local tax rate area level.

The amount of unitary revenues to be allocated to the Successor Agency from the Project Area for fiscal year 2016-17 is estimated to be [\$129,054].

**Supplemental Assessments.** California Revenue and Taxation Code Section 75.70 provides for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Before the enactment of this law, the assessment of such changes was permitted only as of the next tax lien date following the change, which delayed the realization of increased property taxes from the new assessments for up to 14 months. Revenue and Taxation Code Section 75.70 provides increased revenue to the Redevelopment Property Tax Trust Fund to the extent that supplemental assessments of new construction or changes of ownership occur within the boundaries of the Project Area subsequent to the January 1 lien date. To the extent that such supplemental assessments occur within the Project Area, Tax Revenues may increase. However, because supplemental assessments cannot be accurately projected, no provision has been made by the Fiscal Consultant to reflect the impact of supplemental assessments on Tax Revenues shown in the projection tables set forth herein.

**Property Tax Administrative Costs.** In 1990, the Legislature enacted SB 2557 (Chapter 466, Statutes of 1990) which allows counties to charge for the cost of assessing, collecting and allocating property tax revenues to local government jurisdictions in proportion to the tax-derived revenues allocated to each. SB 1559 (Chapter 697, Statutes of 1992) explicitly includes redevelopment agencies among the jurisdictions which are subject to such charges.

In addition, Sections 34182(e) and 34183(a) of the Dissolution Act allow administrative costs of the County Auditor-Controller for the cost of administering the provisions of the Dissolution Act, as well as the foregoing SB 2557/SB 1559 amounts, to be deducted from property tax revenues before monies are deposited into the Redevelopment Property Tax Trust Fund available as Tax Revenues for payment of the Bonds. For Fiscal Year 2015-16, the County's administrative change to the Successor Agency for the Project Area was \$108,475, or approximately 0.74% of the Project Area's Gross Tax Revenue for 2015-16. The County Collection charges for 2016-17 are not yet available.

### **Article XIII A of the State Constitution**

On June 6, 1978, State voters approved an amendment (commonly known as Proposition 13 or the Jarvis-Gann Initiative) which added Article XIII A to the State Constitution. Article XIII A limits the amount of *ad valorem* taxes on real property to 1% of "full cash value" of such property, as determined by the county assessor. Article XIII A defines "full cash value" to mean "the county assessor's valuation of real property as shown on the State fiscal year 1975-76 tax bill under 'full cash value,' or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." Furthermore, the "full cash value" of all real property may be increased to reflect the rate of inflation, as shown by the consumer price index, not to exceed 2% per year, or may be reduced.

Article XIII A has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by substantial damage, destruction or other factors, and to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in other special circumstances.

Article XIII A (a) exempts from the 1% tax limitation the taxes to pay debt service on: (a) indebtedness approved by the voters before July 1, 1978; or (b) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition; (b) requires a vote of two-thirds of the qualified electorate to impose special taxes, or certain additional *ad valorem* taxes; and (c) requires the approval of two-thirds of all members of the State Legislature to change any State tax laws resulting in increased tax revenues.

The validity of Article XIII A has been upheld by both the State Supreme Court and the United States Supreme Court.

In the general election held on November 4, 1986, voters of the State approved two measures, Propositions 58 and 60, which further amended Article XIII A. Proposition 58 amended Article XIII A to provide that the terms "purchase" and "change of ownership," for the purposes of determining full cash value of property under Article XIII A, do not include the purchase or transfer of (a) real property between spouses; and (b) the principal residence and



the first \$1,000,000 of other property between parents and children. This amendment to Article XIII A may reduce the rate of growth of local property tax revenues.

Proposition 60 amended Article XIII A to permit the State Legislature to allow persons over the age of 55 who sell their residence and buy or build another of equal or lesser value within two years in the same county to transfer the old residence assessed value to the new residence. As a result of the State Legislature's action, the growth of property tax revenues may decline.

Legislation enacted by the State Legislature to implement Article XIII A provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable property value included in this Official Statement is shown at 100% of assessed value and all general tax rates reflect the \$1 per \$100 of taxable value (except as noted). Tax rates for voter-approved bonded indebtedness and pension liabilities are also applied to 100% of assessed value.

Each year the State Board of Equalization announces the applicable adjustment factor. Since the adoption of Proposition 13, inflation has, in most years, exceeded 2% and the announced factor has reflected the 2% cap. The changes in the California Consumer Price Index from October of one year and October of the next year are used to determine the adjustment factor for the January assessment date. Through fiscal year 2010-11 there were six occasions when the inflation factor was less than 2%. Until fiscal year 2010-11 the annual adjustment never resulted in a reduction to the base year values of individual parcels; however, the factor that was applied to real property assessed values for the January 1, 2010 assessment date was -0.237% and this resulted in a reduction to the adjusted base year value of parcels. The table below reflects the inflation adjustment factors for the current fiscal year and 12 prior fiscal years. The State Board of Equalization announced an inflation factor of 1.525% for fiscal year 2016-17; consequently the projections of Tax Revenues in Table 6.2 herein assumes an annual growth factor of 1.525% in fiscal year 2016-17 and 2% thereafter. See "THE PROJECT AREA - Projected Tax Revenues and Estimated Debt Service Coverage."

14-Year Summary of Inflation Adjustment Factors

<u>Fiscal Year</u>	<u>Base Year Value Change</u>
2003-04	2.000%
2004-05	1.867
2005-06	2.000
2006-07	2.000
2007-08	2.000
2008-09	2.000
2009-10	2.000
2010-11	(0.237)
2011-12	0.753
2012-13	2.000
2013-14	2.000
2014-15	0.454
2015-16	1.998
2016-17	1.525

### **Appropriations Limitation – Article XIII B**

On November 6, 1979, State voters approved Proposition 4 (also known as the Gann Initiative), which added Article XIII B to the State Constitution. Article XIII B limits the annual appropriations of the State and its political subdivisions to the level of appropriations for the prior

fiscal year, as adjusted for changes in the cost of living, population and services rendered by the government entity. The “base year” for establishing such appropriations limit is State fiscal year 1978-79, and the limit is to be adjusted annually to reflect changes in population, consumer prices and certain increases in the cost of services provided by these public agencies.

Section 33678 of the Redevelopment Law provides that the allocation of taxes to a redevelopment agency for the purpose of paying principal of, or interest on, loans, advances, or indebtedness is not deemed to be the receipt by an agency of proceeds of taxes levied by or on behalf of an agency within the meaning of Article XIII B, nor will such portion of taxes be deemed receipt of proceeds of taxes by, or an appropriation subject to the limitation of, any other public body within the meaning or for the purpose of the Constitution and laws of the State, including Section 33678 of the Redevelopment Law. The constitutionality of Section 33678 has been upheld in two State appellate court decisions. On the basis of these decisions, the Agency does not believe that it is subject to Article XIII B and has not adopted an appropriations limit.

### **Articles XIII C and XIII D of the State Constitution**

At the election held on November 5, 1996, Proposition 218 was passed by the voters of the State. The initiative added Articles XIII C and XIII D to the State Constitution. Provisions in the two articles affect the ability of local government to raise revenues. The Bonds are secured by sources of revenues that are not subject to limitation by Proposition 218.

### **Proposition 87**

In 1993, the State legislature passed AB 1290, Chapter 942, Statutes 1993, which, among other things, required redevelopment agencies to adopt time limits in each redevelopment plan specifying (a) the last date to incur debt for a redevelopment project; (b) the last date to undertake redevelopment activity within a project area; and (c) the last date to collect tax increment revenue from a project area to repay debt.

In 2001, the State Legislature enacted SB 211, Chapter 741, Statutes 2001, effective January 1, 2002 (“**SB 211**”), which authorized, among other things, the deletion of the AB 1290 limitation on incurring indebtedness contained in a redevelopment plan adopted before January 1, 1994. SB 211 also prescribed additional requirements that a redevelopment agency would have to meet upon extending the time limit on the effectiveness of a redevelopment plan, including requiring an increased percentage of new and substantially rehabilitated dwelling units to be available at affordable housing cost to persons and families of low or moderate income before the termination of the effectiveness of the plan.

The various amendments adopted by the City and the Former Agency included changes to the financial and time limits of the Project Area, however under SB 107 enacted in September 2015 the applicability of plan limits have been eliminated; as such, all provisions of the Redevelopment Law that depend on the allocation of tax increment to redevelopment agencies became inoperative commencing January 1, 2016, and it provides further that, solely for the purposes of the payment of enforceable obligations under the Dissolution Act, the limitations relating to time, number of tax dollars or any other matters no longer apply to successor agencies.

## Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D and certain other propositions affecting property tax levies were each adopted as measures which qualified for the ballot pursuant to California's initiative process. From time to time other initiative measures could be adopted, further affecting Successor Agency revenues or the Successor Agency's ability to expend revenues.

## Appeals of Assessed Values

Under State law, a property owner may apply for a reduction of the property tax assessment for such owner's property by filing a written application, in a form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board.

In the County, a property owner desiring to reduce the assessed value of such owner's property in any one year must submit an application to the County Assessment Appeals Board (the "**Appeals Board**"). Applications for any tax year must be submitted by November 30 of such tax year. Following a review of each application by the staff of the County Assessor's Office, the staff makes a recommendation to the Appeals Board on each application which has not been rejected for incompleteness or untimeliness or withdrawn. The Appeals Board holds a hearing and either reduces or confirms the assessment. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level for Fiscal Years following the year for which the reduction application is filed. However, if the taxpayer establishes through proof of comparable values that the property continues to be overvalued (known as "ongoing hardship"), the Assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then-current year as well. Appeals for reduction in the "base year" value of an assessment, which generally must be made within three years of the date of change in ownership or completion of new construction that determined the base year, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. Moreover, in the case of any reduction in any one year of assessed value granted for "ongoing hardship" in the then-current year, and also in any cases involving stipulated appeals for prior years relating to base year and personal property assessments, the property tax revenues from which Tax Revenues are derived attributable to such properties will be reduced in the then-current year. In practice, such a reduced assessment may remain in effect beyond the year in which it is granted.

**Proposition 8 Reductions.** Proposition 8, approved in 1978 (California Revenue and Taxation Code Section 51(b)), provides for the assessment of real property at the lesser of its originally determined (base year) full cash value compounded annually by the inflation factor, or its full cash value as of the lien date, taking into account reductions in value due to damage, destruction, obsolescence or other factors causing a decline in market value. Reductions under this code section may be initiated by the County Assessor or requested by the property owner.

In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. These market-driven appeals are known as Proposition 8 appeals. Under this section of the code, the value of property can be reduced due to damage, destruction, removal of property or other factors that cause a decline in value.

Any county may, on its own initiative, also process temporary assessed value reductions for certain properties (where the assessed values exceeded the market value of properties as of the January 1 lien date) without prompting from individual taxpayers. Typically, the properties to be reviewed by the various counties for these “automatic” reductions were single-family homes and condominiums which transferred ownership between 2003 and 2010. These reductions were triggered because residential property values decreased in many areas of the State through the 2012-13 fiscal year. Between 2008-09 and 2012-13 the County made across the board reductions pursuant to Proposition 8 to residential property that reduced value significantly, however reversals of some of the reductions have occurred since then. See “THE PROJECT AREA - Appeals of Assessed Values; Proposition 8 Reductions.”

Any reduction in the assessed value ultimately granted as a Proposition 8 appeal applies to the year for which application is made and during which the written application was filed. These reductions are often temporary and are adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See also “RISK FACTORS – Reduction in Inflationary Rate.”

**Base Year Appeals.** A second type of assessment appeal is called a Base Year appeal, where the property owners challenge the original (basis) value of their property. Appeals for reduction in the “base year” value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

### **Low and Moderate Income Housing**

Before the Dissolution Act, the Redevelopment Law required the Former Agency to set aside not less than 20% of all tax increment generated in the Project Area into a low- and moderate-income housing fund to be used for the purpose of increasing, improving and/or preserving the supply of low- and moderate-income housing. These tax increment revenues were commonly referred to as “**Housing Set-Aside.**”

The Dissolution Act eliminated the Housing Set-Aside requirement. As a result, and because the Successor Agency has no obligations that are payable from Housing Set-Aside, the amount of tax increment that would have been the former Housing Set-Aside is available to pay debt service on the Bonds. Accordingly, the projection of Tax Revenues set forth in the section of this Official Statement entitled “PROJECTED TAX REVENUES AND DEBT SERVICE COVERAGE” assumes the availability of the former Housing Set-Aside for payment of the Bonds.

### **Adjustments to Revenue**

State law allows counties to charge taxing entities, including redevelopment agencies, for the cost of administering the property tax collection system. In addition, the Dissolution Act allows counties to recover their costs in implementing the redevelopment Dissolution Act.

**Tax Sharing Payments.** The Redevelopment Law authorized the Former Agency to enter into agreements with taxing agencies whose territory was located within the Project Area, whereby the Former Agency would pay tax increment revenues to such taxing agencies to

alleviate the financial burden or detriment caused by the redevelopment project. Additionally, Sections 33607.5 and 33607.7 of the Redevelopment Law require successor agencies, under certain circumstances, to make statutory pass-through payments to taxing agencies whose territory is located within the Project Area, to alleviate the financial burden or detriment caused by the redevelopment project. See “THE PROJECT AREA - Tax Sharing Payments” below.

### THE DISSOLUTION ACT

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Former Agency (pursuant to subdivision (b) of Section 16 of Article XVI of the State Constitution) had the Former Agency not been dissolved pursuant to the operation of AB 1X 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the Redevelopment Property Tax Trust Fund for the Successor Agency established and held by the County Auditor-Controller pursuant to the Dissolution Act.

The Dissolution Act provides that any bonds authorized thereunder to be issued by the Successor Agency will be considered indebtedness incurred by the Former Agency, with the same lien priority and legal effect as if the bonds had been issued prior to the effective date of AB 1X 26, in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date, and will be included in the Successor Agency’s Recognized Obligation Payment Schedule (see “SECURITY FOR THE BONDS – Recognized Obligation Payment Schedules”).

The Dissolution Act further provides that bonds authorized by the Dissolution Act to be issued by the Successor Agency will be secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund, and that property tax revenues pledged to any bonds authorized to be issued by the Successor Agency under the Dissolution Act, including the Bonds, are taxes allocated to the Successor Agency pursuant to subdivision (b) of Section 33670 of the Redevelopment Law and Section 16 of Article XVI of the State Constitution.

Pursuant to subdivision (b) of Section 33670 of the Redevelopment Law and Section 16 of Article XVI of the State Constitution and as provided in the Redevelopment Plan for the project area, taxes levied upon taxable property in the Project Area each year by or for the benefit of the State, any city, county, city and county, district, or other public corporation (herein sometimes collectively called “**taxing agencies**”) after the effective date of the ordinance approving the applicable Redevelopment Plan, or the respective effective dates of ordinances approving amendments to the applicable Redevelopment Plan that added territory to the Project Area, as applicable, are to be divided as follows:

- (a) To Taxing Agencies: That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the Project Area as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency last equalized prior to the effective date of the ordinance adopting the applicable Redevelopment Plan, or the respective effective dates of ordinances approving amendments to the applicable Redevelopment Plan that added territory to the Project Area, as applicable (each, a “**base year valuation**”), will be allocated to, and when

collected will be paid into, the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid; and

(b) To the Former Agency/Successor Agency: Except for that portion of the taxes in excess of the amount identified in (a) above which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989 for the acquisition or improvement of real property, which portion shall be allocated to, and when collected shall be paid into, the fund of that taxing agency, that portion of the levied taxes each year in excess of such amount, annually allocated within limitations established by the applicable Redevelopment Plan, following the date of issuance of the Bonds, when collected will be paid into a special fund of the Successor Agency. Section 34172 of the Dissolution Act provides that, for purposes of Section 16 of Article XVI of the State Constitution, the Redevelopment Property Tax Trust Fund shall be deemed to be a special fund of the Successor Agency to pay the debt service on indebtedness incurred by the Former Agency or the Successor Agency to finance or refinance the redevelopment projects of the Former Agency.

That portion of the levied taxes described in paragraph (b) above, less amounts deducted pursuant to Section 34183(a) of the Dissolution Act for permitted administrative costs of the County Auditor-Controller, constitute the amounts required under the Dissolution Act to be deposited by the County Auditor-Controller into the Redevelopment Property Tax Trust Fund. In addition, Section 34183 of the Dissolution Act effectively eliminates the January 1, 1989 date from paragraph (b) above.

## SECURITY FOR THE BONDS

### Limited Obligation

The Bonds are limited obligations of the Agency secured by and payable from a pledge of, and lien on, and repaid from certain incremental property tax revenues (the “**Tax Revenues**,” as defined below) deposited with respect to the Project Area from time to time in the Redevelopment Property Tax Trust Fund described herein and held by the County Auditor-Controller. See “- Tax Revenues” below.

*The Bonds are not a debt of the City, the County, the State or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State or any of their political subdivisions except the Successor Agency are liable therefor. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. No member of the Successor Agency, the Oversight Board or the Board of Supervisors of the County shall be individually or personally liable for the payment of the principal of or interest or redemption premium, if any, on the Bonds.*

### Tax Revenues

“**Tax Revenues**” is defined in the Indenture to mean, for each Fiscal Year, all moneys deposited from time to time in the Redevelopment Property Tax Trust Fund, as provided in paragraph (2) of subdivision (a) of Section 34183 of the Law, excluding amounts if any, payable by the Successor Agency pursuant to Sections 33676, 33607.5 and 33607.7 of the Law and Section 34183(a)(1) of the Dissolution Act, except to the extent such amounts are payable on a basis subordinate to the payment of Annual Debt Service on the Bonds or any Parity Debt pursuant to Section 33607.5(e) of the Law and 34177.5(c) of the Dissolution Act.

### Pledge Under the Indenture

Except as described in “- Redevelopment Obligation Retirement Fund” below and as required to compensate or indemnify the Trustee, the Bonds and any Parity Debt are equally secured by a pledge of, security interest in and lien on all of the Tax Revenues including all of the Tax Revenues in the Redevelopment Obligation Retirement Fund and by a first and exclusive pledge and lien upon all of the moneys in the Debt Service Fund (including the Interest Account, the Principal Account, the Sinking Account, and the Redemption Account) without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The Bonds (and any Parity Debt that is issued pursuant to a Supplemental Indenture) are additionally secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Reserve Account established for the Bonds by the Indenture.

The County Auditor-Controller will deposit property tax revenues into the Redevelopment Property Tax Trust Fund pursuant to the requirements of the Dissolution Act, including *inter alia* Health and Safety Code sections 34183 and 34170.5(b). Except for the Tax Revenues and the moneys described in the previous paragraph, no funds or properties of the Successor Agency are pledged to, or otherwise liable for, the payment of principal of or interest on the Bonds.

After the defeasance of the Prior Bonds, there will be no other outstanding bonds of the Successor Agency with a senior or parity pledge and lien on Tax Revenues.

In consideration of the acceptance of the Bonds by purchasers of the Bonds, the Indenture will be deemed to be and will constitute a contract between the Successor Agency and the Trustee for the benefit of the Owners from time to time of the Bonds, and the covenants and agreements set forth in the Indenture to be performed on behalf of the Successor Agency are for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or in the Indenture.

### **Flow of Funds Under the Indenture**

**General.** The Successor Agency previously established the Redevelopment Obligation Retirement Fund pursuant to Section 34170.5(a) of the Dissolution Act and agrees to hold and maintain the Redevelopment Obligation Retirement Fund as long as any of the Bonds are Outstanding.

**Deposit in Redevelopment Obligation Retirement Fund; Transfer to Debt Service Fund.** The Indenture provides that the Successor Agency shall deposit all of the Tax Revenues into the Redevelopment Obligation Retirement Fund promptly upon receipt. All Tax Revenues received by the Successor Agency in excess of the amounts required to pay debt service on the Bonds during the applicable period or as additionally required pursuant to a Supplemental Indenture or authorizing document for Parity Debt, shall be released from the pledge and lien under the Indenture and shall be applied in accordance with the Redevelopment Law, including but not limited to the payment of debt service on any Subordinate Debt. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Bonds and the payment in full of all other amounts payable under the Indenture and under any Supplemental Indentures, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Redevelopment Obligation Retirement Fund, except as may be provided in the Indenture and in any Supplemental Indenture.

**Deposit of Amounts by Trustee.** A trust fund to be known as the Debt Service Fund will be established and held in trust by the Trustee under the Indenture. Concurrently with making transfers with respect to Parity Debt, the Successor Agency will transfer moneys on deposit in the Redevelopment Obligation Retirement Fund that have been deposited therein for the payment of debt service on the Bonds or for the replenishment of the Reserve Account to the Trustee for deposit in the Debt Service Fund. The Trustee will transfer amounts on deposit in the Debt Service Fund in the following amounts, at the following times and in the following respective special accounts, which are established in the Debt Service Fund, and in the following order of priority:

**Interest Account.** On or before the fifth Business Day preceding each Interest Payment Date, the Successor Agency shall withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee, for deposit in the Interest Account an amount which, when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by



the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable.

Principal Account. On or before the fifth Business Day preceding each September 1 on which the principal of the Bonds becomes due and payable, and at maturity, the Successor Agency shall withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then on deposit in the Principal Account, will be equal to the amount of principal coming due and payable on such date on the Bonds. No such deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next September 1 on all of the Outstanding Bonds and any Parity Debt. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds and any Parity Debt as it shall become due and payable.

Sinking Account. No later than the fifth Business Day preceding each September 1 on which any Term Bond becomes subject to mandatory sinking account redemption, the Successor Agency shall withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit in the Sinking Account an amount which, when added to the amount then contained in the Sinking Account, will be equal to the aggregate principal amount of the Term Bonds required to be redeemed on such September 1. No such deposit need be made to the Sinking Account if the amount contained therein is at least equal to the Sinking Account payments to become due on the next September 1 on all of the Outstanding Bonds. All moneys on deposit in the Sinking Account shall be used and withdrawn by the Trustee for the sole purpose of paying the principal of the Term Bonds as it shall become due and payable upon redemption or purchase pursuant to the Indenture.

Reserve Account. Within the Debt Service Fund there will be established a separate account known as the "Reserve Account" solely as security for payments payable by the Successor Agency pursuant to the Indenture, which shall be held by the Trustee in trust for the benefit of the Owners of the Bonds. See "Debt Service Reserve Account" below.

If the amount on deposit in the Reserve Account at any time becomes less than the Reserve Requirement, the Trustee shall promptly notify the Successor Agency of such fact. Upon receipt of any such notice and as promptly as is permitted by the Redevelopment Law, the Successor Agency shall transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account.

Redemption Account. On or before the Business Day preceding any date on which Bonds are to be redeemed pursuant to the optional redemption provisions of the Indenture, other than mandatory Sinking Account redemption of Term Bonds, the Trustee will withdraw from the Debt Service Fund any amount transferred by the Successor Agency for deposit in the Redemption Account, such amount being the amount required to pay the principal of and premium, if any, on the Bonds to be redeemed on such date. All moneys in the Redemption Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on the Bonds to be redeemed pursuant to an optional redemption on the date set for such redemption, other than mandatory Sinking Account redemption of Term Bonds.

Interest due on the Bonds to be redeemed on the date set for redemption will, if applicable, be paid from funds available therefor in the Interest Account.

### **Debt Service Reserve Account**

**Definition of Reserve Requirement.** The Indenture defines “**Reserve Requirement**” to mean, with respect to the 2016 Bonds and any Parity Debt issued as Bonds pursuant to a Supplemental Indenture, the lesser of (i) 10% of the original aggregate principal amount of the 2016 Bonds and such Parity Debt (if there is more than a de minimis amount of original issue discount or premium (as defined in the Code), the issue price shall be used instead of principal amount) or (ii) 125% of the average Annual Debt Service with respect to the 2016 Bonds and such Parity Debt, as applicable or (iii) Maximum Annual Debt Service with respect to the 2016 Bonds and such Parity Debt, as applicable. The Supplemental Indenture for a Parity Debt issued as Bonds pursuant to a Supplemental Indenture may provide that the Successor Agency may meet all or a portion of the Reserve Requirement for such Parity Debt by depositing a Qualified Reserve Account Credit Instrument in a reserve account for the Parity Debt. [The Successor Agency will meet the Reserve Requirement in connection with the issuance of the 2016 Bonds by depositing the 2016 Reserve Policy in the Reserve Account.]

The amount on deposit in the Reserve Account will be maintained at the Reserve Requirement at all times prior to the payment of the Bonds in full. If there are insufficient Tax Revenues to maintain the Reserve Requirement, the Successor Agency is obligated under the Indenture to continue making transfers as Tax Revenues become available until there is an amount sufficient to maintain the Reserve Requirement (including the payment of all amounts due and payable to the Insurer in connection with the Reserve Policy on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there is on deposit therein a sum at least equal to the Reserve Requirement.

**Initial Deposit into the Reserve Account.** On the date of issuance of the Bonds, the Successor Agency [[[may elect]]] to purchase a Qualified Reserve Account Credit Instrument in the form of the Reserve Policy in that amount, which is equal to the initial Reserve Requirement. In that event, the Indenture provides that if, at any time that the Bonds are Outstanding, amounts are not available under the Reserve Policy other than in connection with a draw on the Reserve Policy, the Successor Agency has no obligation to replace the Reserve Policy or to fund the Reserve Account with cash.

**Use of Moneys in the Reserve Account.** All money in the Reserve Account will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account, the Principal Account and the Sinking Account in the event of any deficiency at any time in any of such accounts or for the retirement of all the Bonds then Outstanding, except that so long as the Successor Agency is not in default under the Indenture, any amount in the Reserve Account in excess of the Reserve Requirement will be withdrawn from the Reserve Account semiannually on or before two Business Days preceding each March 1 and September 1 by the Trustee and deposited in the Interest Account.

All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date will be withdrawn from the Reserve Account and will be transferred to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made from the Reserve Account.

If the Reserve Requirement with respect to the Bonds, or a particular issue of Parity Debt issued pursuant to a Supplemental Indenture, is secured by a Qualified Reserve Account Credit Instrument that relates only to the Bonds or such series of Parity Debt, the calculation of Reserve Requirement for such series of Parity Debt shall be calculated on a stand alone basis. The Reserve Account may be maintained in the form of one or more separate sub-accounts which are established for the purpose of holding the proceeds of the Bonds or separate issues of Parity Debt issued under a Supplemental Indenture in conformity with applicable provisions of the Code to the extent directed by the Successor Agency in writing to the Trustee.

### **Recognized Obligation Payment Schedules**

***Submission of Recognized Obligation Payment Schedule.*** When initially enacted, the Dissolution required that not less than 90 days prior to each January 2 and June 1 successor agencies prepare and submit to the successor agency's oversight board and the DOF for approval, a Recognized Obligation Payment Schedule (the "**Recognized Obligation Payment Schedule**" or "**ROPS**") pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. On September 22, 2015, the Governor of the State signed into law legislation adopted by the Legislature in Senate Bill 107 ("**SB 107**"), which requires the preparation of a ROPS process once each year (rather than twice each year under the former law) beginning with the annual ROPS period that commences on July 1, 2016. SB 107 alternatively allows, subject to meeting certain conditions, an optional "Last and Final Recognized Obligation Payment Schedule" to be submitted on or after January 1, 2016. The Last and Final ROPS is binding on all parties and the successor agency would no longer submit a periodic ROPS. Under that procedure, the county auditor-controller remits the authorized funds to the successor agency in accordance with the approved Last and Final ROPS until each remaining enforceable obligation has been fully paid. SB 107 provides that a Last and Final ROPS can only be amended twice, and only with DOF and county auditor-controller approval.

Pursuant to the Dissolution Act, not later than each date a Recognized Obligation Payment Schedule is due, the Successor Agency shall submit to the Oversight Board and the State Department of Finance, a Recognized Obligation Payment Schedule. The Successor Agency shall take all actions required under the Law to include in the Recognized Obligation Payment Schedule for each Semiannual Period (i) debt service on the Bonds and (ii) all amounts due and owing to the Bond Insurer, so as to enable the Alameda County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund for deposit in the Redevelopment Obligation Retirement Fund on each January 2 and June 1, as applicable, amounts required to enable the Successor Agency to pay timely principal of, and interest on, the Bonds on a timely basis, as well as all amounts due and owing to the Bond Insurer.

Thereafter, in order to ensure that amounts are available for the Trustee to pay debt service on all Outstanding Bonds and all amounts due and owing to the Bond Insurer on a timely basis, the Successor Agency shall, not later than February 1, 2017 (or at such earlier time as may be required by the Dissolution Act), submit an Oversight Board-approved Recognized Obligation Payment Schedule to the State Department of Finance and to the Alameda County Auditor-Controller that shall include (i) all of the debt service due on all Outstanding Bonds on September 1, 2017, which shall be distributed to the Successor Agency on June 1, 2017 (but only to the extent that there are not other amounts previously reserved therefor), and (ii) all of the debt service due on the 2017 Bonds on March 1, 2018, which shall be distributed to the Successor Agency on January 2, 2018. Thereafter, not later than each February 1 (or at such earlier time as may be required by the Dissolution Act), for so long as

any Bonds are outstanding, the Successor Agency shall submit an Oversight Board-approved Recognized Obligation Payment Schedule to the State Department of Finance and to the Alameda County Auditor-Controller that shall include (a) interest on all Outstanding Bonds due on the immediately succeeding September 1 plus principal due on the Outstanding Bonds on such September 1, which amounts shall distributed to the Successor Agency on such June 1, (b) interest on all Outstanding Bonds due on the immediately succeeding March 1 plus principal due on all Outstanding Bonds on such March 1 in the following calendar year, which amounts shall distributed to the Successor Agency on the following January 2, and (c) any amount required to cure any deficiency in the Reserve Account pursuant to this Indenture (including any amounts required due to a draw on the Qualified Reserve Account Credit Instrument as well as all amounts due and owing to the Bond Insurer.

In the event the provisions set forth in the Dissolution Act as of the date of the Bonds that relate to the filing of Recognized Obligation Payment Schedules are amended or modified in any manner, the Successor Agency agrees to take all such actions as are necessary to comply with such amended or modified provisions so as to ensure the timely payment of debt service on the Bonds and, if the timing of distributions of the Redevelopment Property Tax Trust Fund is changed, the receipt of (i) not less than the debt service due on March 1 on all Outstanding Bonds prior to March 1 of such Bond Year, and (ii) all of the debt service due on September 1 on all Outstanding Bonds prior to the next succeeding September 1.

To date, all ROPS submissions have been made by the Successor Agency at the required times.

The Successor Agency has no power to levy and collect taxes, and various factors beyond its control could affect the amount of Tax Revenues available to pay the principal of and interest on the Bonds when due (see "RISK FACTORS").

***Payment of Amounts Listed on the Recognized Obligation Payment Schedule.*** As defined in the Dissolution Act, "**enforceable obligation**" includes bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of the outstanding bonds of the former redevelopment agency or the successor agency, as well as other obligations such as loans, judgments or settlements against the former redevelopment agency or the successor agency, any legally binding and enforceable agreement that is not otherwise void as violating the debt limit or public policy, contracts necessary for the administration or operation of the successor agency, and, under certain circumstances, amounts borrowed from the successor agency's low and moderate income housing fund.

A reserve may be included on the Recognized Obligation Payment Schedule and held by the successor agency when required by a bond indenture or when the next property tax allocation will be insufficient to pay all obligations due under the provisions of the bonds for the next payment due in the following half of the calendar year.

***Sources of Payments for Enforceable Obligations.*** Under the Dissolution Act, the categories of sources of payments for enforceable obligations listed on a Recognized Obligation Payment Schedule are the following: (i) the low- and moderate-income housing fund, (ii) bond proceeds, (iii) reserve balances, (iv) administrative cost allowance (successor agencies are entitled to receive not less than \$250,000, unless that amount is reduced by the oversight board), (v) the Redevelopment Property Tax Trust Fund (but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable

obligation or otherwise required under the Dissolution Act), or (vi) other revenue sources (including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the redevelopment agency, as approved by the oversight board).

The Dissolution Act provides that only those payments listed in the Recognized Obligation Payment Schedule may be made by a successor agency and only from the funds specified in the Recognized Obligation Payment Schedule.

***Order of Priority of Distributions from Redevelopment Property Tax Trust Fund.***

Typically, under the Redevelopment Property Tax Trust Fund distribution provisions of the Dissolution Act, a county auditor-controller is to distribute funds for each six-month period in the following order specified in Section 34183 of the Dissolution Act:

(i) first, subject to certain adjustments for subordinations to the extent permitted under the Dissolution Act (if any, as described above under "TAX INCREMENT FINANCING GENERALLY - Adjustment to Revenue - Statutory Pass-Through Payments") and no later than each January 2 and June 1, to each local successor agency and school entity, to the extent applicable, amounts required for pass-through payments such entity would have received under provisions of the Redevelopment Law, as those provisions read on January 1, 2011, including negotiated pass-through agreements and statutory pass-through obligations (note however, the such pass-through payments have been made subordinate to debt service on the Bonds);

(ii) second, on each January 2 and June 1, to the successor agency for payments listed in its Recognized Obligation Payment Schedule, with debt service payments scheduled to be made for tax allocation bonds having the highest priority over payments scheduled for other debts and obligations listed on the Recognized Obligation Payment Schedule;

(iii) third, on each January 2 and June 1, to the successor agency for the administrative cost allowance, as defined in the Dissolution Act; and

(iv) fourth, on each January 2 and June 1, to taxing entities any moneys remaining in the Redevelopment Property Tax Trust Fund after the payments and transfers authorized by clauses (i) through (iii), in an amount proportionate to such taxing entity's share of property tax revenues in the tax rate area in that fiscal year (without giving effect to any pass-through obligations that were established under the Redevelopment Law).

***Failure to Submit a Recognized Obligation Payment Schedule.*** The Recognized Obligation Payment Schedule must be approved by the oversight board and must be submitted by a successor agency to the county administrative office, the county auditor-controller, the DOF, and the State Controller by each February 1. If the successor agency does not submit a Recognized Obligation Payment Schedule by the applicable deadline, the city or county that established the former redevelopment agency will be subject to a civil penalty equal to \$10,000 per day for every day the schedule is not submitted to the DOF. For additional information regarding procedures under the Dissolution Act relating to late Recognized Obligation Payment Schedules and implications thereof on the Bonds, see "RISK FACTORS – Recognized Obligation Payment Schedule."

## **Adjustments to Revenue**

State law allows counties to charge taxing entities, including redevelopment agencies, for the cost of administering the property tax collection system. In addition, the Dissolution Act allows counties to recover their costs in implementing the redevelopment Dissolution Act.

For project areas adopted prior to 1994, taxing entities could elect to receive additional property taxes above the base year revenue amount pursuant to former Section 33676 of the Health and Safety Code. Such amounts are calculated by increasing the real property portion of base year values by an inflation factor of up to 2% annually. Taxing entities can receive a proportionate share of such revenues if they elected to do so prior to adoption of the redevelopment plan. The Project Area is subject to the provisions of former Section 33676 and such allocations have been deducted prior to determining Tax Revenues.

*[Remainder of page intentionally left blank]*

## **THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD**

As described in "INTRODUCTION," the Dissolution Act dissolved the Former Agency as of February 1, 2012. Thereafter, pursuant to Section 34173 of the Dissolution Act, the City became the Successor Agency to the Former Agency. Subdivision (g) of Section 34173 of the Dissolution Act, added by AB 1484, expressly affirms that the Successor Agency is a separate public entity from the City, that the two entities shall not merge, and that the liabilities of the Former Agency will not be transferred to the City nor will the assets of the Former Agency become assets of the City.

### **Successor Agency Powers**

All powers of the Successor Agency are vested in its seven members who are elected members of the City Council. Pursuant to the Dissolution Act, the Successor Agency is a separate public body from the City and succeeds to the organizational status of the Former Agency but without any legal authority to participate in redevelopment activities, except to complete any work related to an approved enforceable obligation. The Successor Agency is tasked with expeditiously winding down the affairs of the Former Agency, pursuant to the procedures and provisions of the Dissolution Act. Under the Dissolution Act, substantially all Successor Agency actions are subject to approval by the Oversight Board, as well as review by the DOF.

### **Status of Compliance with Dissolution Act**

The Dissolution Act requires a due diligence review to determine the unobligated balances of each successor agency that are available for transfer to taxing entities. The due diligence review involves separate reviews of each successor agency's low- and moderate-income housing fund and of all other funds and accounts. Once a successor agency completes the due diligence review and any transfers to taxing entities, the DOF will issue a finding of completion that expands the authority of each successor agency in carrying out the wind down process. A finding of completion allows a successor agency to, among other things, retain real property assets of the dissolved redevelopment agency and utilize proceeds derived from bonds issued prior to January 1, 2011.

After receiving a finding of completion, each successor agency is required to submit a Long Range Property Management Plan detailing what it intends to do with its inventory of properties. Successor agencies are not required to immediately dispose of their properties but are limited in terms of what they can do with the retained properties. Permissible uses include: sale of the property, use of the property to satisfy an enforceable obligation, retention of the property for future redevelopment, and retention of the property for governmental use. These plans must be filed by successor agencies within six months of receiving a finding of completion, and the DOF will review these plans as submitted on a rolling basis.

The Successor Agency received DOF approval of its finding of completion on November 8, 2013 and its Long Range Property Management Plan on \_\_\_\_\_, 2015.

## THE PROJECT AREA

### General

The Project Area includes the City's commercial center, which contains numerous businesses. Amendments in 1987, 1998 and 2001 added 18 acres, 370 acres and 738 acres, respectively, to the original 222-acre Project Area. The downtown area is accessible to major residential and major employment centers in the region via several freeways, including State Route 92 and Interstate highways I-580 and I-880. The downtown Hayward Bay Area Rapid Transit System ("BART") station, which is on the San Francisco-Fremont line serves as a hub for additional public transportation, including bus connections via Alameda-Contra Costa Transit District ("AC Transit") and San Mateo Transit District ("SamTrans"). In addition, the downtown area is served by the Amtrak-Capitol Corridor line that extends from San Jose to Sacramento.

The Project Area was originally adopted by the Former Agency on December 30, 1975. On December 26, 1986 the Former Agency adopted an amendment to incorporate changes to the Project Area redevelopment plan so as to conform to amendments to the Law. The Former Agency adopted the Project Area and added territory to the Project Area with three subsequent amendments. The first territory added was designated Project Expansion Area No. 1 and the territory was added to the Project Area in 1987 (the "**1987 Subarea**"). The second territory added was designated Project Expansion Area No. 2, and the territory was added to the Project Area in 1998. Project Expansion Area No. 2 is known as the "**Burbank/Cannery Subarea.**" The third territory added was designated Project Expansion Area No. 3, and this territory was added to the Project Area in 2001. Project Expansion Area No. 3 is known as the "**Mission/Foothill Subarea.**"

### Land Use

The table below shows the land uses in the Project Area based on the 2015-16 property tax roll. As shown below, the majority of the 2015-16 assessed value is used for residential purposes.

**TABLE 1**  
**REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD**  
**Community Development Project**  
**2015-16 Secured Valuation and Number of Parcels by Land Use Category**

	Number of Parcels	2015-16 Taxable Value	Percent of Total
Residential	3,548	\$1,372,342,150	61.84%
Commercial	520	573,623,556	25.85
Industrial	47	73,942,478	3.33
Vacant	225	106,375,926	4.79
Recreational	8	8,583,031	0.39
Institutional	26	9,636,234	0.43
Exempt	309	0	0.00
Unsecured		74,639,377	3.36
<b>Total</b>	<b>4,683</b>	<b>\$2,219,142,752</b>	<b>100.00%</b>

Source: HdL Coren & Cone



**Major Taxable Property Owners.** The following table lists the ten largest taxable property owners within the Project Area for fiscal year 2016-17. Based on fiscal year 2016-17 locally assessed taxable valuations, the top ten taxable property owners in the Project Area represent approximately 16.2% of the secured value of the Project Area and 22.6% of the secured incremental value. As indicated, among the top ten taxpayers several have assessment appeals pending.

The top taxpayer in the Project Area is Wesco IV LLC that controls 4 secured parcels with a combined valuation of \$57,201,006. The value of the Wesco IV LLC parcels is 3.58% of the Project Area's total incremental value. The second largest taxpayer in the Project Area is CP IV Creekwood LLC that controls a total of \$54,213,343 in secured assessed value. This amount is 3.40% of the Project Area's incremental value.

**TABLE 2  
SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD  
10 Largest Taxpayers in Fiscal Year 2016-17**

<b>Assessee</b>	<b>Primary Land Use</b>	<b>2016-17 Total Assessed Value</b>	<b>% of Total Assessed Value</b>	<b>% of Incremtl. Assessed Value <sup>(1)</sup></b>
1. Wesco IV LLC <sup>(1)</sup>	City Centre Apartments	\$57,201,006	2.58%	3.58%
2. CP IV Creekwood LLC <sup>(1)</sup>	Creekwood Apartments	54,312,343	2.45	3.40
3. NGP Alameda LLC <sup>(1)</sup>	Commercial Office Buildings	47,077,872	2.12	2.95
4. TC Metro Six55 LLC	Metro 6-55 Apartments	35,357,760	1.59	2.22
5. Standard Summerwood LLC	Summerwood Apartments	32,679,335	1.47	2.05
6. DCT Hathaway LLC	Industrial Warehouse	30,965,123	1.40	1.94
7. City Center Commercial	Commercial Retail & Office	29,252,473	1.32	1.83
8. Sobrato Interest II	Amador Village Apartments	25,108,054	1.13	1.57
9. Auto Mission Limited <sup>(1)</sup>	Automobile Dealership (Vacant)	24,664,053	1.11	1.55
10. Tri Pointe Homes Inc.	Blackstone at the Cannery	23,750,000	1.07	1.49
<b>Total, 2016-17 Secured Value Project Area Assessed Value Project Area Increment Value</b>		<b>\$360,368,019 \$2,219,142,752 \$1,596,212,337</b>	<b>16.24%</b>	<b>22.58%</b>

(1) Property owners with pending appeals.

Source: HdL Coren & Cone

### Summary of Assessed Value History in the Project Area

**General.** Taxable values are prepared and reported by the County Auditor-Controller each fiscal year and represent the aggregation of all locally assessed properties that are part of the Project Area. The parcels are assigned to Tax Rate Areas which collectively have the same boundaries as the Project Area.

The following table summarizes the historic assessed valuation for the Project Area since Fiscal Year 2011-12:

**TABLE 3  
SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD  
Historical Assessed Valuation and Incremental Value**

	<b>Base Year</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
<b>Secured:</b>							
Land	\$582,541,260	\$567,526,553	\$560,258,898	\$594,649,816	\$666,529,458	\$711,092,987	\$779,944,826
Improvements	1,127,638	938,706,980	991,484,499	1,079,537,418	1,213,141,451	1,322,018,818	1,419,957,611
Personal Prop.	0	9,550,212	10,150,358	10,140,755	11,600,433	10,410,882	10,897,107
Exemptions	0	(68,923,575)	(72,023,745)	(58,835,586)	(62,868,764)	(65,320,053)	(66,296,169)
<b>Total Secured</b>	<b>583,668,898</b>	<b>1,446,860,170</b>	<b>1,489,870,010</b>	<b>1,625,492,403</b>	<b>1,828,402,578</b>	<b>1,978,202,634</b>	<b>2,144,503,375</b>
<b>Unsecured:</b>							
Land	0	11,201,890	11,985,788	12,529,153	12,141,569	6,370,095	12,486,782
Improvements	0	32,456,126	23,771,762	25,272,562	23,957,045	29,698,000	26,618,137
Personal Prop.	39,261,517	33,635,777	39,566,359	30,186,674	32,102,504	32,270,697	35,654,840
Exemptions	0	(431,451)	(393,437)	(514,057)	(154,727)	(114,496)	(120,382)
<b>Total Unsecured</b>	<b>39,261,517</b>	<b>76,862,342</b>	<b>74,930,472</b>	<b>67,474,332</b>	<b>68,046,391</b>	<b>68,224,296</b>	<b>74,639,377</b>
<b>Total Assessed Value</b>	<b>\$622,930,415</b>	<b>\$1,523,722,512</b>	<b>\$1,564,800,482</b>	<b>\$1,692,966,735</b>	<b>\$1,896,448,969</b>	<b>\$2,046,426,930</b>	<b>2,219,142,752</b>
<b>Incremental Value</b>		<b>900,792,097</b>	<b>941,870,067</b>	<b>1,070,036,320</b>	<b>1,273,518,554</b>	<b>1,423,496,515</b>	<b>1,596,212,337</b>
<b>Percent Change</b>		<b>-6.77%</b>	<b>4.56%</b>	<b>13.61%</b>	<b>19.02%</b>	<b>11.78%</b>	<b>12.13%</b>

Source: HdL Coren & Cone

### Unitary Property

Unitary revenues are allocated to the Project Area based on a formula contained in AB 454. Generally, the Agency receives unitary revenues on the basis of amounts that were received in the prior fiscal year. The prior year allocations are adjusted annually based on changes in unitary revenue on a countywide basis. See "TAX INCREMENT FINANCING GENERALLY- Property Tax Allocation and Collection Procedures - Unitary Revenue." The Auditor Controller allocated an aggregate total of \$412,395 of unitary tax revenue to the Project Area for 2015-16. The amount of unitary tax revenue to be allocated for 2016-17 is not yet available. For purposes of the projections, the Fiscal Consultant estimates that this same amount of unitary tax revenue will be allocated annually for each fiscal year of the projection.

### Tax Rates

Tax rates will vary from area to area within the State, as well as within a community and a redevelopment project area. The tax rate for any particular parcel is based upon the jurisdictions levying the tax rate for the area where the parcel is located. The tax rate consists of the general levy rate of \$1.00 per \$100 of taxable value and any over-ride tax rate. The over-ride rate is that portion of the tax rate that exceeds the general levy tax rate and is levied to pay voter approved indebtedness or contractual obligations that existed prior to the enactment of Proposition XIII.

Section 34183(a)(1) of the Dissolution Act requires the County Auditor-Controller to allocate all revenues attributable to tax rates levied to make annual repayments of the principal of and interest on any bonded indebtedness for the acquisition or improvement of real property to the taxing entity levying the tax rate. As a result, the tax increment revenues being deposited

into the Redevelopment Property Tax Trust Fund include only revenues derived from the general 1% levy and includes no revenues derived from over-ride tax rates that had been included in tax increment revenues prior to the dissolution of redevelopment agencies. The projections of tax increment available to pay debt service on the Bonds are based only on revenue derived from the general levy tax rate.

### **Appeals of Assessed Values; Proposition 8 Reductions**

Pursuant to California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board.

After the applicant and the assessor have presented their arguments, the Appeals Board makes a final decision on the proper assessed value. The Appeals Board may rule in the assessor's favor, in the applicant's favor, or the Board may set their own opinion of the proper assessed value, which may be more or less than either the assessor's opinion or the applicant's opinion.

Any reduction in the assessment ultimately granted applies to the year for which the application is made and may also affect the values in subsequent years. Refunds for taxpayer overpayment of property taxes may include refunds for overpayment of taxes in years after that which was appealed. Current year values may also be adjusted as a result of a successful appeal of prior year values. Any taxpayer payment of property taxes that is based on a value that is subsequently adjusted downward will require a refund for overpayment.

Appeals for reduction in the "base year" value of an assessment, if successful, reduce the assessment for the year in which the appeal is made and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

Appeals may also be filed under Section 51 of the Revenue and Taxation Code, which requires that for each lien date the value of real property shall be the lesser of its base year value annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. Reductions made under this code section may be initiated by the County Assessor or requested by a property owner. After a roll reduction is granted under this section, the property is reviewed on an annual basis to determine its full cash value and the valuation is adjusted accordingly. This may result in further reductions or in value increases. Such increases must be in accordance with the full cash value of the property and it may exceed the maximum annual inflationary growth rate allowed on other properties under Article XIII A of the State Constitution. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See "TAX INCREMENT FINANCING GENERALLY- Appeals of Assessed Value" above.

The table below shows the history of appeals between fiscal years 2011-12 and 2015-16 and the appeals that are currently pending (as of January 6, 2016).

**TABLE 4**  
**SUCCESSOR AGENCY TO THE**  
**REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD**  
**Historical Appeals**

Sub-Area	Total No. of Appeals	No. of Resolved Appeals	No. of Successful Appeals	Avg. Reduction	No. of Pending Appeals	Assessed Value under Appeal	Est. No. of Appeals Allowed	Est. Loss on Pending Appeals Allowed (2017-18 Value Adjustment)
Original Sub-area	93	67	53	18.99%	21	\$ 122,427,015	17	\$18,392,815
1987 Sub-area	3	2	1	25.00	1	172,606	1	21,576
Burbank/Cannery	227	218	214	24.48	6	53,167,554	6	12,774,075
Mission/Foothill	135	97	60	14.22	32	68,204,671	20	6,000,224
<b>Project Area</b>	<b>458</b>	<b>384</b>	<b>323</b>	<b>18.30%</b>	<b>60</b>	<b>\$243,971,846</b>	<b>43</b>	<b>\$37,188,690</b>

Source: Office of the Alameda County Assessor and HdL Coren & Cone.

As shown above, there are 60 pending assessment appeals within the Project Area. The values under appeal total approximately \$244 million and the owners are seeking reductions totaling \$83.6 million. Based on the average number of appeals allowed over the past five years and the average reduction in value achieved in those successful appeals, the Fiscal Consultant estimates that 43 of the currently pending appeals will be allowed with a reduction of \$37.2 million. The expected reduction in value has been incorporated into the projection as a reduction in assessed value for fiscal year 2017-18 in each of the Project Area sub-area projections.

Four of the Project Area's top ten taxpayers have pending appeals of their assessed value. Wesco IV LLC, CP IV Creekwood LLC, NGP Alameda LLC and Auto Mission Limited all have assessment appeals pending (see Table G of the Fiscal Consultant's Report in Appendix C).

### Tax Sharing Payments

**Negotiated Tax Sharing Payments.** The Former Agency had not entered into any tax sharing agreements with respect to the Project Area whereby portions of the Tax Revenues are to be paid to certain other taxing agencies

**Statutory Tax Sharing Payments.** For project areas adopted prior to 1994, taxing entities could elect to receive additional property taxes above the base year revenue amount pursuant to former Section 33676 of the Health and Safety Code. Such amounts are calculated by increasing the real property portion of base year values by an inflation factor of up to 2% annually. Taxing entities can receive a proportionate share of such revenues if they elected to do so prior to adoption of the redevelopment plan. The Project Area is subject to the provisions of former Section 33676 and such allocations have been deducted prior to determining Tax Revenues. Alameda County General Fund (17.50%), Alameda County Flood Control District (0.124%), Bay Area Rapid Transit (0.606%), Hayward Area Rec. and Parks District (5.351%) and Alameda County MAD (0.085%) adopted resolutions pursuant to Section 33676 of the Health and Safety Code opting to receive their shares of inflationary growth base year real property value. The Hayward USD (19.92%), Chabot-Las Positas CCD (2.49%) and the Alameda County Office of Education (0.49%) did not adopt resolutions under Section 33676 but as of 2001 receive these payments under a judicial ruling from Orange County. These Base

Year Adjustments apply only to the 1987 Annex portion of the Project Area. See “APPENDIX C - FISCAL CONSULTANT’S REPORT- Statutory Tax Sharing Payments.”

***The Successor Agency’s obligation to make statutory (2% election) pass-through payments to the aforementioned taxing entities is senior to its obligation to pay debt service on the Bonds.***

Additionally, Sections 33607.5 and 33607.7 of the Redevelopment Law require successor agencies, under certain circumstances, to make statutory pass-through payments to taxing agencies whose territory is located within the Project Area, to alleviate the financial burden or detriment caused by the redevelopment project. The Successor Agency has no obligations arising from these statutory pass-through payment requirements.

### **Housing Set-Aside**

Before it was amended by the Dissolution Act, the Redevelopment Law required the Former Agency to set aside not less than 20% of all tax increment generated in the Project Area into a low- and moderate-income housing fund to be used for the purpose of increasing, improving and/or preserving the supply of low- and moderate-income housing. These tax increment revenues were commonly referred to as “Housing Set-Aside.”

The Dissolution Act eliminated the Housing Set-Aside requirement. As a result, and because the Successor Agency has no obligations that are payable from the former Housing Set-Aside, amounts formerly required to be set aside for such purpose are included in Tax Revenues pledged to the payment of debt service on the Bonds. Accordingly, the projection of Tax Revenues set forth on Tables 6.1 and 6.2 assumes the availability of the former Housing Set-Aside for this purpose. The Successor Agency has no obligations payable from the Housing Set-Aside.

### **New Development**

Changes in value due to transfers of ownership occurring after the lien date for the 2016-17 fiscal year will affect the taxable values for fiscal year 2017-18. New development continues to occur within the Project Area that is above and beyond changes of ownership but the Fiscal Consultant has not added additional value due to new construction in the projections. However, value changes as a result of the transfers of ownership of \$19,931,453 for fiscal year 2017-18 were incorporated into the projections shown on Tables 6.1 and 6.2. See “APPENDIX C - FISCAL CONSULTANT’S REPORT- Development Activities.”

### **Projected Tax Revenues and Estimated Debt Service Coverage**

The projection of Tax Revenues set forth below assumes the availability of the former Housing Set-Aside for this purpose, followed by a table showing the projected debt service coverage on the Bonds.

***2016-17 Estimate of Tax Revenue.*** The following table shows the estimated Tax Revenues for Fiscal Year 2016-17.

**TABLE 5**  
**SUCCESSOR AGENCY TO THE**  
**REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD**  
**Estimate of Incremental Value and Tax Increment Revenue**  
**Fiscal Year 2016-17 <sup>(1)</sup>**

<b>Local Secured:</b>	
Real Property	
Homeowners Exemption	
<b>Net Local Secured</b>	_____
<b>State Assessed</b>	
<b>Unsecured Property</b>	
Total Assessed Value	
Base Year Value	
<b>Incremental Value</b>	_____
Incremental Revenue <sup>(1)</sup>	
Unitary Revenue	
<b>Total Tax Increment</b>	_____
<b>Senior Obligations</b>	
County Administration Fee <sup>(2)</sup>	
Senior Pass-Through Payments <sup>(3)</sup>	
<b>Total Tax Senior Obligations</b>	_____
<b>Tax Revenue</b>	

(1) Incremental Revenue equals 1.00% of Incremental Value.

(2) County Administration Fee equals 2.00% of Incremental Revenue.

(3) Certain pass-through payments payable pursuant to H&S Code Section 33676 (e.g. the 2% Election) are not eligible to be subordinated to the payment of debt service on the Bonds.

Source: Office of the Alameda County Auditor-Controller and HdL Coren & Cone.

**Estimated Debt Service Coverage- Annual Growth.** The following Table 6.1 shows estimated annual debt service coverage for the Bonds. Table 6.1 assumes:

- Taxable values increased for inflation at 1.525% in 2016-17 and at 2.00% annually thereafter.
- Taxable values for 2016-17 were adjusted for estimated losses of \$31.19 million from pending appeals.
- Taxable values for 2016-17 have been increased by \$53.8 million for 213 transfers of ownership occurring after 1/1/2015.
- Taxable values for 2017-18 have been increased by \$19.93 million for 140 sales occurring after the 1/1/2016 lien date.
- Personal property is held constant at 2016-17 level.

- Projected Gross Tax Increment is based upon incremental values factored against the general levy tax rate of \$1.00 per \$100.
- County Administration charges are estimated at 0.74% of Gross Revenue.

See “APPENDIX C - FISCAL CONSULTANT’S REPORT- Table 1” for a more detailed breakout of taxable values, pass-through payments and statutory pass-through payments.

**TABLE 6.1**  
**SUCCESSOR AGENCY TO THE**  
**REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD**  
**Estimate of Incremental Value and Tax Revenues**  
**Annual Growth- 1.525% in Fiscal Year 2016-17; 2% Thereafter**

Fiscal Year	Total Taxable Value <sup>(1)</sup>	Incremental Value	Gross Tax Revenue <sup>(1)</sup>	County Admin. Fee <sup>(2)</sup>	Senior Pass-Through Payments <sup>(3)</sup>	Tax Revenues	Estimated Debt Service*	Estimated Debt Service Coverage*
2017	\$2,219,142,752	\$1,596,212,337	\$16,430,686	(\$121,466)	(\$21,182)	\$16,288,037	\$2,924,681	5.57
2018	2,244,595,964	1,621,665,549	16,684,944	(123,346)	(22,228)	16,539,370	3,079,525	5.37
2019	2,289,559,573	1,666,629,158	17,134,300	(126,668)	(23,294)	16,984,339	3,053,975	5.56
2020	2,334,422,133	1,711,491,718	17,582,641	(129,982)	(24,382)	17,428,277	3,053,675	5.71
2021	2,380,181,945	1,757,251,530	18,039,949	(133,363)	(25,491)	17,881,094	3,050,375	5.86
2022	2,426,856,952	1,803,926,537	18,506,402	(136,811)	(26,623)	18,342,968	3,048,975	6.02
2023	2,474,465,460	1,851,535,045	18,982,185	(140,328)	(27,777)	18,814,079	3,044,375	6.18
2024	2,523,026,138	1,900,095,723	19,467,483	(143,916)	(28,955)	19,294,612	3,046,375	6.33
2025	2,572,558,030	1,949,627,615	19,962,487	(147,575)	(30,156)	19,784,756	3,044,775	6.50
2026	2,623,080,559	2,000,150,144	20,467,392	(151,308)	(31,381)	20,284,703	3,044,475	6.66
2027	2,674,613,539	2,051,683,124	20,982,394	(155,115)	(32,630)	20,794,649	2,883,575	7.21
2028	2,727,177,178	2,104,246,763	21,507,697	(158,999)	(33,905)	21,314,793	2,898,988	7.35
2029	2,780,792,090	2,157,861,675	22,043,505	(162,960)	(35,205)	21,845,341	2,078,825	10.51
2030	2,835,479,301	2,212,548,886	22,590,030	(167,000)	(36,531)	22,386,499	1,271,575	17.61
2031	2,891,260,256	2,268,329,841	23,147,485	(171,121)	(37,883)	22,938,481	1,276,700	17.97
2032	2,948,156,830	2,325,226,415	23,716,090	(175,324)	(39,263)	23,501,502	1,274,900	18.43
2033	3,006,191,335	2,383,260,920	24,296,066	(179,612)	(40,670)	24,075,784	1,276,400	18.86
2034	3,065,386,530	2,442,456,115	24,887,642	(183,985)	(42,105)	24,661,551	1,276,100	19.33
2035	3,125,765,630	2,502,835,215	25,491,050	(188,446)	(43,570)	25,259,034	1,274,000	19.83
2036	3,187,352,311	2,564,421,896	26,106,525	(192,996)	(45,063)	25,868,466	1,275,000	--
2037	3,250,170,726	2,627,240,311	26,734,310	(197,637)	(46,586)	26,490,087	--	--

(1) Taxable values as reported by Alameda County. Real property consists of land and improvements. Values increased for inflation at 1.525% in 2016-17 and at 2.00% annually thereafter. Values for 2016-17 were adjusted for estimated losses of \$31.19 million from pending appeals. Values for 2017-18 have been increased by \$19.93 million for 140 transfers of ownership occurring after 1/1/2016.

(2) County Administration Fee equals 2.00% of Incremental Revenue.

(3) Certain pass-through payments payable pursuant to H&S Code Section 33676 (e.g. the 2% Election) are not eligible to be subordinated to the payment of debt service on the Bonds.

Source: HdL Coren & Cone and Underwriter.

\* Preliminary, subject to change.

**Estimated Debt Service Coverage- No Growth.** The following Table 6.2 shows estimated annual debt service coverage for the Bonds, with the 2016-17 assessed value held constant.

**TABLE 6.2**  
**SUCCESSOR AGENCY TO THE**  
**REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD**  
**Estimate of Incremental Value and Tax Revenues**  
**Annual Growth- 1.525% in Fiscal Year 2016-17; 0% Thereafter**

<b>Fiscal Year</b>	<b>Total Taxable Value<sup>(1)</sup></b>	<b>Incremental Value</b>	<b>Gross Tax Revenue<sup>(1)</sup></b>	<b>County Admin. Fee<sup>(2)</sup></b>	<b>Senior Pass-Through Payments<sup>(3)</sup></b>	<b>Tax Revenues</b>	<b>Estimated Debt Service*</b>	<b>Estimated Debt Service Coverage*</b>
2017	\$2,219,142,752	\$1,596,212,337	\$16,430,685	(\$121,466)	(\$21,182)	\$16,288,037		
2018	2,201,885,514	1,578,955,099	16,258,113	(120,190)	(21,182)	16,116,740		
2019	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2020	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2021	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2022	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2023	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2024	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2025	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2026	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2027	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2028	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2029	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2030	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2031	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2032	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2033	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2034	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2035	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2036	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		
2037	2,202,885,835	1,579,955,420	16,268,116	(120,264)	(21,182)	16,126,670		

(1) Taxable values as reported by Alameda County for fiscal year 2016-17, and held constant.

(2) County Administration Fee equals 2.00% of Incremental Revenue.

(3) Certain pass-through payments payable pursuant to H&S Code Section 33676 (e.g. the 2% Election) are not eligible to be subordinated to the payment of debt service on the Bonds.

Source: HdL Coren & Cone and Underwriter.

\* Preliminary, subject to change.



## **RISK FACTORS**

*The following information should be considered by prospective investors in evaluating the Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to investing in the Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks.*

The various legal opinions to be delivered concurrently with the issuance of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by State and federal laws, rulings and decisions affecting remedies, and by bankruptcy, reorganization or other laws of general application affecting the enforcement of creditors' rights, including equitable principles.

### **Recognized Obligation Payment Schedule**

The Dissolution Act provides that only those payments listed in a Recognized Obligation Payment Schedule may be made by a successor agency from the funds specified in the Recognized Obligation Payment Schedule. Pursuant to Section 34177 of the Dissolution Act, by the February 1st prior to each July 1st of each year, the Successor Agency shall submit to the Oversight Board and the DOF, a Recognized Obligation Payment Schedule. For each annual period, the Dissolution Act requires each successor agency to prepare and approve, and submit to the successor agency's oversight board and the DOF for approval, a Recognized Obligation Payment Schedule pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Consequently, Tax Revenues will not be withdrawn from the Redevelopment Property Tax Trust Fund by the county auditor-controller and remitted to the Successor Agency without a duly approved and effective Recognized Obligation Payment Schedule to pay debt service on the Bonds and to pay other enforceable obligations. In the event the Successor Agency were to fail to file a Recognized Obligation Payment Schedule, the availability of Tax Revenues to the Successor Agency could be adversely affected. See "SECURITY FOR THE BONDS - Recognized Obligation Payment Schedules."

For a description of the covenants made by the Successor Agency in the Indenture relating to the obligation to submit Recognized Obligation Payment Schedules on a timely basis, and the Successor Agency's history of submissions of Recognized Obligation Payment Schedules, see "SECURITY FOR THE BONDS – Recognized Obligation Payment Schedules."

AB 1484 also added provisions to the Dissolution Act implementing certain penalties in the event a successor agency does not timely submit a Recognized Obligation Payment Schedule. Specifically, a Recognized Obligation Payment Schedule must be submitted by the successor agency to the oversight board, to the county administrative officer, the county auditor-controller, the DOF, and the State Controller no later than the mandated deadlines. If a successor agency does not submit a Recognized Obligation Payment Schedule by such deadlines, the city or county that established the redevelopment agency will be subject to a civil penalty equal to \$10,000 per day for every day the schedule is not submitted to the DOF. Additionally, a successor agency's maximum administrative cost allowance is reduced by 25% if the successor agency does not submit an oversight board-approved Recognized Obligation Payment Schedule within 10 days of the deadline.

## **No Validation Proceedings Undertaken**

Code of Civil Procedure Section 860 authorizes public agencies to institute a process, otherwise known as a “validation proceeding,” for purposes of determining the validity of a resolution or any action taken pursuant thereto. Section 860 authorizes a public agency to institute validation proceedings in cases where another statute authorizes its use. Relevant to the Bonds, Government Code Section 53511 authorizes a local agency to “bring an action to determine the validity of its bonds, warrants, contracts, obligations or evidences of indebtedness.” Under Code of Civil Procedure Section 870, a final favorable judgment issued in a validation proceeding will, notwithstanding any other provision of law, be forever binding and conclusive, as to all matters herein adjudicated or which could have been adjudicated, against all persons: “The judgment shall permanently enjoin the institution by any person of any action or proceeding raising any issue as to which the judgment is binding and conclusive.”

The Successor Agency has not undertaken or endeavored to undertake any validation proceeding in connection with the issuance of the Bonds. The Successor Agency and Bond Counsel have relied on the provisions of AB 1484 authorizing the issuance of the Bonds and specifying the related deadline for any challenge to the Bonds to be brought. Specifically, Section 34177.5(e) of the Dissolution Act provides that notwithstanding any other law, an action to challenge the issuance of bonds (such as the Bonds), the incurrence of indebtedness, the amendment of an enforceable obligation, or the execution of a financing agreement authorized under Section 34177.5, must be brought within 30 days after the date on which the oversight board approves the resolution of the successor agency approving such financing. Such challenge period has expired with respect to the Bonds and the Oversight Board Resolution approving the Bonds.

## **Reduction in Taxable Value**

Tax increment revenue available to pay principal of and interest on the Bonds are determined by the amount of incremental taxable value in the Project Area and the current rate or rates at which property in the Project Area is taxed. The reduction of taxable values of property in the Project Area caused by economic factors beyond the Successor Agency’s control, such as relocation out of the Project Area by one or more major property owners, sale of property to a non-profit corporation exempt from property taxation, or the complete or partial destruction of such property caused by, among other eventualities, earthquake or other natural disaster, could cause a reduction in the tax increment available to pay debt service on the Bonds. Such reduction of tax increment available to pay debt service on the Bonds could have an adverse effect on the Successor Agency’s ability to make timely payments of principal of and interest on the Bonds; this risk could be increased by the significant concentration of property ownership in the Project Area.

The County calculates tax increment to redevelopment project areas by applying a one percent rate to the secured and unsecured incremental taxable values. The County also allocates unitary revenue on the basis of the total unitary revenue in a project area, without reductions for base year revenues. The allocation of unitary revenue is based on revenues received in 1987-88, adjusted by the actual growth or decline in unitary revenues on a countywide basis.

As described in greater detail under the heading “PROPERTY TAXATION IN CALIFORNIA – Article XIII A of the State Constitution,” Article XIII A provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year

to reflect the inflation rate, not to exceed a two percent increase for any given year, or may be reduced to reflect a reduction in the consumer price index, comparable local data or any reduction in the event of declining property value caused by damage, destruction or other factors (as described above). Such measure is computed on a calendar year basis. Any resulting reduction in the full cash value base over the term of the Bonds could reduce tax increment available to pay debt service on the Bonds.

In addition to the other limitations on, and required application under the Dissolution Act of Tax Revenues on deposit in the Redevelopment Property Tax Trust Fund, the State electorate or Legislature could adopt a constitutional or legislative property tax reduction with the effect of reducing Tax Revenues allocated to the Redevelopment Property Tax Trust Fund and available to the Successor Agency. Although the federal and State Constitutions include clauses generally prohibiting the Legislature's impairment of contracts, there are also recognized exceptions to these prohibitions. There is no assurance that the State electorate or Legislature will not at some future time approve additional limitations that could reduce the tax increment available to pay debt service on the Bonds and adversely affect the source of repayment and security of the Bonds.

### **Risks Associated with the Insurer**

The Successor Agency has applied for a financial guaranty insurance policy. In the event that the Bonds qualify for bond insurance, before the delivery of the Bonds, the Successor Agency may determine to purchase and pay the premium for the Bond Insurance Policy for the Bonds, and the Reserve Policy. The Successor Agency can provide no assurances that the Bond Insurer will be able to meet its obligations under the Bond Insurance Policy or the Reserve Policy, if and when required to do so. In addition, any change in the ratings of the Insurer could impact the price of the Bonds in the secondary market.

### **Risks to Real Estate Market**

The Successor Agency's ability to make payments on the Bonds will be dependent upon the economic strength of the Project Area. The general economy of the Project Area will be subject to all of the risks generally associated with urban real estate markets. Real estate prices and development may be adversely affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, unexpected increases in development costs and by other similar factors. Further, real estate development within the Project Area could be adversely affected by limitations of infrastructure or future governmental policies, including governmental policies to restrict or control development. The Project Area experienced significant declines in value due to Proposition 8 reductions. In addition, if there is a significant decline in the general economy of the Project Area, the owners of property within the Project Area may be less able or less willing to make timely payments of property taxes or may petition for reduced assessed valuation causing a delay or interruption in the receipt of Tax Revenues by the Successor Agency from the Project Area. See "THE PROJECT AREA - Projected Tax Revenues and Estimated Debt Service Coverage" for a description of the debt service coverage on the Bonds.

### **Reduction in Inflationary Rate**

As described in greater detail below, Article XIII A of the State Constitution provides that the full cash value of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. Such measure is computed on a calendar year basis. Because Article XIII A limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. The Successor Agency is unable to predict if any further adjustments to the full cash value base of real property within the Project Area, whether an increase or a reduction, will be realized in the future.

### **Levy and Collection of Taxes**

The Successor Agency has no independent power to levy or collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the tax increment available to pay debt service on the Bonds.

Although delinquencies in the payment of property taxes by the owners of land in the Project Area, and the impact of bankruptcy proceedings on the ability of taxing agencies to collect property taxes, could have an adverse effect on the Successor Agency's ability to make timely payments on the Bonds, the Successor Agency believes any such adverse impact is unlikely in light of the debt service coverage provided net tax increment. In addition, the County could elect to alter or terminate its Teeter Plan policy and, in such event, the amount of the levy of property tax revenue that could be allocated to the Successor Agency would depend upon the actual collections of the secured taxes within the Project Area. Substantial delinquencies in the payment of property taxes could impair the timely receipt by the Successor Agency of Tax Revenues. See "THE PROJECT AREA - Projected Tax Revenues and Estimated Debt Service Coverage" for a description of the debt service coverage on the Bonds.

### **Bankruptcy and Foreclosure**

The payment of the property taxes from which Tax Revenues are derived and the ability of the County to foreclose the lien of a delinquent unpaid tax may be limited by bankruptcy, insolvency, or other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure. The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the liens to become extinguished, bankruptcy of a property owner could result in a delay in prosecuting superior court foreclosure proceedings. Although such delay would increase the possibility of delinquent tax installments not being paid in full and thereby increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds, the Successor Agency believes any such adverse impact is unlikely in light of the debt service coverage provided by fiscal year 2016-17 net tax increment. See "THE PROJECT AREA - Projected Tax Revenues and Estimated Debt Service Coverage" for a description of the debt service coverage on the Bonds.

## **Estimated Revenues**

In estimating that net tax increment will be sufficient to pay debt service on the Bonds, the Successor Agency has made certain assumptions with regard to present and future assessed valuation and new development in the Project Area, future tax rates and percentage of taxes collected. The Successor Agency believes these assumptions to be reasonable, but there is no assurance these assumptions will be realized and to the extent that the assessed valuation and the tax rates are less than expected, the net tax increment available to pay debt service on the Bonds will be less than those projected and such reduced net tax increment may be insufficient to provide for the payment of principal of, premium (if any) and interest on the Bonds.

## **Hazardous Substances**

An additional environmental condition that may result in the reduction in the assessed value of property would be the discovery of a hazardous substance that would limit the beneficial use of taxable property within the Project Area. In general, the owners and operators of property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the Project Area be affected by a hazardous substance, could be to reduce the marketability and value of the property by the costs of remedying the condition.

## **Natural Disasters**

The value of the property in the Project Area in the future can be adversely affected by a variety of additional factors, particularly those which may affect infrastructure and other public improvements and private improvements on property and the continued habitability and enjoyment of such private improvements. Such additional factors include, without limitation, geologic conditions such as earthquakes, topographic conditions such as earth movements, landslides and floods and climatic conditions such as droughts. In the event that one or more of such conditions occur, such occurrence could cause damages of varying seriousness to the land and improvements and the value of property in the Project Area could be diminished in the aftermath of such events. A substantial reduction of the value of such properties and could affect the ability or willingness of the property owners to pay the property taxes.

**Seismic.** Earthquake faults exist in many parts of Northern California, including in areas near to the Project Area. Most new construction is required to be built in accordance with the Uniform Building Code which contains standards designed to minimize structural damage caused by seismic events however, the occurrence of severe seismic activity affecting the Project Area could result in substantial damage to property located in the Project Area, and could lead to successful appeals for reduction of assessed values of such property. Such a reduction of assessed valuations could result in a reduction of the Tax Revenues that secure the Bonds.

## **Changes in the Redevelopment Law**

There can be no assurance that the California electorate will not at some future time adopt initiatives or that the Legislature will not enact legislation that will amend the Dissolution

Act, the Redevelopment Law or other laws or the Constitution of the State resulting in a reduction of tax increment available to pay debt service on the Bonds.

It is possible that the definition of Tax Revenues could be affected by changes in law or judicial decisions relating to the dissolution of redevelopment agencies. The Indenture provides that if, and to the extent, that the provisions of Section 34172 or paragraph (2) of subdivision (a) of Section 34183 of the Redevelopment Law are invalidated by judicial decision, then "Tax Revenues" will include all tax increment revenues allocated to the payment of indebtedness in accordance with Section 33670 of the Redevelopment Law or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the State Constitution; excluding moneys required to pay Senior Obligations payable during such period. Additionally, any action by a court to invalidate provisions of the Dissolution Act required for the timely payment of principal of, and interest on, the Bonds could be subject to issues regarding unconstitutional impairment of contracts and unconstitutional taking without just compensation. The Successor Agency believes that the aforementioned considerations would provide some protections against the adverse consequences upon the Successor Agency and the availability of Tax Revenues for the payment of debt service on the Bonds in the event of successful challenges to the Dissolution Act or portions thereof. However, the Successor Agency provides no assurance that any other lawsuit challenging the Dissolution Act or portions thereof will not result in an outcome that may have a detrimental effect on the Successor Agency's ability to timely pay debt service on the Bonds.

### **Loss of Tax-Exemption**

As discussed under the caption "TAX MATTERS," interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued, as a result of future acts or omissions of the Successor Agency in violation of its covenants in the Indenture.

In addition, current and future legislative proposals, if enacted into law, may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation by, for example, changing the current exclusion or deduction rules to limit the aggregate amount of interest on state and local government bonds that may be treated as tax exempt by individuals.

Should such an event of taxability occur, the Bonds are not subject to special redemption and will remain outstanding until maturity or until redeemed under other provisions set forth in the Indenture.

## Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds, or, if a secondary market exists, that the Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon the then prevailing circumstances.

## TAX MATTERS

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, provided, however, that, for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining certain income and earnings.

The opinions set forth in the preceding paragraph are subject to the condition that the Successor Agency comply with all requirements of the Internal Revenue Code of 1986, as amended (the “**Tax Code**”) that must be satisfied subsequent to the issuance of the Bonds. The Successor Agency has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of such interest in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds.

If the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes “original issue discount” for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes “original issue premium” for purposes of federal income taxes and State of California personal income taxes. De minimis original issue discount and original issue premium is disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Bonds under federal individual and corporate alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California personal income taxes.

Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Bond Counsel expresses no opinion regarding any federal or state tax consequences arising with respect to the Bonds other than as expressly described above.

## CONCLUDING INFORMATION

### Underwriting

The Bonds are being purchased by \_\_\_\_\_ (the "**Underwriter**"). The Underwriter has agreed to purchase the Bonds at a price of \$\_\_\_\_\_ (being the principal amount of the Bonds [less a net original issue discount/plus a net original issue premium] of \$\_\_\_\_\_ and less an Underwriter's discount of \$\_\_\_\_\_). The Underwriter will purchase all of the Bonds if any are purchased.

The Underwriter may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page of this Official Statement. The offering prices may be changed from time to time by the Underwriter.

### Legal Opinion

The final approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, will be furnished to the purchaser at the time of delivery of the Bonds. A copy of the proposed form of Bond Counsel's final approving opinion with respect to the Bonds is attached hereto as Appendix B.

Certain legal matters will be passed on by Jones Hall, A Professional Law Corporation, as Disclosure Counsel and Stradling, Yocca, Carlson & Rauth, as Underwriter's Counsel.

In addition, certain legal matters will be passed upon for the Successor Agency by the City Attorney of the City.

*Compensation paid to Bond Counsel, Disclosure Counsel and Underwriter's Counsel is contingent upon the sale and delivery of the Bonds.*



## Litigation

There is no action, suit or proceeding known to the Successor Agency to be pending and notice of which has been served upon and received by the Successor Agency, or threatened, restraining or enjoining the execution or delivery of the Bonds or the Indenture or in any way contesting or affecting the validity of the foregoing or any proceedings of the Successor Agency taken with respect to any of the foregoing. See, however, “RISK FACTORS- Challenges to Dissolution Act.”

## Ratings

The Successor Agency has applied for a bond insurance policy for the Bonds. The Successor Agency may purchase such insurance to be delivered concurrently with the delivery of the Bonds for some or all maturities. Any such decision will be made at the time of pricing.

Standard & Poor’s Ratings Services (“**S&P**”) has assigned an underlying rating of “\_\_\_” to the Bonds.

The ratings issued reflect only the view of S&P, and any explanation of the significance of such ratings should be obtained from S&P. There is no assurance that such ratings will be retained for any given period of time or that it will not be revised downward or withdrawn entirely by S&P if, in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of any rating obtained may have an adverse effect on the market price of the Bonds.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. The Successor Agency has provided certain additional information and materials to S&P (some of which does not appear in this Official Statement).

There is no assurance that these ratings will continue for any given period of time or that these ratings will not be revised downward or withdrawn entirely by S&P, if in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of any rating on the Bonds may have an adverse effect on the market price or marketability of the Bonds.

## Continuing Disclosure

The Successor Agency has covenanted for the benefit of the holders and beneficial owners of the Bonds pursuant to a Continuing Disclosure Certificate, dated the date of issuance of the Bonds (the “**Continuing Disclosure Certificate**”), to provide certain financial information and operating data (the “**Annual Report**”) no later than March 31st following the end of each fiscal year, commencing with the report for the Fiscal Year ending June 30, 2017, and to provide notice of the occurrence of certain enumerated events under Securities Exchange Commission Rule 15c2-12 (the “**Rule**”) through the EMMA System. The specific information to be contained in the Annual Report and the enumerated events are set forth in “APPENDIX E - FORM OF SUCCESSOR AGENCY CONTINUING DISCLOSURE CERTIFICATE,” attached to this Official Statement. These covenants have been made in order to assist the Underwriter (as defined below) in complying with the Rule.

As an obligated party under the Rule, the Successor Agency is, or was during the past five years prior to the issuance of the Bonds, responsible for providing continuing disclosure with respect its bond issues, and on one occasion during that time failed to fully comply with

filing requirements by failing to file a material event notice. The filing of the notice was late, being filed in January 2016.

As of the date of this Official Statement, the Successor Agency, as well as the City, report that all of the items of their respective non-compliance with continuing disclosure obligations that relate to their respective outstanding bond issues have been corrected by filing on a late basis, and as such, as of the date of this Official Statement, the City/Agency believe they are presently in material compliance with all of their continuing disclosure undertakings.

The Successor Agency and the City engage Willdan Financial Services for the preparation and filing of continuing disclosure reports to ensure compliance with continuing disclosure obligations. The City and the Successor Agency are separate obligated parties for purposes of the Rule and the City is not obligated for purposes of the Rule with respect to the Bonds.

### **Audited Financial Statements**

The City of Hayward's Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2015 (the "**City CAFR**") is attached as Appendix F. The City's CAFR includes the Successor Agency's audited financial statements for the fiscal year ended June 30, 2015. The Successor Agency's audited financial statements were audited by Maze & Associates, Certified Public Accountants (the "**Auditor**"). The Auditor has not been asked to consent to the inclusion of the Successor Agency's audited financial statements in this Official Statement and has not reviewed this Official Statement.

*As described in "SECURITY FOR THE BONDS - Limited Obligation," the Bonds are payable from and secured by a pledge of Tax Revenues and the Bonds are not a debt of the City. The City's CAFR is attached as Appendix F to this Official Statement only because it includes the Successor Agency's audited financial statements.*

### **Miscellaneous**

All of the preceding summaries of the Indenture, the Redevelopment Law, the Dissolution Act, other applicable legislation, the Redevelopment Plan for the Project Area, agreements and other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the Successor Agency for further information in connection therewith.

This Official Statement does not constitute a contract with the purchasers of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement by its Executive Director has been duly authorized by the Successor Agency.

**REDEVELOPMENT SUCCESSOR  
AGENCY OF THE CITY OF HAYWARD**

By: \_\_\_\_\_  
Executive Director

**APPENDIX A**  
**SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE**

**APPENDIX B**  
**FORM OF BOND COUNSEL OPINION**

\_\_\_\_\_, 2016

Successor Agency to the  
Hayward Redevelopment Agency  
777 B Street  
Hayward, CA 94541

*OPINION:* \$\_\_\_\_\_ Redevelopment Successor Agency of the City of Hayward  
2016 Tax Allocation Refunding Bonds

Members of the Successor Agency:

We have acted as bond counsel in connection with the issuance by the Redevelopment Successor Agency of the City of Hayward (the "Successor Agency") of the captioned bonds (the "Bonds") pursuant to the Community Redevelopment Law, constituting Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code of the State of California (the "Law"), Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (the "Dissolution Act"), and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Refunding Law").

The Bonds are being issued pursuant to an Indenture of Trust, dated as of \_\_\_\_\_ 1, 2016 (the "Indenture"), by and between the Successor Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Successor Agency contained in the Indenture, and in certified proceedings and other certifications of public officials furnished to us, without undertaking to verify such facts by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Successor Agency is duly created and validly existing as a public entity, with the power to enter into the Indenture, perform the agreements on its part contained therein, and issue the Bonds.

2. The Indenture has been duly approved by the Successor Agency, and constitutes a valid and binding obligation of the Successor Agency, enforceable against the Successor Agency in accordance with its terms.

3. Pursuant to the Law, the Dissolution Act and the Refunding Law, the Indenture creates a valid lien on the funds pledged by the Indenture for the security of the Bonds, subject to no prior lien granted under the Law, the Dissolution Act and the Refunding Law, except to the extent described in the Indenture.

4. The Bonds have been duly authorized, executed and delivered by the Successor Agency, and are valid and binding special obligations of the Successor Agency, payable solely from the sources provided therefor in the Indenture.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; although for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining certain income and earnings. The opinions set forth in the preceding sentence are subject to the condition that the Successor Agency comply with all requirements of the Internal Revenue Code of 1986 that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Successor Agency has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

The rights of the owners of the Bonds, and the enforceability of the Bonds and the Indenture, may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, and may also be subject to the exercise of judicial discretion in appropriate cases. This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

**APPENDIX C**  
**FISCAL CONSULTANT'S REPORT**

## APPENDIX D

### BOOK-ENTRY ONLY SYSTEM

The information in this Appendix C concerning The Depository Trust Company ("DTC"), New York, New York, and DTC's book-entry system has been obtained from DTC and the Successor Agency takes no responsibility for the completeness or accuracy thereof. The Successor Agency cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing Successor Agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com). The information set forth on such website is not incorporated herein by reference.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the



Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Successor Agency as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium (if any), and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Successor Agency or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Successor Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Principal, premium (if any), and interest payments with respect to the Bonds to

Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Successor Agency or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Successor Agency or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates representing the Bonds are required to be printed and delivered.

The Successor Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, representing the Bonds will be printed and delivered to DTC in accordance with the provisions of the Indenture.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Successor Agency believes to be reliable, but the Successor Agency takes no responsibility for the accuracy thereof.

**APPENDIX E****FORM OF SUCCESSOR AGENCY CONTINUING DISCLOSURE CERTIFICATE**

This CONTINUING DISCLOSURE CERTIFICATE (this "Disclosure Certificate") is executed and delivered by the SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD (the "Successor Agency") in connection with the issuance of \$\_\_\_\_\_ Redevelopment Successor Agency of the City of Hayward 2016 Tax Allocation Refunding Bonds (the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust dated as of \_\_\_\_\_, 2016 (the "Indenture"), by and between the Successor Agency and The Bank of New York Mellon Trust Company, N.A., as trustee. The Successor Agency covenants and agrees as follows:

*Section 1. Purpose of the Disclosure Certificate.* This Disclosure Certificate is being executed and delivered by the Successor Agency for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

*Section 2. Definitions.* In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined, the following capitalized terms shall have the following meanings:

"*Annual Report*" shall mean any Annual Report provided by the Successor Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Dissemination Agent*" shall mean Willdan Financial Services, or any successor Dissemination Agent designated in writing by the Successor Agency and which has filed with the Successor Agency a written acceptance of such designation.

"EMMA System" shall mean the Electronic Municipal Market Access system of the MSRB or such other electronic system designated by the MSRB or the Securities and Exchange Commission for compliance with S.E.C Rule 15c2-12(b).

"*Listed Events*" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

"*Participating Underwriter*" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"*Rule*" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Successor Agency shall, or shall cause the Dissemination Agent to, not later than nine (9) months after the end of the Successor Agency's fiscal year (which date currently would be March 31, based upon the June 30 end of the Successor Agency's fiscal year), commencing with the report for the 2016-17 fiscal year, provide to the MSRB through the EMMA System an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) Business Days prior to said date, the Successor Agency shall provide the Annual Report to the Dissemination Agent (if other than the Successor Agency). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Successor Agency may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if not available by that date. If the Successor Agency's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) If the Successor Agency is unable to provide to the MSRB through the EMMA System an Annual Report by the date required in subsection (a), the Successor Agency shall provide to the MSRB, in electronic format as prescribed by the MSRB through the EMMA System, a notice in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the Successor Agency, file a report with the Successor Agency certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB through the EMMA System pursuant to this Disclosure Certificate.

Section 4. Content of Annual Reports. The Successor Agency's Annual Report shall contain or incorporate by reference the following:

(a) Audited Financial Statements of the Successor Agency prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or prior to the annual filing deadline for the Annual Reports provided for in Section 3 above, financial information and operating data with respect to the Successor Agency for the preceding fiscal year, substantially similar to that provided in the corresponding tables and charts in the Official Statement for the Bonds, as follows:

- (i) identity of pending and successful appeals of assessed values in the Project Area, but only if total appeals exceed, in the aggregate, 5% of assessed value in the Project Area;
- (ii) summary of taxable value in the Project Area for the most recent fiscal year;
- (iii) a listing of the ten major property tax assessesees in the Project Area;
- (iv) summary of the Tax Revenues, the debt service for the Bonds and any Parity Debt and the debt service coverage ratio for the Bonds and any Parity Debt for the current fiscal year; and
- (v) assessed values in the Project Area for the most recent fiscal year.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Successor Agency or related public entities, which have been submitted to the MSRB through the EMMA System or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Successor Agency shall clearly identify each such other document so included by reference.

*Section 5. Reporting of Significant Events.*

(a) The Successor Agency shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.

- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the Successor Agency or other obligated person.
- (13) The consummation of a merger, consolidation, or acquisition involving the Successor Agency or an obligated person, or the sale of all or substantially all of the assets of the Successor Agency or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Successor Agency shall, or shall cause the Dissemination Agent (if not the Successor Agency) to, file a notice of such occurrence with the MSRB through the EMMA System, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The Successor Agency acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), and (a)(14) of this Section 5 contain the qualifier "if material." The Successor Agency shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the Successor Agency determines the event's occurrence is material for purposes of U.S. federal securities law. The Dissemination Agent shall not be responsible for determining whether an event is material.

Section 6. Termination of Reporting Obligation. The Successor Agency's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds or upon the delivery to the Dissemination Agent of an opinion of nationally recognized bond counsel retained by the Successor Agency to the effect that continuing disclosure is no longer required. If such termination occurs prior to the final maturity of the Bonds, the Successor Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

*Section 7. Dissemination Agent.*

(a) The Successor Agency may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Successor Agency pursuant to this Disclosure Certificate, unless the Successor Agency is the Dissemination Agent, as provided herein. The initial Dissemination Agent shall be Willdan Financial Services. If at any time there is no designated Dissemination Agent appointed by the Successor Agency, or if the Dissemination Agent so appointed is unwilling or unable to perform the duties of Dissemination Agent hereunder, the Successor Agency shall be the Dissemination Agent and undertake or assume its obligations hereunder. The Dissemination Agent may resign by providing thirty days written notice to the Successor Agency and the Trustee.

Any company succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any paper or any further act. The Dissemination Agent may resign its duties hereunder at any time upon written notice to the Successor Agency.

(b) The Dissemination Agent shall be paid compensation by the Successor Agency for its services provided hereunder in accordance with its schedule of fees as agreed to between the Dissemination Agent and the Successor Agency from time to time and for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent (unless the Successor Agency is the Dissemination Agent) shall have no duty or obligation to review any information provided to it by the Successor Agency hereunder and shall not be deemed to be acting in any fiduciary capacity for the Successor Agency, holders or beneficial owners or any other party. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon any direction from the Successor Agency or an opinion of nationally recognized bond counsel retained by the Successor Agency.

*Section 8. Amendment; Waiver.* Notwithstanding any other provision of this Disclosure Certificate, the Successor Agency may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied (provided no amendment or waiver shall be made that affects the duties or rights of the Dissemination Agent without its written consent):

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel retained by the Successor Agency, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel retained by the Successor Agency, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the Successor Agency to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be sent to the MSRB through the EMMA System in the same manner as for a Listed Event under Section 5(c).

*Section 9. Additional Information.* Nothing in this Disclosure Certificate shall be deemed to prevent the Successor Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Successor Agency chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Successor Agency shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

*Section 10. Default.* In the event of a failure of the Successor Agency to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Successor Agency to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Successor Agency to comply with this Disclosure Certificate shall be an action to compel performance.

*Section 11. Duties, Immunities and Liabilities of Dissemination Agent.* All of the immunities, indemnities, and exceptions from liability in Article VI of the Indenture insofar as they relate to the Trustee shall apply to the Trustee and the Dissemination Agent in this Disclosure Certificate. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Successor Agency agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of



defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon any direction from the Successor Agency or an opinion of nationally recognized bond counsel retained by the Successor Agency. The obligations of the Successor Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. No person, other than the Successor Agency, shall have any right to commence any action against the Trustee or Dissemination Agent seeking any remedy other than to compel specific performance of this Disclosure Certificate.

*Section 12. Beneficiaries.* This Disclosure Certificate shall inure solely to the benefit of the Successor Agency, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: \_\_\_\_\_

SUCCESSOR AGENCY OF THE  
REDEVELOPMENT AGENCY OF THE CITY OF  
HAYWARD

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**EXHIBIT A**

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING  
BOARD OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Successor Agency of the Redevelopment Agency of the City of  
Hayward

Name of Bond Issue: \$\_\_\_\_\_ Redevelopment Successor Agency of the City of  
Hayward 2016 Tax Allocation Refunding Bonds

Date of Issuance: \_\_\_\_\_, 2016

NOTICE IS HEREBY GIVEN that the Successor Agency of the Redevelopment Agency of the City of Hayward (the "Issuer") has not provided an Annual Report with respect to the above-named Bonds as required by the Indenture of Trust, dated as of \_\_\_\_\_ 1, 2016, by and between the Successor Agency of the Redevelopment Agency of the City of Hayward and The Bank of New York Mellon Trust Company, N.A., as trustee. The Issuer anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

REDEVELOPMENT SUCCESSOR AGENCY OF  
THE CITY OF HAYWARD

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

cc: Trustee

**APPENDIX F**

**SUCCESSOR AGENCY FINANCIAL STATEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

**APPENDIX G**

**STATE DEPARTMENT OF FINANCE APPROVAL LETTER**

## APPENDIX H

### CITY OF HAYWARD AND ALAMEDA COUNTY GENERAL INFORMATION

*The following information in this section of the Official Statement concerning the City of Hayward (the “City”) and surrounding areas is included only for the purpose of supplying general information regarding the community. The taxing power of the City, the County of Alameda (the “County”), the State of California (the “State”), and any political subdivision thereof is not pledged to the payment of the Bonds. The Bonds are not a debt of the City, the County, the State, or any of its political subdivisions, and neither the City, the County, the State nor any of its political subdivisions is liable therefor.*

#### **The City**

The City was given the official name of “Haywood,” due to a clerical error the same year the post office was established, 1860. In 1876, “Haywood” was incorporated as the “Town of Haywards,” with a population of 1,100. In 1894, the “s” in “Haywards” was dropped and on September 18, 1928, the status of the community was changed to the “City of Hayward.” In the early decades of the 20th Century, the Hayward Area became known as the “Heart of the Garden of Eden” because of its temperate climate and fertile soil. Everything – produce, chickens, cattle, flowers – grew in abundance. By 1950, the City grew to a population of 14,000, had become the “Apricot City” and home to Hunt’s Cannery.

On March 7, 1956, the City adopted the City of Hayward Charter. By 1960, the population had swelled to 72,700. By the mid-1960’s, the City’s landscape changed from apricot trees and canneries to subdivisions and shopping centers. The City’s growth continued through the 1970’s and 1980’s. On March 11, 1876, the City was chartered into the State and officially recognized as a City. By 1990, with a population of 121,000, the City became one of the top 15 most ethnically-diverse communities in the nation. Here, people from many cultures live and work together to build a community reflective of its residents.

Today, the City is known as the “Heart of the Bay,” not only for its central location but also for its accepting and caring environment. The City continues to plan for the future, maintaining a balance between the needs of our diverse residents and a growing business community.

#### **The County**

The County is located on the east side of the San Francisco Bay, extending to the City of Albany on the north, the City of Fremont on the south, and to the City of Livermore on the east, and is approximately ten miles west of San Francisco. Automobile access to San Francisco is provided by the San Francisco-Oakland Bay Bridge.

The northern part of the County has direct access to San Francisco Bay and the City of San Francisco. It is highly diversified with residential areas, active commercial areas, traditional heavy industry, the University of California at Berkeley, the Port of Oakland, and sophisticated manufacturing, computer services and biotechnology firms. The middle of the County is also highly developed including older established residential and industrial areas. The southeastern corner of the County, including the cities of Pleasanton and Livermore, has seen strong growth in residential development and manufacturing. Many high-tech firms have moved from neighboring Silicon Valley in Santa Clara County to the County.

## Population

The following table lists population estimates for the County and its cities for the last five calendar years, as of January 1.

**ALAMEDA COUNTY  
Population Estimates  
Calendar Years 2012 through 2016 as of January 1**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Alameda	75,210	76,074	76,785	77,657	79,277
Albany	18,625	18,668	18,682	18,841	18,893
Berkeley	115,199	116,074	117,399	118,923	119,915
Dublin	46,956	50,079	53,512	56,014	57,349
Emeryville	10,361	10,592	10,822	10,967	11,721
Fremont	218,810	221,397	224,836	227,582	229,324
<b>Hayward</b>	<b>149,078</b>	<b>152,590</b>	<b>154,832</b>	<b>157,305</b>	<b>158,985</b>
Livermore	82,772	83,768	85,049	86,368	88,138
Newark	43,189	43,464	43,835	44,284	44,733
Oakland	400,281	408,822	413,626	419,539	422,856
Piedmont	10,844	10,921	11,018	11,138	11,219
Pleasanton	71,117	71,153	71,990	73,776	74,982
San Leandro	85,889	85,847	86,453	87,209	87,700
Union City	70,733	71,172	71,719	72,412	72,952
Balance Of County	143,963	145,718	147,079	148,750	149,821
Incorporated	1,399,064	1,420,621	1,440,558	1,462,015	1,478,044
County Total	1,543,027	1,566,339	1,587,637	1,610,765	1,627,865

*Source: State Department of Finance estimates (as of January 1).*

*[Remainder of page intentionally left blank]*

## Employment and Industry

The unemployment rate in the Oakland-Hayward-Berkeley MD was 4.9% in July 2016, up from a revised 4.8% in June 2016, and below the year-ago estimate of 5.2%. This compares with an unadjusted unemployment rate of 5.9% for California and 5.1% for the nation during the same period. The unemployment rate was 4.8% in the County and 5.0% in Contra Costa County.

The table below list employment by industry group for Alameda and Contra Costa Counties for the years 2011 to 2015.

**OAKLAND-HAYWARD-BERKLEY MD  
(Alameda and Contra Costa Counties)  
Annual Averages Civilian Labor Force, Employment and Unemployment,  
Employment by Industry  
(March 2015 Benchmark)**

	2011	2012	2013	2014	2015
Civilian Labor Force <sup>(1)</sup>	1,316,300	1,336,300	1,344,100	1,355,600	1,374,800
Employment	1,182,400	1,218,700	1,245,500	1,275,000	1,308,100
Unemployment	133,900	117,500	98,600	80,600	66,700
Unemployment Rate	10.2%	8.8%	7.3%	5.9%	4.8%
<u>Wage and Salary Employment:</u> <sup>(2)</sup>					
Agriculture	1,500	1,500	1,400	1,300	1,200
Mining, Logging and Construction	48,600	52,900	57,300	59,400	63,300
Manufacturing	79,700	79,900	80,100	82,800	86,600
Wholesale Trade	42,200	43,700	45,200	46,200	47,600
Retail Trade	101,200	104,100	107,700	109,900	113,000
Transportation, Warehousing, Utilities	32,200	32,900	33,500	35,600	38,300
Information	22,600	22,100	21,500	21,300	22,400
Finance and Insurance	32,900	33,400	33,500	32,600	32,800
Real Estate and Rental and Leasing	14,900	15,400	16,200	16,800	16,800
Professional and Business Services	157,500	166,500	173,400	178,800	183,000
Educational and Health Services	158,900	164,700	170,500	173,100	178,400
Leisure and Hospitality	88,200	91,800	97,200	102,100	106,300
Other Services	35,700	36,400	37,000	37,500	38,000
Federal Government	14,600	14,200	13,800	13,800	13,800
State Government	38,300	38,500	38,900	39,300	39,800
Local Government	111,000	110,100	110,600	113,400	115,200
<b>Total, All Industries</b> <sup>(3)</sup>	<b>980,100</b>	<b>1,008,000</b>	<b>1,037,500</b>	<b>1,063,600</b>	<b>1,096,300</b>

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: State of California Employment Development Department.

## Principal Employers

The following table shows the principal employers in the County, as shown in the County's Comprehensive Annual Financial Report for fiscal year ending June 30, 2015.

### ALAMEDA COUNTY Principal Employers<sup>(1)</sup>

<b>Employer</b>	<b>Type of Business</b>	<b>Number of Employees June 30, 2015<sup>3</sup></b>
University of California Berkeley (including Berkeley National Labs)	Education	23,962
Kaiser Permanente Medical Group Inc. <sup>1</sup>	Health Care	18,450
State of California	State Government	8,930
County of Alameda	Local Government	8,868
Chevron Corporation	Energy	6,361
Safeway Inc.	Supermarkets & Other Grocery	6,270
United States Postal Service	Postal Service	5,948
John Muir Health	Health Care	5,857
Wells Fargo Bank	Financial Services	5,400
City of Oakland	Local Government	5,055

(1) The number of employees, except for County of Alameda and City of Oakland include Alameda County and Contra Costa County employees. Total employment within County of Alameda is unavailable

Source: Alameda County, Comprehensive Annual Financial Report for the year ending June 30, 2015.

*[Remainder of page intentionally left blank]*



## Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and nontax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the median household effective buying income for the City, the County, the State and the United States for the period 2011 through 2015. Effective buying income data is not yet available for the calendar year 2016.

**CITY OF HAYWARD, COUNTY OF ALAMEDA, THE STATE OF CALIFORNIA,  
AND THE UNITED STATES  
Effective Buying Income and Median Household  
As of January 1, 2011 Through 2015**

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2011	City of Hayward	\$2,666,333	\$49,177
	Alameda County	39,064,683	54,542
	California	814,578,458	47,062
	United States	6,438,704,664	41,253
2012	City of Hayward	\$2,897,058	\$49,135
	Alameda County	43,677,855	55,396
	California	864,088,828	47,307
	United States	6,737,867,730	41,358
2013	City of Hayward	\$3,006,695	\$51,992
	Alameda County	43,770,518	57,467
	California	858,676,636	48,340
	United States	6,982,757,379	43,715
2014	City of Hayward	\$3,301,423	\$54,476
	Alameda County	47,744,408	60,575
	California	901,189,699	50,072
	United States	7,357,153,421	45,448
2015	City of Hayward	\$3,621,095	\$56,200
	Alameda County	52,448,661	640,030
	California	981,231,666	53,589
	United States	7,757,960,399	46,738

Source: The Nielsen Company (US), Inc.

## Major Employers

The tables below lists the major employers in the County and the City.

### ALAMEDA COUNTY Major Employers

<b>Employer Name</b>	<b>Location</b>	<b>Industry</b>
Alameda County Law Enforcement	Oakland	Government Offices-County
Alameda County Sheriff's Ofc	Oakland	Government Offices-County
Alta Bates Summit Medical Ctr	Berkeley	Hospitals
Bayer Health Care	Berkeley	Laboratories-Pharmaceutical (mfrs)
California State-East Bay	Hayward	Schools-Universities & Colleges Academic
Coopervision Inc Advanced	Pleasanton	Optical Good-Wholesale
East Bay Water	Oakland	Transit Lines
EMC Corp	Pleasanton	Computer Software
Grifols Diagnostic Solutions	Emeryville	Pharmaceutical Research Laboratories
Highland Hospital	Oakland	Hospitals
Kaiser Permanente Medical Ctr	Oakland	Health Services
Lawrence Livermore Natl Lab	Livermore	Laboratories
Life Scan Inc	Fremont	Physicians & Surgeons Equip & Supls-Mfrs
Merritt Pavilion Lab	Oakland	Laboratories-Medical
Residential & Student Svc Prog	Berkeley	Schools-Universities & Colleges Academic
Safeway Inc	Pleasanton	Grocers-Retail
Tesla Motors	Fremont	Automobile Dealers-Electric Cars
Transportation Dept-California	Oakland	Government Offices-State
UCSF Benioff Children's Hospital	Oakland	Hospitals
University of Ca-Berkeley	Berkeley	Schools-Universities & Colleges Academic
University of California	Berkeley	Schools-Universities & Colleges Academic
Valley Care Health System	Livermore	Hospitals
Washington Hospital Healthcare	Fremont	Hospitals
Waste Management	Oakland	Garbage Collection
Western Digital Corp	Fremont	Electronic Equipment & Supplies-Mfrs

Source: State of California Employment Development Department, extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2016 2nd Edition.

### CITY OF HAYWARD Major Employers

<b>Employer Name</b>
Alameda County Sheriff's Dept
Bay City Auto Auction
Berkeley Farms, LLC
California University East Bay
Chabot College
Hayward Unified School District
Gillig Corporation
Impax Laboratories, Inc.
Marelich Mechanical
Pentagon Technologies
Siemines Building Tech
St. Rose Hospital
Kaiser Permanente Medical Center*
Mervyn's**
City of Hayward
SBC

Source: City of Hayward Adopted Operating Budget FY15

Note: FY15 data not available for ranking or total employment.

\* Closed in November 2013

\*\* Filed for bankruptcy in November 2008

## Commercial Activity

Summaries of the historic taxable sales within the City and the County during the past five years in which data is available are shown in the following tables. Annual figures for calendar years 2015 and 2016 are not yet available.

Total taxable sales during calendar year 2014 in the City were reported to be \$2.7 billion, a 4.6% increase over total taxable sales of \$2.6 billion reported during calendar year 2013.

**CITY OF HAYWARD**  
**Taxable Transactions**  
**Number Of Permits And Valuation Of Taxable Transactions**  
**(Dollars In Thousands)**

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2010	2,170	\$1,308,073	3,888	\$2,213,002
2011	2,082	1,367,585	3,747	2,356,230
2012	2,194	1,468,997	3,863	2,591,046
2013	2,113	1,517,518	3,773	2,621,767
2014	2,051	1,557,982	3,705	2,743,672

Source: California State Board of Equalization, Taxable Sales in California (Sales & Use Tax).

Total taxable sales during calendar year 2014 in the County were reported to be \$28.4 billion, a 6.6% increase over total taxable sales of \$26.6 billion reported during the first three quarters of calendar year 2013.

**ALAMEDA COUNTY**  
**Taxable Transactions**  
**Number Of Permits And Valuation Of Taxable Transactions**  
**(Dollars In Thousands)**

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2010	26,241	\$13,374,283	40,348	\$21,541,741
2011	24,809	14,519,756	38,577	23,430,799
2012	26,027	15,781,349	39,706	25,181,571
2013	27,017	16,893,102	40,662	26,624,571
2014	27,152	17,820,857	40,746	28,377,714

Source: California State Board of Equalization, Taxable Sales in California (Sales & Use Tax).

## Construction Activity

Provided below are the building permits and valuations for the City and the County for the past five available years.

### CITY OF HAYWARD Total Building Permit Valuations Calendar Years 2011 through 2015 (Valuations in Thousands)

	2011	2012	2013	2014	2015
<u>Permit Valuation</u>					
New Single-family	\$48,814.6	\$30,265.9	\$41,605.6	\$62,010.3	\$94,955.0
New Multi-family	0.0	5,750.9	17,563.3	76,696.1	5,401.7
Res. Alterations/Additions	<u>8,353.5</u>	<u>7,144.5</u>	<u>5,640.7</u>	<u>8,748.7</u>	<u>12,144.7</u>
Total Residential	57,168.1	43,161.3	64,809.6	147,455	\$112,501.4
New Commercial	2,630.0	2,607.1	29,215.7	6,166.1	14,586.2
New Industrial	0.0	162.9	4,390.0	0.0	0.0
New Other	275.0	120.0	2,420.6	24,580.0	13,148.7
Com. Alterations/Additions	<u>16,435.4</u>	<u>17,760.8</u>	<u>16,123.5</u>	<u>48,090.4</u>	<u>36,328.7</u>
Total Nonresidential	19,340.4	20,650.8	52,149.8	78,836.5	64,063.6
<u>New Dwelling Units</u>					
Single Family	223	148	170	240	280
Multiple Family	<u>0</u>	<u>42</u>	<u>79</u>	<u>393</u>	<u>24</u>
TOTAL	223	190	249	633	304

Source: Construction Industry Research Board, Building Permit Summary.

### ALAMEDA COUNTY Total Building Permit Valuations Calendar Years 2011 through 2015 (Valuations in Thousands)

	2011	2012	2013	2014	2015
<u>Permit Valuation</u>					
New Single-family	\$269,312.8	\$372,939.4	\$451,279.5	\$400,498.1	\$576,948.5
New Multi-family	249,684.1	343,669.8	300,514.9	392,331.4	456,361.3
Res. Alterations/Additions	<u>273,631.8</u>	<u>235,264.8</u>	<u>227,675.7</u>	<u>325,493.9</u>	<u>344,975.9</u>
Total Residential	792,628.7	951,874.0	979,470.2	1,118,323.3	1,378,285.7
New Commercial	261,804.2	94,705.8	122,360.6	242,257.3	187,303.4
New Industrial	17,485.7	29,808.2	140,059.5	102,926.6	92,470.2
New Other	37,504.6	6,764.1	49,801.8	81,646.2	193,029.9
Com. Alterations/Additions	<u>392,163.7</u>	<u>352,261.1</u>	<u>364,237.6</u>	<u>599,941.3</u>	<u>673,633.6</u>
Total Nonresidential	708,958.2	483,539.2	676,459.5	1,026,771.5	1,146,437.1
<u>New Dwelling Units</u>					
Single Family	817	1,119	1,339	1,076	1,671
Multiple Family	<u>1,352</u>	<u>1,508</u>	<u>2,023</u>	<u>2,048</u>	<u>3,370</u>
TOTAL	2,169	2,627	3,362	3,124	5,041

Source: Construction Industry Research Board, Building Permit Summary.

## Transportation

The City has become the crossroad of the Bay Area. Interstate Highway 580 (east-west), Interstate Highway 680 (north-south) and Highway 61 provides access to commuters and residents to travel to the nearby cities of Oakland, San Francisco, Sacramento, San Jose, and the Central Valley with ease.

Bay Area Rapid Transit (BART), the regional rapid transit system, has two stations in the City: the Hayward station, in downtown; and the South Hayward station, near the Hayward-Union City border. The AC Transit bus system, which provides bus service for Alameda County and Contra Costa County, operates in the City, and has a repair/training center located there. Amtrak, the national rail passenger system, provides daily service at its Hayward station for the Capitol Corridor train, which runs between San Jose in the South Bay, and Auburn in the Greater Sacramento area.

The City has a general aviation airport, the Hayward Executive Airport. The Hayward Air National Guard station was located at the airport in 1942, until being reassigned to Moffett Field in 1980.

\$ \_\_\_\_\_  
**REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD  
2016 TAX ALLOCATION REFUNDING BONDS**

**BOND PURCHASE CONTRACT**

November \_\_, 2016

Redevelopment Successor Agency of the City of Hayward  
777 B Street  
Hayward, California 94541  
Attention: Chief Administrative Officer

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “**Representative**”), as representative of itself and Hilltop Securities Inc. (collectively, the “**Underwriters**”) offers to enter into this Bond Purchase Contract (this “**Purchase Contract**”) with the Redevelopment Successor Agency of the City of Hayward (the “**Agency**”). This offer is made subject to the Agency’s acceptance by execution of this Purchase Contract and delivery of the same to the Underwriters on or before 11:59 p.m., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Agency at any time prior to such acceptance. Upon the Agency’s acceptance hereof, the Purchase Contract will be binding upon the Agency and the Underwriters. Capitalized terms that are used in this Purchase Contract and not otherwise defined have the respective meanings given to such terms in the Indenture (as such term is defined herein).

**Section 1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations set forth in this Purchase Contract, the Underwriters agree to purchase from the Agency, and the Agency agrees to sell and deliver to the Underwriters, all (but not less than all) of the \$\_\_\_\_\_ Redevelopment Successor Agency of the City of Hayward 2016 Tax Allocation Refunding Bonds (the “**Bonds**”) at a purchase price of \$\_\_\_\_\_ (being an amount equal to the principal amount of the Bonds plus/less a net original issue premium/discount of \$\_\_\_\_\_ and less an Underwriters’ discount of \$\_\_\_\_\_).

[The Agency acknowledges that the Representative will at Closing (as such term is defined herein), on behalf of the Agency, wire a portion of the purchase price in the amounts of: (a) \$\_\_\_\_\_, as the premium for the Policy (as such term is defined herein); and (b) \$\_\_\_\_\_, as the premium for the Reserve Policy (as such term is defined herein), directly to the Insurer (as such term is defined herein).]

The obligations of the Underwriters to purchase, accept delivery of and pay for the Bonds shall be conditioned on the sale and delivery of all of the Bonds by the Agency to the Underwriters at Closing.

## **Section 2. Bond Terms; Authorizing Instruments.**

(a) The Bonds shall be dated their date of delivery and shall mature and bear interest as set forth on Exhibit A. The Bonds shall be as described in, and shall be issued and secured under, an Indenture of Trust (the “**Indenture**”), dated as of December 1, 2016, by and between the Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the “**Trustee**”). The Bonds are payable and subject to redemption as provided in the Indenture and as described in the Official Statement (as such term is defined herein).

(b) The Bonds will be issued pursuant to Part 1 (commencing with Section 33000) and Part 1.85 of Division 24 (commencing with Section 34170) of the California Health and Safety Code and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the “**Law**”). The Bonds are payable from and secured by the Agency’s pledge of Tax Revenues under and as defined in the Indenture.

(c) The net proceeds of the sale of the Bonds will be used: (i) to refund the Redevelopment Agency of the City of Hayward Downtown Hayward Redevelopment Project Tax Allocation Bonds, Series 2004 (the “**2004 Bonds**”); (ii) to refund the Redevelopment Agency of the City of Hayward Downtown Hayward Redevelopment Project Tax Allocation Bonds, Series 2006 (the “**2006 Bonds**”); (iii) [to obtain a debt service reserve insurance policy (the “**Reserve Policy**”) issued by \_\_\_\_\_ (the “**Insurer**”) for deposit in the debt service reserve account established under the Indenture; (iv) to obtain a municipal bond insurance policy (the “**Policy**”) issued by the Insurer insuring the payment of principal of and interest on the Bonds]; and (v) to pay costs incurred in connection with the issuance of the Bonds.

**Section 3. Public Offering.** The Underwriters agree to make an initial bona fide public offering of all of the Bonds, at not in excess of the initial public offering yields or prices set forth on Exhibit A. Following the initial public offering of the Bonds, the offering prices may be changed from time to time by the Underwriters. The Agency acknowledges and agrees that: (a) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm’s-length commercial transaction between the Agency and the Underwriters, and the only obligations that the Underwriters have to the Agency with respect to the transaction contemplated hereby expressly are set forth in this Purchase Contract; (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as Municipal Advisors (as such term is defined in Section 15B of The Securities Exchange Act of 1934, as amended) to the Agency; (c) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Agency with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or is currently providing other services to the Agency on other matters); (d) the Underwriters have financial and other interests that may differ from and be adverse to those of the Agency; and (e) the Agency has consulted its own legal, financial, accounting, tax and other advisors to the extent that it has deemed appropriate.

## **Section 4. Official Statement; Continuing Disclosure.**

(a) The Agency has delivered to the Underwriters the Preliminary Official Statement dated November \_\_, 2016 (the “**Preliminary Official Statement**”) and will deliver to the Underwriters the final Official Statement dated the date of this Purchase Contract (as amended and

supplemented from time to time pursuant to Section 5(i) of this Purchase Contract, the “**Official Statement**”) within seven business days.

(b) The Agency authorizes the use of the Official Statement and the information contained therein by the Underwriters in connection with the public offering and the sale of the Bonds. The Agency consents to the use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds. The Representative agrees that it will not send any confirmation requesting payment for the purchase of any Bonds unless the confirmation is accompanied by or preceded by the delivery of a copy of the Official Statement. The Underwriters agree: (i) to provide the Agency with final pricing information on the Bonds on a timely basis prior to the Closing; and (ii) to take any and all other actions necessary to comply with applicable rules of the Securities and Exchange Commission (the “**SEC**”) and the Municipal Securities Rulemaking Board (the “**MSRB**”) governing the offering, sale and delivery of the Bonds to ultimate purchasers.

(c) In connection with the issuance of the Bonds, and in order to assist the Underwriters in complying with the provisions of SEC Rule 15c2-12 (“**Rule 15c2-12**”), the Agency will enter into a Continuing Disclosure Certificate (the “**Continuing Disclosure Undertaking**”) dated the date of the Closing, under which the Agency will undertake to provide certain financial and operating data as required by Rule 15c2-12. The form of the Continuing Disclosure Undertaking is attached as an appendix to the Preliminary Official Statement.

**Section 5. Representations, Warranties and Covenants of the Agency.** The Agency hereby represents, warrants and agrees with the Underwriters that:

(a) The Governing Board (the “**Board**”) of the Agency has taken official action by one or more resolutions (collectively, the “**Agency Resolution**”) adopted by a majority of the members of the Board at regular meetings that were duly called, noticed and conducted, at which a quorum was present and acting throughout, authorizing the execution, delivery and due performance of: (i) the Indenture; (ii) the Continuing Disclosure Undertaking; (iii) the Irrevocable Refunding Instructions, dated the date of the Closing (the “**Escrow Instructions**”), by and between the Agency and Wells Fargo Bank, National Association, as escrow agent (the “**Escrow Agent**”), related to the 2004 Bonds and the 2006 Bonds; and (iv) this Purchase Contract (collectively, the “**Agency Agreements**”) and the Official Statement, and the taking of any and all such action as may be required on the part of the Agency to carry out, give effect to and consummate the transactions that are contemplated hereby.

(b) The Agency is a redevelopment successor agency that is duly organized and existing under the laws of the State of California (the “**State**”) and has all necessary power and authority to adopt the Agency Resolution and to enter into and perform its duties under the Agency Agreements.

(c) By all necessary official action, the Agency has: (i) duly authorized the preparation and delivery of the Preliminary Official Statement and the preparation, execution and delivery of the Official Statement; (ii) duly authorized and approved the execution and delivery of, and the performance of its obligations under, the Bonds and the Agency Agreements; and (iii) duly authorized the consummation by the Agency of all other transactions contemplated by the Agency Resolution, the Agency Agreements, the Preliminary Official Statement and the Official Statement. When executed and delivered, the Agency Agreements (assuming due authorization, execution and delivery by and enforceability against the other parties thereto) will be in full force and effect and



each will constitute legal, valid and binding agreements or obligations of the Agency, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State.

(d) At the time of the Agency's acceptance hereof and at all times subsequent thereto up to and including the time of the Closing, the information and statements in the Official Statement do not and will not contain any untrue statement of a material fact or omit to state a material fact that is required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that no representation is made with respect to information relating to DTC (as such term is defined herein), DTC's book-entry system)[, the Policy, the Reserve Policy or the Insurer]).

(e) As of the date hereof, except as described in the Preliminary Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body that is pending against, and notice of which has been served on and received by, the Agency, or, to the best knowledge of the Agency, threatened, wherein an unfavorable decision, ruling or finding would: (i) affect the creation, organization, existence or powers of the Agency, or the titles of its members or officers; (ii) in any way question or affect the validity or enforceability of the Agency Agreements, the Bonds or the exclusion of the interest on the Bonds from taxation; or (iii) in any way question or affect the Purchase Contract or the transactions contemplated by the Purchase Contract, the Official Statement, or any other agreement or instrument to which the Agency is a party relating to the Bonds.

(f) There is no consent, approval, authorization or other order of, filing or registration with, or certification by, any regulatory authority that has jurisdiction over the Agency that is required for the execution and delivery of this Purchase Contract and the other Agency Agreements or the consummation by the Agency of the other transactions that are contemplated by the Official Statement or the Agency Agreements.

(g) Any certificate that is signed by any official of the Agency who is authorized to do so shall be deemed a representation and warranty by the Agency to the Underwriters as to the statements made therein.

(h) The Agency is not in default, and at no time has the Agency defaulted in any material respect, on any bond, note or other obligation for borrowed money or any agreement under which any such obligation is or was outstanding.

(i) If any event occurs of which the Agency has knowledge between the date of this Purchase Contract and the date of the Closing that might or would cause the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact that is required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Agency will notify the Representative and if, in the opinion of the Representative, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Agency will cooperate with the Underwriters in causing the Official Statement to be amended or supplemented in a form and in a manner that is approved by the Representative. All expenses that are thereby incurred will be paid by the Agency, and the Representative will file, or cause to be filed, the amended or supplemented Official Statement with the MSRB's Electronic Municipal Market Access database ("EMMA").

(j) The Agency will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Underwriters may reasonably request in order: (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions. The Agency will not be required to execute a general or special consent to service of process or to qualify to do business in connection with any such qualification or determination in any jurisdiction.

(k) The Agency is not in any material respect in breach of or default under: (i) any applicable constitutional provision, law or administrative regulation of any state or of the United States, or any agency or instrumentality of either; (ii) any applicable judgment or decree; or (iii) any loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument to which the Agency is a party, which breach or default has or may have an adverse effect on the ability of the Agency to perform its obligations under the Agency Agreements, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the adoption, execution and delivery of the Agency Agreements, if applicable, and compliance with the provisions on the Agency's part contained therein, will not conflict in any material way with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument to which the Agency is a party, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Agency or under the terms of any such law, regulation or instrument, except as may be provided by the Agency Agreements.

(l) Except as set forth in the Official Statement under the caption "CONCLUDING INFORMATION—Continuing Disclosure," the Agency has complied in all material respects with its continuing disclosure undertakings in the past five years.

(m) The financial statements relating to the receipts, expenditures and cash balances of the Agency as of June 30, 201[5] attached as an appendix to the Official Statement fairly represent the receipts, expenditures and cash balances of the Agency as of such date. Except as disclosed in the Official Statement or otherwise disclosed in writing to the Representative, there has not been any materially adverse change in the financial condition of the Agency or in its operations since June 30, 201[5] and there has been no occurrence, circumstance or combination thereof that is reasonably expected to result in any such materially adverse change.

(n) The Agency will refrain from taking any action, or permitting any action to be taken, with regard to which the Agency may exercise control, that results in the loss of the tax-exempt status of the interest on the Bonds.

## **Section 6. The Closing.**

(a) At 8:00 A.M., California time, on December \_\_, 2016, or on such earlier or later time or date as may be agreed upon by the Representative and the Agency (the "**Closing**"), the Agency shall deliver, or cause to be delivered, to the Trustee the Bonds in definitive form, registered in the name of Cede & Co., as the nominee of The Depository Trust Company, New York, New York

(“DTC”) (so that the Bonds may be authenticated by the Trustee and credited to the account that is specified by the Representative under DTC’s FAST procedures). Prior to the Closing, the Agency shall deliver, at the offices of Jones Hall, A Professional Law Corporation (“**Bond Counsel**”) in San Francisco, California, or at such other place as is mutually agreed upon by the Representative and the Agency, the other documents that are described in this Purchase Contract. On the date of the Closing, the Underwriters shall pay the purchase price of the Bonds as set forth in Section 1 of this Purchase Contract in immediately available funds to the order of the Trustee.

(b) The Bonds shall be issued in fully registered form and shall be prepared and delivered as one Bond for each maturity registered in the name of a nominee of DTC. It is anticipated that CUSIP identification numbers will be inserted on the Bonds, but neither the failure to provide such numbers nor any error with respect thereto shall constitute a cause for failure or refusal by the Underwriters to accept delivery of the Bonds in accordance with the terms of this Purchase Contract.

**Section 7. Conditions to Underwriters’ Obligations.** The Underwriters have entered into this Purchase Contract in reliance upon the representations and warranties of the Agency contained herein and to be contained in the documents and instruments to be delivered on the date of the Closing, and upon the performance by the Agency of its obligations to be performed hereunder and under such documents and instruments to be delivered at or prior to the date of the Closing. The Underwriters’ obligations under this Purchase Contract are and shall also be subject to the following conditions:

(a) The representations and warranties of the Agency that are contained in this Purchase Contract shall be true and correct in all material respects on the date of this Purchase Contract and on and as of the date of the Closing as if made on the date of the Closing.

(b) As of the date of the Closing, the Official Statement shall not have been amended, modified or supplemented, except in any case as may have been agreed to by the Representative.

(c) (i) As of the date of the Closing, the Agency Resolution and the Agency Agreements shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to by the Agency and the Representative; and (ii) the Agency shall perform or shall have performed all of its obligations that are required under or specified in the Agency Resolution and the Agency Agreements to be performed at or prior to the date of the Closing.

(d) As of the date of the Closing, all necessary official action of the Agency relating to the Agency Agreements, the Agency Resolution and the Official Statement shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect.

(e) Subsequent to the date of this Purchase Contract, up to and including the date of the Closing, there shall not have occurred any change in the financial affairs of the Agency, as described in the Official Statement, which in the reasonable professional judgment of the Representative materially impairs the investment quality of the Bonds.

(f) As of or prior to the date of the Closing, the Underwriters shall have received each of the following documents:

(A) Certified copies of the Agency Resolution.

(B) Duly executed copies of the Agency Agreements.

(C) The Preliminary Official Statement and the Official Statement, with the Official Statement duly executed on behalf of the Agency.

(D) An approving opinion of Bond Counsel, dated the date of the Closing, as to the validity of the Bonds and the exclusion of interest on the Bonds from federal and State income taxation, addressed to the Agency, substantially in the form attached as an appendix to the Official Statement, and a reliance letter with respect thereto addressed to the Underwriters.

(E) A supplemental opinion or opinions of Bond Counsel, dated the date of the Closing, addressed to the Underwriters, to the effect that:

(1) The Purchase Contract has been duly executed and delivered by the Agency and (assuming due authorization, execution and delivery by and enforceability against the Underwriters) is valid and binding upon the Agency, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally and to the application of equitable principles;

(2) The Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(3) The statements contained in the Official Statement on the cover and under the captions "INTRODUCTION," "REFUNDING PLAN," "THE BONDS" (excluding therefrom the statements pertaining to DTC), "SECURITY FOR THE BONDS" and "TAX MATTERS," and in Appendices A and B, excluding any material that may be treated as included under such captions by cross-reference, insofar as such statements expressly summarize certain provisions of the Bonds, the Agency Agreements and the form and content of Bond Counsel's final approving opinion, are accurate in all material respects; and

(4) The 2004 Bonds and the 2006 Bonds have been defeased in accordance with the provisions of the indenture pursuant to which they were issued.

(F) An opinion of the Agency's General Counsel, dated the date of the Closing, addressed to the Agency and the Underwriters, substantially in the form attached hereto as Exhibit D.

(G) An executed Rule 15c2-12 certificate of the Agency, dated the date of the Preliminary Official Statement, substantially in the form attached hereto as Exhibit B.

(H) An executed closing certificate of the Agency, dated the date of the Closing, substantially in the form attached hereto as Exhibit C.

(I) The opinion of counsel to the Trustee, addressed to the Agency and the Underwriters, substantially to the effect that:

(1) The Trustee is a national banking association that is duly organized, validly existing and in good standing under the laws of the United States of America, having full powers and authority and being qualified to enter into, accept and administer the trust created under the Indenture and to enter into the Indenture; and

(2) The Indenture has been duly authorized, executed and delivered by the Trustee, and, assuming due authorization, execution and delivery by the Agency, the Indenture constitutes the legal, valid and binding agreements of the Trustee, enforceable in accordance with its terms, subject to laws relating in bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought.

(J) The opinion or opinions of counsel to the Escrow Agent, addressed to the Agency and the Underwriters, substantially to the effect that:

(1) The Escrow Agent is a national banking association that is duly organized, validly existing and in good standing under the laws of the United States of America, having full powers and authority and being qualified to enter into, accept and administer the trust created under the Escrow Instructions and to enter into the Escrow Instructions; and

(2) The Escrow Instructions have been duly authorized, executed and delivered by the Escrow Agent and, assuming due authorization, execution and delivery by the Agency, the Escrow Instructions constitute the legal, valid and binding agreements of the Escrow Agent, enforceable in accordance with their respective terms, subject to laws relating in bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought.

(K) A certificate, dated the date of the Closing, in form and substance acceptable to the Underwriters, of an authorized officer of officers of the Trustee to the effect that the Trustee is duly authorized to enter into the Indenture, has accepted the duties imposed by the Indenture and is authorized to carry out such duties, and that the Trustee has duly authenticated the Bonds.

(L) A certificate or certificates, dated the date of the Closing, in form and substance acceptable to the Underwriters, of an authorized officer of officers of the Escrow Agent to the effect that the Escrow Agent is duly authorized to enter into the Escrow Instructions, has accepted the respective duties imposed by the Escrow Instructions and is authorized to carry out such duties.

(M) Evidence of required filings with the California Debt and Investment Advisory Commission.

(N) A copy of the executed Blanket Issuer Letter of Representations by and between the Agency and DTC relating to the book-entry system.

(O) An executed verification report relating to the 2004 Bonds and the 2006 Bonds, among other matters.

(P) Evidence that the ratings that have been assigned to the Bonds as of the date of the Closing are as set forth in the Official Statement.

(Q) A certified copy of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution and delivery of the Indenture and the authentication and delivery of the Bonds by the Trustee.

(R) A certified copy of the general resolution of the Escrow Agent authorizing the execution and delivery of certain documents by certain officers of the Escrow Agent, which resolution authorizes the execution and delivery of the Escrow Instructions.

(S) An opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, counsel to the Underwriters, addressed to the Underwriters and in form and substance satisfactory to the Underwriters.

(T) A report of Lumesis as to compliance by the Agency and related entities with their respective continuing disclosure undertakings.

(U) A Tax Certificate with respect to maintaining the tax-exempt status of the Bonds, duly executed by the Agency, together with Form 8038-G, duly executed by the Agency.

(V) An letter of Jones Hall, A Professional Law Corporation, as Disclosure Counsel, to the effect that, based upon an examination that they have made, and without having undertaken to determine independently or assuming any responsibility for the accuracy or completeness or fairness of the statements contained in the Official Statement, as a matter of fact and not opinion, such counsel advises that, in its capacity as Disclosure Counsel, no facts came to the attention of the attorneys in such firm rendering legal services in connection with such representation that caused such counsel to believe that the Official Statement as of its date and as of the Closing (except for: (1) the expressions of opinion, the assumptions, the projections, the financial statements, or other financial, numerical, economic, demographic or statistical data contained in the Official Statement; (2) any CUSIP numbers or information relating thereto; (3) any information with respect to DTC and DTC's book-entry system; [and (4) any information with respect to the Policy, the Reserve Policy and the Insurer]) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(W) [Evidence satisfactory to the Underwriters of the issuance of the Policy and the Reserve Policy by the Insurer.

(X) Evidence satisfactory to the Underwriters that the Trustee shall have received the Reserve Policy from the Insurer, which Reserve Policy constitutes a Qualified Reserve Account Credit Instrument under and as defined in the Indenture.

(Y) An opinion of counsel to the Insurer, in form and substance satisfactory to the Underwriters and Bond Counsel, with respect to, among other matters, the Policy and the Reserve Policy, and disclosures relating thereto and to the Insurer in the Official Statement.

(Z) A certificate of the Insurer, in form and substance satisfactory to the Underwriters and Bond Counsel, with respect to, among other matters, the Policy and the Reserve Policy.]

(AA) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriters or Bond Counsel may reasonably request to evidence compliance by the Agency with legal requirements, the truth and accuracy, as of the date of the Closing, of the representations of the Agency contained herein and of the Official Statement and the

due performance or satisfaction by the Agency at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Agency.

All of the opinions, letters, certificates, instruments and other documents that are mentioned in this Purchase Contract shall be deemed to be in compliance with the provisions of this Purchase Contract if, but only if, they are in form and substance satisfactory to the Underwriters. If the Agency is unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds as set forth in this Purchase Contract, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriters nor the Agency shall be under any further obligations hereunder, except that the respective obligations of the Agency and the Underwriters that are set forth in Section 12 of this Purchase Contract shall continue in full force and effect.

**Section 8. Conditions to Agency's Obligations.** The performance by the Agency of its obligations under this Purchase Contract is conditioned upon: (i) the performance by the Underwriters of their obligations hereunder; and (ii) receipt by the Agency of opinions addressed to the Agency, receipt by the Underwriters of opinions addressed to the Underwriters and the delivery of certificates on the date of the Closing by persons and entities other than the Agency.

**Section 9. Termination Events.** The Underwriters shall have the right to terminate the Underwriters' obligations under this Purchase Contract to purchase, accept delivery of and pay for the Bonds by notifying the Agency of its election to do so if, after the execution hereof and prior to the Closing, any of the following events occurs:

(a) the marketability of the Bonds or the market price thereof, in the reasonable opinion of the Representative, has been materially and adversely affected by any decision that is issued by a court of the United States (including the United States Tax Court) or of the State, by any ruling or regulation (final, temporary or proposed) that is issued by or on behalf of the Department of the Treasury of the United States, the Internal Revenue Service, or other governmental agency of the United States, or any governmental agency of the State, or by a tentative decision or announcement by any member of the House Ways and Means Committee, the Senate Finance Committee, or the Conference Committee with respect to contemplated legislation or by legislation enacted by, pending in, or favorably reported to either the House of Representatives or either House of the Legislature of the State, or formally proposed to the Congress of the United States by the President of the United States or to the Legislature of the State by the Governor of the State in an executive communication, affecting the tax status of the Agency or the City of Hayward, their property or income, their debt or contractual obligations (including the Bonds) or the interest thereon or any tax exemption granted or authorized by the Internal Revenue Code of 1986, as amended;

(b) the United States becomes engaged in hostilities that result in a declaration of war or a national emergency, or any other outbreak of hostilities occurs, or a local, national or international calamity or crisis occurs, financial or otherwise, the effect of such outbreak, calamity or crisis being such as, in the reasonable opinion of the Representative, would affect materially and adversely the ability of the Underwriters to market the Bonds;

(c) there occurs a general suspension of trading on the New York Stock Exchange or the declaration of a general banking moratorium by the United States, New York or State authorities;

(d) a stop order, ruling, regulation or official statement by, or on behalf of, the SEC is issued or made to the effect that the issuance, offering or sale of the Bonds or obligations similar to the Bonds is or would be in violation of any provision of the Securities Act of 1933, as then in effect, the Securities Exchange Act of 1934, as then in effect, or the Trust Indenture Act of 1939, as then in effect;

(e) legislation is enacted by the House of Representatives or the Senate of the Congress of the United States of America, a decision by a court of the United States of America is rendered or a ruling or regulation by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter is made or proposed to the effect that the Bonds are not exempt from registration, qualification or other similar requirements of the Securities Act of 1933, as then in effect, or of the Trust Indenture Act of 1939, as then in effect;

(f) in the reasonable judgment of the Representative, the market price of the Bonds, or the market price of obligations of the general character of the Bonds, might be materially and adversely affected because additional material restrictions that are not in force as of the date hereof are imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(g) the Office of the Comptroller of the Currency, The New York Stock Exchange, or other national securities exchange, or any governmental authority, imposes, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increases materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, or financial responsibility requirements of the Underwriters;

(h) a general banking moratorium is established by federal, New York or State authorities;

(i) any legislation, ordinance, rule or regulation is introduced in or enacted by any governmental body, department or agency in the State or a decision of a court of competent jurisdiction within the State is rendered, which, in the reasonable opinion of the Representative, after consultation with the Agency, materially adversely affects the market price of the Bonds;

(j) any federal or State court, authority or regulatory body takes action materially and adversely affecting the collection of revenues that are pledged under the Indenture;

(k) any rating of the Bonds or the Insurer is downgraded, suspended, withdrawn or placed on credit watch or similar status by a national rating service, which, in the reasonable opinion of the Representative, materially adversely affects the marketability or market price of the Bonds;

(l) an event occurs which in the reasonable opinion of the Representative requires a supplement or amendment to the Official Statement and: (i) the Agency refuses to prepare and furnish such supplement or amendment; or (ii) in the reasonable judgment of the Representative, the occurrence of such event materially and adversely affects the marketability of the Bonds or renders the enforcement of the sale contracts of the Bonds impracticable;

(m) an order, decree or injunction that is issued by any court of competent jurisdiction, or order, ruling, regulation (final, temporary or proposed), official statement or other



form of notice or communication that is issued or made by or on behalf of the SEC, or any other governmental authority having jurisdiction of the subject matter, to the effect that: (i) obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended; or (ii) the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect;

(n) additional material restrictions that are not in force as of the date hereof shall have been imposed upon trading in securities generally by any domestic governmental authority or by any domestic national securities exchange, which are material to the marketability of the Bonds; or

(o) the commencement of any action, suit or proceeding described in Section 5(e).

**Section 10. Changes in Official Statement.** After the Closing, the Agency will not adopt any amendment of or supplement to the Official Statement to which the Underwriters shall reasonably object in writing. Within 90 days after the Closing or within 25 days following the “end of the underwriting period” (as such term is defined below), whichever occurs first, if any event relating to or affecting the Bonds, the Trustee or the Agency occurs as a result of which it is necessary, in the opinion of the Representative, to amend or supplement the Official Statement in order to make the Official Statement not misleading in any material respect in the light of the circumstances existing at the time that it is delivered to a purchaser, the Agency will forthwith prepare and furnish to the Underwriters an amendment or supplement that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time that the Official Statement is delivered to a purchaser, not misleading. The Agency will cooperate with the Underwriters in the filing by the Underwriters of such amendment or supplement to the Official Statement with the MSRB. As used herein, the term “**end of the underwriting period**” means the later of such time as: (i) the Agency delivers the Bonds to the Underwriters; or (ii) the Underwriters do not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Notwithstanding the foregoing, unless the Representative gives notice to the contrary, the “end of the underwriting period” will be the date of the Closing. Any notice that is delivered pursuant to this provision will be written notice delivered to the Agency at or prior to the date of the Closing and will specify a date (other than the date of the Closing) to be deemed the “end of the underwriting period.”

**Section 11. Payment of Expenses.**

(a) The Underwriters shall be under no obligation to pay, and the Agency shall pay the following expenses incident to the performance of the Agency’s obligations hereunder:

(i) the fees and disbursements of Bond Counsel;

(ii) the cost of printing and delivering the Bonds, the Preliminary Official Statement and the Official Statement (and any amendment or supplement that is prepared pursuant to Section 10 of this Purchase Contract);

(iii) the fees and disbursements of accountants, advisors and any other experts or consultants retained by the Agency, including the Agency's general counsel; and

(iv) any other expenses and costs of the Agency that are incident to the performance of its obligations in connection with the authorization, issuance and sale of the Bonds, including out-of-pocket expenses and regulatory expenses, reimbursement to the Underwriters for any meals and travel for Agency employees or officers that were paid for by the Underwriters, costs relating to the issuance of the Policy and the Reserve Policy and any other expenses agreed to by the parties.

(b) The Underwriters shall pay all expenses incurred by it in connection with the public offering and distribution of the Bonds including, but not limited to:

(i) all advertising expenses in connection with the offering of the Bonds; and

(ii) all out-of-pocket disbursements and expenses incurred by the Underwriters in connection with the offering and distribution of the Bonds (including, without limitation, the fees and expenses of its counsel and MSRB, CUSIP Bureau, California Debt and Investment Advisory Commission and California Public Securities Association fees, if any), except as provided in clause (a) above or as otherwise agreed to by the Underwriters and the Agency.

**Section 12. Notices.** Any notice or other communication to be given to the Agency under this Purchase Contract may be given by delivering the same in writing to the Agency at the address that is set forth on the first page of this Purchase Contract, and any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to:

Stifel, Nicolaus & Company, Incorporated  
 One Montgomery Street, 35th Floor  
 San Francisco, California 94104  
 Attention: Ralph Holmes

**Section 13. Survival of Representations, Warranties, Agreements.** All of the Agency's representations, warranties and agreements that are contained in this Purchase Contract shall remain operative and in full force and effect regardless of: (a) any investigations made by or on behalf of the Underwriters; or (b) delivery of and payment for the Bonds pursuant to this Purchase Contract. The agreements contained in this Section and in Section 11 shall survive the termination of this Purchase Contract.

**Section 14. Benefit; No Assignment.** This Purchase Contract is made solely for the benefit of the Agency and the Underwriters (including their successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. The rights and obligations created by this Purchase Contract are not subject to assignment by the Underwriters or the Agency without the prior written consent of the other parties hereto.

**Section 15. Severability.** In the event that any provision of this Purchase Contract is held to be invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Purchase Contract.

**Section 16. Counterparts.** This Purchase Contract may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute the Purchase Contract by signing any such counterpart.

**Section 17. Governing Law.** This Purchase Contract shall be governed by the laws of the State.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**Section 18. Effectiveness.** This Purchase Contract shall become effective upon the execution of the acceptance hereof by an authorized officer of the Agency, and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,  
INCORPORATED

By: \_\_\_\_\_  
Title: Authorized Officer

Accepted:

REDEVELOPMENT SUCCESSOR AGENCY  
OF THE CITY OF HAYWARD

By: \_\_\_\_\_  
Title: Authorized Officer

Time of Execution: \_\_\_\_\_ California Time

**EXHIBIT A**

\$ \_\_\_\_\_  
**REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD  
 2016 TAX ALLOCATION REFUNDING BONDS**

**MATURITY SCHEDULE**

<i>Principal Payment Date (September 1)</i>	<i>Principal</i>	<i>Coupon</i>	<i>Yield</i>	<i>Price</i>
	\$	%	%	

\* Term Bond.

(c) Priced to first optional redemption date of \_\_\_\_ 1, 20\_\_ at par.

**EXHIBIT B**

\$ \_\_\_\_\_ \*

**REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD  
2016 TAX ALLOCATION REFUNDING BONDS****RULE 15c2-12 CERTIFICATE**

The undersigned hereby certifies and represents that the undersigned is the duly appointed and acting representative of the Redevelopment Successor Agency of the City of Hayward (the “**Agency**”), and as such is duly authorized to execute and deliver this Certificate on behalf of the Agency, and further hereby certifies and reconfirms on behalf of the Agency as follows:

(1) This Certificate is delivered in connection with the offering and sale of the above captioned bonds (the “**Bonds**”) in order to enable the underwriters of the Bonds to comply with Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the “**Rule**”).

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, setting forth information concerning the Bonds and the Agency (the “**Preliminary Official Statement**”).

(3) As used herein, “**Permitted Omissions**” means the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters, all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule, and the information therein is accurate and complete except for the Permitted Omissions.

Dated: November \_\_, 2016

REDEVELOPMENT SUCCESSOR AGENCY OF  
THE CITY OF HAYWARD

By: \_\_\_\_\_  
Chief Administrative Officer

\* Preliminary; subject to change.

**EXHIBIT C**

\$ \_\_\_\_\_  
**REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD**  
**2016 TAX ALLOCATION REFUNDING BONDS**

**CLOSING CERTIFICATE OF THE AGENCY**

The undersigned hereby certifies and represents that the undersigned is the duly appointed and acting representative of the Redevelopment Successor Agency of the City of Hayward (the “**Agency**”), and is duly authorized to execute and deliver this Certificate and further hereby certifies and reconfirms on behalf of the Agency as follows:

(i) The representations, warranties and covenants of the Agency that are contained in the Bond Purchase Contract, dated November \_\_, 2016 (the “**Purchase Contract**”), by and between the Agency and Stifel, Nicolaus & Company, Incorporated, as representative of the underwriters, are true and correct and in all material respects on and as of the date of the Closing, with the same effect as if made on the date of the Closing.

(ii) The Agency Resolution is in full force and effect at the date of the Closing and has not been amended, modified or supplemented, except as agreed to by the Agency and the Underwriters.

(iii) The Agency has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied on or prior to the date of the Closing.

(iv) The statements and descriptions in the Official Statement that pertain to the Agency do not contain any untrue or misleading statement of a material fact and do not omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading.

Capitalized terms used but not defined herein have the meanings given to such terms in the Purchase Contract.

Dated: December \_\_, 2016

REDEVELOPMENT SUCCESSOR AGENCY OF  
THE CITY OF HAYWARD

By: \_\_\_\_\_  
Chief Administrative Officer

**EXHIBIT D**

December \_\_, 2016

Redevelopment Successor Agency  
of the City of Hayward  
777 B Street  
Hayward, California 94541

Stifel, Nicolaus & Company, Incorporated  
One Montgomery Street, 35th Floor  
San Francisco, California 94104

Opinion of General Counsel

with reference to

\$ \_\_\_\_\_

**REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF HAYWARD  
2016 TAX ALLOCATION REFUNDING BONDS**

Ladies and Gentlemen:

In my capacity as the General Counsel to the Redevelopment Successor Agency of the City of Hayward (the “**Agency**”), in connection with the issuance by the Agency of the above-referenced bonds (the “**Bonds**”), I have examined such documents, certificates and records as I have deemed relevant and necessary as the basis for the opinion set forth herein. Capitalized terms that are used and not otherwise defined herein have the same meanings as assigned to them in the Bond Purchase Contract, dated November \_\_, 2016 (the “**Purchase Contract**”), by and between Stifel, Nicolaus & Company, Incorporated, as representative of the underwriters, and the Agency.

Relying on my examination described above and pertinent law and subject to the limitations and qualifications set forth hereinafter, I am of the following opinion:

1. The Agency is a community services district that is duly organized and existing under the laws of the State of California, and has all necessary power and authority to adopt the Agency Resolution and to enter into and perform its duties under the Agency Agreements.

2. Resolution Nos. RSA 16-02 and RSA \_\_\_ of the Agency (collectively, the “**Agency Resolution**”) have been duly adopted at a meeting of the Board of Directors of the Agency that was duly called and held on May 3, 2016 and October 18, 2016 pursuant to law, with all required public notice and at which a quorum was present and acting throughout. The Agency Resolution is in full force and effect and has not been amended or repealed.

3. The Agency has duly authorized, executed and delivered the Agency Agreements. Assuming due authorization, execution and delivery by the other parties thereto, as necessary, the Agency Agreements constitute legal, valid and binding agreements of the Agency enforceable against the Agency in accordance with their terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, debt adjustment, fraudulent conveyance or transfer,



moratorium, reorganization or other laws affecting the enforcement of creditors' rights generally and equitable remedies if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and limitations on remedies against public agencies.

4. Except as disclosed in the Official Statement, there is no action, suit or proceeding before or by any court, public board or body pending (with service of process having been accomplished on the Agency) or, to the best of my knowledge, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the Agency or the titles of its officers to their respective offices; (b) in any way question or affect the validity or enforceability of the Agency Agreements or the Bonds; (c) render illegal, invalid or unenforceable the Agency Agreements or the transactions contemplated thereby, or any other agreement or instrument related to the issuance of the Bonds to which the Agency is a party; or (d) have a material adverse effect on the ability of the Agency to make payments of principal of and interest on the Bonds when due.

5. The execution and delivery of the Agency Agreements and compliance with the provisions of each thereof will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of California, the United States or any department, division, agency or instrumentality of either thereof, any applicable court or administrative decree or order or any loan agreement, note, resolution, indenture, trust agreement, contract, agreement or other instrument to which the Agency is a party or is otherwise subject or bound in a manner that would materially adversely affect the Agency's performance under the Agency Agreements.

The opinion is based on such examination of the laws of the State of California as I have deemed relevant for the purposes of this opinion. I have not considered the effect, if any, of the laws of any other jurisdiction upon matters covered by this opinion. I have assumed the genuineness of all documents and signatures, presented to me. I have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in such documents. I express no opinion as to the status of the Bonds, the interest thereon or the Agency Agreements under any federal securities laws or any state securities or "Blue Sky" law or any federal, state or local tax law. Without limiting any of the foregoing, I express no opinion as to any matter other than as expressly set forth above.

I am furnishing this opinion as General Counsel to the Agency. Except for the Agency, no attorney-client relationship has existed or exists between me and the addressees hereof in connection with the Bonds or by virtue of this opinion. This opinion is rendered solely in connection with the financing described herein, and may not be relied upon by you for any other purpose. I disclaim any obligation to update this opinion. This opinion shall not extend to, and may not be used, quoted, referred to, or relied upon by any other person, firm, corporation or other entity without my prior written consent.

Respectfully submitted,



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** MIN 16-093

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**DATE:** October 25, 2016

**TO:** Geologic Hazard Abatement District Board

**FROM:** GHAD Clerk

**SUBJECT**

Minutes of the Special Joint City Council/Hayward Geologic Hazard Abatement District Board Meeting on September 13, 2016 (Consent GHAD Item No. 5)

**RECOMMENDATION**

That the Hayward Board of Directors approves the Minutes of the Special Joint City Council/Hayward Geologic Hazard Abatement District Board Meeting on September 13, 2016 (Consent GHAD Item No. 5).

**ATTACHMENTS**

Attachment I GHAD Minutes of September 13, 2016

MINUTES OF THE SPECIAL JOINT CITY COUNCIL/HAYWARD GEOLOGIC  
HAZARD ABATEMENT DISTRICT BOARD MEETING OF THE CITY OF  
HAYWARD  
Council Chambers  
777 B Street, Hayward, CA 94541  
Tuesday, September 13, 2016, 7:00 p.m.

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The Special Joint City Council/Hayward Geologic Hazard Abatement District Board meeting was called to order by Mayor/Board Member Halliday at 7:00 p.m., followed by the Pledge of Allegiance led by Mayor/Board Member Halliday.

ROLL CALL

Present: COUNCIL/BOARD MEMBERS Zermeño, Márquez, Mendall, Peixoto,  
Lamnín, Salinas  
MAYOR/BOARD MEMBER Halliday  
Absent: None

CONSENT

5. Approval of Resolution Authorizing Approval of Scopes of Work with: 1. Engeo Incorporated to Serve as Hayward GHAD Manager; 2. Patricia Curtin of Wendel, Rosen, Black and Dean to Serve as Hayward GHAD Clerk/Legal Counsel; and 3. Watermark Asset Management Incorporated to Serve as Hayward GHAD Treasurer CONS 16-417

Staff report submitted by Development Services Director Rizk, dated September 13, 2016, was filed.

It was moved by Council/Board Member Márquez, seconded by Council/Board Member Mendall, and carried unanimously, to adopt the following:

HGHAD 16-02, "Resolution Approving Scopes of Work with ENGeo Incorporated; Wendell, Rosen, Black and Dean; and Watermark Asset Management for Geologic Hazard Abatement District Services"

ADJOURNMENT

Mayor/GHAD Board Member Halliday adjourned the meeting at 8:40 p.m.

APPROVED:

\_\_\_\_\_  
Barbara Halliday  
Board Member, Geologic Hazard Abatement District

ATTEST:

\_\_\_\_\_  
Patricia Curtin  
Secretary, Geologic Hazard Abatement District



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
www.Hayward-CA.gov

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**File #:** PH 16-108

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**DATE:** October 25, 2016

**TO:** Geologic Hazard Abatement District Board

**FROM:** GHAD Manager and GHAD Attorney

**SUBJECT**

Consideration of Resolution to Approve Hayward GHAD Plan of Control for the La Vista Development (No. 16-03) and Declare the GHAD's Intent to Order an Assessment for the La Vista Development and Set a Public Hearing for December 13, 2016 to Consider the Proposed Assessment and any Protests thereto (No. 16-04)

**RECOMMENDATION**

1. ADOPT Resolution No. 16-03 approving the Plan of Control for the La Vista development and direct the GHAD Manager to prepare a final version of the Plan of Control, consistent with the GHAD Board's approval. Thereafter, the revised Plan of Control is to be filed with the GHAD Clerk.
2. ADOPT Resolution No. 16-04 declaring the GHAD's intent to order the assessment set forth in the attached Engineer's Report and set a public hearing for December 13, 2016 to consider the proposed assessment and any objections thereto.
3. DIRECT the GHAD Clerk to mail, by first class mail, the "Notice of Adoption of Resolution" to each owner of real property (as shown on the last equalized property tax roll of the County) that is within the GHAD (Attached as Attachment C to Resolution No. 16-04). The sealable Ballot (attached as Attachment D to Resolution No. 16-04) and the Engineer's Report (attached as Attachment B to Resolution No. 16-04) shall be attached to the Notice of Adoption of Resolution.

**ATTACHMENTS**

- Attachment I GHAD Staff Report
- Attachment II GHAD Resolution No. 16-03
- Attachment III GHAD Resolution No. 16-04
- Attachment IV Plan of Control

**HAYWARD  
GEOLOGIC HAZARD ABATEMENT DISTRICT**

**BOARD MEETING DATE:** October 25, 2016

**TO:** Hayward GHAD Board of Directors

**FROM:** GHAD Manager and GHAD Attorney

**SUBJECT:**

Consideration of Resolution to Approve Hayward GHAD Plan of Control for the La Vista Development (No. 16-03).

Declare the GHAD's Intent to Order AN Assessment for the La Vista Development and Set a Public Hearing FOR December 13, 2016 to Consider the Proposed Assessment and any Protests thereto (No. 16-04).

**RECOMMENDATION(S):**

1. ADOPT Resolution No. 16-03 approving the Plan of Control for the La Vista development and direct the GHAD Manager to prepare a final version of the Plan of Control, consistent with the GHAD Board's approval. Thereafter, the revised Plan of Control is to be filed with the GHAD Clerk.
2. ADOPT Resolution No. 16-04 declaring the GHAD's intent to order the assessment set forth in the attached Engineer's Report and set a public hearing for December 13, 2016 to consider the proposed assessment and any objections thereto.
3. DIRECT the GHAD Clerk to mail, by first class mail, the "Notice of Adoption of Resolution" to each owner of real property (as shown on the last equalized property tax roll of the County) that is within the GHAD (Attached as Attachment C to Resolution No. 16-04). The sealable Ballot (attached as Attachment D to Resolution No. 16-04) and the Engineer's Report (attached as Attachment B to Resolution No. 16-04) shall be attached to the Notice of Adoption of Resolution.

**BACKGROUND:**

The La Vista development includes 179 single-family residential lots served by Mountain View Drive, Cantera Drive, and Vista Grande Drive. Additional improvements include a park, trails, a water quality pond, a dual use detention basin and a water quality/detention basin. Due to the potential for geologic hazards and related ongoing maintenance, the conditions of approval for the La Vista development required that it be included within a GHAD. To satisfy this requirement, the developer of the La Vista development petitioned the City Council to form the GHAD. On March 1, 2016, the City Council adopted Resolution No. 16-030 approving the GHAD and appointed itself to serve as the GHAD Board of Directors.

In order to implement the GHAD, on May 17, 2016 pursuant to Resolution No. 16-01, the GHAD Board appointed a GHAD Manager, Attorney and Clerk, and Treasurer (“GHAD Officers”). On September 13, 2016, pursuant to Resolution No. 16-002, the GHAD Board approved scope of services for the GHAD Officers.

The next step for the GHAD Board is to approve a Plan of Control and secure a funding source for the GHAD. The Plan of Control for the GHAD is equivalent to a General Plan for the City. The proposed funding source is through a real property assessment to be imposed on the 179 homes.

## **PLAN OF CONTROL**

The draft La Vista Plan of Control is attached as Attachment A to Resolution No. 16-03. The Plan of Control describes the work to be performed by the GHAD contemplated for the La Vista development. Specifically, the GHAD will assume monitoring and maintenance responsibilities for the following site facilities and activities (“GHAD Activities”):

- General maintenance of the surface drainage improvements within the GHAD boundary and two parcels outside the GHAD boundary (Parcels “M” and “TBD”). The GHAD would also be responsible for general maintenance of storm drain inlets and outlet, subdrain outlets, and risers and would inspect and maintain concrete-lined drainage ditches.
- Monitoring and maintenance of measurement devices, such as piezometers, inclinometers, and tiltmeters, if any.
- Maintenance of existing property line/boundary fencing.
- Inspection and maintenance of surface water quality treatment, water quality pond, and detention basins within the GHAD boundary.
- Maintenance of the retaining wall east of Alquire Parkway at the northwest corner of the Moita property.
- Maintenance of two CDS water quality treatment units along Tennyson Road.
- Maintenance roads associated with the water quality pond and the detention basins.
- Maintenance roads/trails over public water mains on the GHAD parcels.
- Debris benches and walls.
- Storm drain inlets, outfalls and pipelines within the GHAD owned parcels and a portion of the public park area as shown on Appendix A, Figure 1.
- Maintenance including trails (other than City-owned public trails) within the GHAD parcels.
- Slopes including Hayward Concentrated Fault Zone.
- Vegetation control for fire suppression.

As listed above, the GHAD will monitor and maintain slopes and drainage facilities within Parcels “M” and “TBD”. Although these Parcels are outside the GHAD boundary, the maintenance of these slopes (including vegetation management for erosion control) is necessary to reduce the potential for uncontrolled stormwater infiltration, erosion, and other potential geologic hazards that could affect properties and site improvements within the GHAD boundary and, therefore, will be protective of facilities within the GHAD boundary.

The GHAD will become responsible for the monitoring and maintenance responsibilities set forth in the Plan of Control once the Developer transfers such responsibility. The Developer is eligible to transfer these responsibilities one year after the first residential building permit is issued by the City. Before the GHAD can accept these responsibilities the Developer must meet certain criteria set forth in Section 6.4 of the Plan of Control. The Developer will remain responsible for all improvements and land until the GHAD accepts responsibility.

### **ASSESSMENT AND ENGINEER'S REPORT**

Funding for the GHAD will be based on an assessment that will be imposed on each single family lot after a building permit is issued for that lot. The proposed assessment is supported by the attached draft Engineer's Report prepared by a registered professional engineer certified by the State of California, in accordance with Proposition 218 (attached as Attachment B to Resolution No. 16-04).

The draft Engineer's Report recommends an assessment limit of \$1,502 per single family residential unit (fiscal year 2016/2017 dollars). The annual assessment limit would be adjusted annually based on the San Francisco-Oakland-San Jose Consumer Price Index (CPI).

It is recommended that the GHAD Board adopt the Resolution of Intention to Order an Assessment for the Hayward GHAD and Set a Hearing Date for December 13, 2016 to Consider the Proposed Assessment and Protests thereto. (Note: This Resolution directs the GHAD Clerk to mail notice of the public hearing and to mail the assessment ballots.)

### **FISCAL IMPACT:**

The developer of the La Vista development 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 GHAD.

### **ENVIRONMENTAL REVIEW:**

Under State law, GHAD formation is exempt from review under the California Environmental Quality Act (CEQA) (Pub. Res. Code § 26559). Also, improvements caused to be undertaken under the GHAD Law and all activities in furtherance or in connection therewith are exempt from review under CEQA (Pub. Res. Code § 26601).

### **PUBLIC CONTACT:**

The property owner of the La Vista development, the Hayward Area Recreation and Park District (HARD), and the owners of all properties adjacent to the La Vista Development shall be notified in writing of the October 25, 2016 Public Hearing.

**ATTACHED RESOLUTIONS:**

1. Resolution No. 16-03 approving the Plan of Control for the La Vista GHAD.
2. Resolution No. 16-04 declaring the GHAD's intent to order an assessment for the Hayward GHAD and set a date for a public hearing for December 13, 2016 to consider the proposed revised assessment and any protests thereto.



**THE BOARD OF DIRECTORS OF HAYWARD  
GEOLOGIC HAZARD ABATEMENT DISTRICT**

**RESOLUTION NO. 16-03**

**RESOLUTION APPROVING THE HAYWARD GEOLOGIC HAZARD ABATEMENT  
DISTRICT PLAN OF CONTROL FOR THE LA VISTA DEVELOPMENT**

**WHEREAS**, 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 appointing itself to serve as the GHAD Board of Directors;

**WHEREAS**, on October 25, 2016, the GHAD Board held a public hearing to consider the Plan of Control for the La Vista development (“Plan of Control”); the Plan of Control describes in detail the geologic hazards, there location and the area affected thereby, and a plan for the prevention, mitigation, abatement and/or control thereof as required by Public Resources code section 25609 and is attached as Attachment A;

**WHEREAS**, the Plan of Control is exempt from the provisions of the California Environmental Quality Act (Pub. Res. Code §§ 21000 *et seq.*) in accordance with Public Resources Code sections 21080(b)(4) and 26559.

**NOW THEREFORE, the GHAD Board of Directors resolves and orders that:**

1. The Hayward GHAD Plan of Control for the La Vista development, dated October 17, 2016, is hereby approved and adopted.
2. This Resolution shall become effective immediately upon its passage and adoption.

**HAYWARD, CALIFORNIA, OCTOBER 25, 2016**

**PASSED BY THE FOLLOWING VOTE:**

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**Attachments:** Attachment A (Hayward GHAD Plan of Control for La Vista Development)

**PLAN OF CONTROL  
FOR LA VISTA DEVELOPMENT**

**HAYWARD GEOLOGIC HAZARD  
ABATEMENT DISTRICT (GHAD)  
HAYWARD, CALIFORNIA**

The logo for ENGEEO is rendered in large, white, 3D block letters. The letters are set against a background that is a collage of three images: a long-exposure photograph of waves crashing against rocks on the left, a landscape of rolling green hills under a blue sky in the center, and a close-up of reddish-brown rocks on the right. The logo is positioned in the upper middle section of the page.

**ENGEEO**

*Expect Excellence*

**Submitted to:**  
Mr. Jim Summers  
La Vista, L.P.  
11555 Dublin Boulevard  
Dublin, CA 94568

**Prepared by:**  
ENGEEO Incorporated

**October 17, 2016**

**Project No:**  
6671.105.001

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Project No.  
**6671.105.001**

October 17, 2016

Mr. Jim Summers  
La Vista, L.P.  
11555 Dublin Boulevard  
Dublin, CA 94568

Subject: La Vista Development  
Hayward Geologic Hazard Abatement District (GHAD)  
Hayward, California

**GEOLOGIC HAZARD ABATEMENT DISTRICT (GHAD)  
PLAN OF CONTROL**

Dear Mr. Summers:

Attached is the proposed Plan of Control for the La Vista development (Tract 7620) within the Hayward Geologic Hazard Abatement District (GHAD). This proposed Plan of Control satisfies portions of Condition of Approval Number 84 related to GHAD formation.

We are pleased to be of service to you on this project. If you have any questions concerning the contents of our report, please do not hesitate to contact us.

Sincerely,

ENGEO Incorporated



Eric Harrell, CEG  
eh/pcg/bvv



Paul C. Guerin, GE

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## **1.0 AUTHORITY AND SCOPE**

Under Condition of Approval No. 84 for the La Vista Quarry project, Tract 7620 (“Project”), the City of Hayward has required that a GHAD be formed for the La Vista development prior to issuance of the 50<sup>th</sup> residential building permit. To satisfy this requirement, the current owner of the La Vista development, La Vista, L.P., has petitioned the Hayward City Council to form the Hayward GHAD (“GHAD” or “District”). The term Developer as used herein, shall mean La Vista, L.P. and its successors and assigns. The Hayward GHAD is proposed to be formed under authority of the California Public Resources Code (Division 17, commencing with Section 26500).

Section 26509 of the Public Resources Code requires a Plan of Control, prepared by a State-Certified Engineering Geologist, as a prerequisite to formation of a GHAD. Pursuant to Section 26509, this Plan of Control was prepared by an Engineering Geologist certified pursuant to Section 7822 of the Business and Professions Code and describes, in detail, the geologic hazards, their location, and the area affected by them. It also provides a plan for the prevention, mitigation, abatement, or control thereof.

As used in this Plan of Control, and as provided in Section 26507, “geologic hazard” means an actual or threatened landslide, land subsidence, soil erosion, earthquake, fault movement, or any other natural or unnatural movement of land or earth.

### **1.1 PROPERTY IDENTIFICATION**

The land within the proposed GHAD boundary (“GHAD Boundary”) and the offsite GHAD-maintained easement areas “M” and “TBD” are shown on the GHAD Boundary Plat (Appendix B, Exhibit A). The GHAD Boundary includes all areas within the proposed Project. The legal description of the land to be included within the GHAD Boundary is included in Appendix B, Exhibit A. Legal descriptions of easement areas “M” and “TBD” are included in the Permanent Easement Agreements “M” and “TBD”.

## **2.0 BACKGROUND**

### **2.1 SITE CONDITIONS AND HISTORY**

The La Vista Quarry site was mined for aggregate products and borrow material for offsite projects beginning in the 1950s. Mining was essentially completed by the early 2000s. Prior to mining, the quarry pit area consisted of a steep west-facing slope inclined at approximately 2:1 (horizontal:vertical) or steeper for a height of approximately 350 feet. The lower portions of the property sloped gradually to the west, down to Mission Boulevard. The transition between steep and gradual slopes occurred approximately at the location of the active traces of the Hayward Fault. The mining created a west-facing slope that is up to approximately 350 feet high. In 2002, final quarry reclamation slopes were graded from the ridge crest at approximately 780 feet to an elevation of approximately 500 feet, near the upper extent of the steep quarry wall. The quarry

reclamation slopes were graded at inclinations of generally between 2.5:1 and 2:1, or locally flatter, with drainage benches at approximately 40-foot vertical intervals. At that time, concrete V-ditches were installed on the upper four benches.

The proposed development area and portions of adjacent slopes were rough graded between June 2006 and November 2007. The proposed Project grading is depicted in the Precise Development Plan and the approved grading plans. The plans indicate that fills up to about 50 feet from the existing grades were placed. Fill slopes within the development area around and west of the lots are depicted at inclinations of 2:1 to 3:1. Graded slopes east of the lots are depicted at inclinations of 2.5:1.

The grading also included repair of a landslide that had developed on the reclamation slope in 2005 and installation of a system of subsurface drains throughout the Project. The as-built locations of the drain system are shown on Appendix A, Figure 3.

## **2.2 LA VISTA DEVELOPMENT**

The Project includes 179 single-family residential lots arranged on three level terraces separated by 2:1 (horizontal:vertical) slopes up to approximately 25 feet high served by Mountain View Drive, Cantera Drive, and Vista Grande Drive. Additional improvements include a park, trails, a water quality pond, a dual use detention basin and a water quality/detention basin.

Site access to La Vista will be via an extension of Tennyson Road through the center of the site and Alquire Parkway from the south. Mountain View Drive is a proposed single-loaded street bounded on the east by a 50-foot-wide debris bench. The other streets are largely double-loaded with lots separated by rear yard 2:1 slopes with retaining walls at the base. The western lots are located at the top of a fill slope that is up to about 55 feet high, inclined at between 2.5:1 and 3:1. The plan shows the quarry slope east of the project at an inclination of 2.5:1 for heights of up to about 220 feet. Lots on Cantera Drive are separated from the slope by a 50-foot-wide debris bench. The vertical thickness of fill below the lots are indicated as great as 40 to 50 feet, generally decreasing in thickness in the vicinity of the southern ends of Mountain Vista Drive and Cantera Drive to near zero or in cut. The approved grading plans indicate that approximately 2.3 million cubic yards of fill was placed.

## **2.3 OPEN SPACE**

Title for parcels within the GHAD Boundary labeled B, C, D, N, O, U, V, Unsurveyed Remainder, La Vista L.P. 2006-301610 and La Vista L.P. 2007-408664 (collectively, the "GHAD Parcels") – as such Parcels are shown on Appendix B, Exhibit A – will be conveyed to the GHAD as provided in Sections 6.3 and 6.4 herein below. As the open space within and immediately adjacent to the Project is an amenity that benefits all of the property owners within the Project, the funding of the maintenance of the open space will be shared by all current and future owners of residential parcels within the GHAD Boundary.

Within the GHAD Parcels, the GHAD will assume responsibilities that relate to its position as a GHAD and also duties as a responsible land owner. The GHAD is charged with responsibilities that relate to the prevention, mitigation, abatement, or control of geologic hazards, which includes the maintenance of drainage facilities and associated improvements. This will include the monitoring and maintenance of drainage facilities which, if subject to improper care, could result in decreased slope stability, the prime concern of the GHAD. The drainage facilities to be maintained by the GHAD include water quality and water detention basins, Best Management Practice (BMP) water quality treatment facilities, concrete-lined drainage ditches, and open space storm drain facilities.

The GHAD will mitigate or abate landslide or erosion hazards that could directly affect improved, developed, and accepted properties (as defined in Section 6) within the Project or on Easement "M" or "TBD", in accordance with Section 5. The GHAD will also perform maintenance of water control and conveyance facilities and assume other peripherally related open-space responsibilities, such as vegetation management for fire suppression, trail maintenance, and selected other maintenance associated with the GHAD Parcels. On Easements "M" and "TBD", the GHAD will perform vegetation management for fire suppression, due to the potential for erosion caused by improper vegetation management. Additionally, the GHAD shall have the right to approve any construction, maintenance or repair in the GHAD Parcels which the GHAD determines has the potential to impact geologic stability.

### **3.0 SITE GEOLOGY – LA VISTA**

#### **3.1 GEOLOGIC SETTING**

La Vista is located within the Coast Ranges geologic province of California, a series of northwest-trending ridges and valleys. Bedrock in the province has been folded and faulted during regional uplift beginning in the Pliocene period, roughly 4 million years before present. A geologic map of the area prepared by Dibblee (1980) indicates the La Vista property is underlain by Franciscan greenstone, serpentinitized gabbro-diabase, serpentinite, and Knoxville formation (Berlogar Geotechnical Consultants (BGC), 2000).

##### **3.1.1 Artificial Fill**

Areas of pre-existing fills have been mapped at the La Vista property (BGC, 2000). The grading completed in 2006 and 2007 included removal of undocumented fill from the quarry floor based on an overexcavation plan prepared by BGC. The plan indicates that removal of non-engineered fill of up to about 20 feet below the quarry floor was anticipated. BGC indicates that all encountered non-engineered fill below the proposed lots, slopes and other improvements was removed and replaced with engineered fill within the areas completed at that time.



### **3.1.2 Residual Soil**

Residual natural soils, derived by weathering of the underlying parent bedrock, were reported at the margin of the quarry excavations. The residual soils generally consisted of dark brown to red-brown dry, medium-stiff to stiff silty clay and sandy clay (BGC, 2000).

### **3.1.3 Landslide Deposits**

Regional landslide mapping by Nilsen (1975) shows two landslide areas on the eastern portion of the La Vista property that appear to have been removed during quarry operations. Several additional landslides were identified by BGC during a previous study (2000). As shown on Appendix A, Figure 2, a number of additional landslides were mapped by BGC. During site grading, landslides were mitigated as shown on Table 4.1-1.

## **3.2 BEDROCK**

As mentioned above, the La Vista property is underlain by Franciscan greenstone, serpentinitized gabbro-diabase, serpentinite, and Knoxville formation.

### **3.2.1 Franciscan Greenstone**

Most of the western portion of the quarry is reportedly underlain by hard, gray-green, fine-grained metamorphosed greenstone. The greenstone contains veins of quartz and is cut by numerous typically northwest-striking and northeast-dipping tectonic shear planes and associated zones of closely fractured to crushed rock. The rock reportedly has a gravel-like appearance with an average particle size generally less than 1 inch, although there are scattered areas of larger intact particles (including boulder size). The greenstone has reportedly performed well in relatively steep slopes (BGC, 2000).

### **3.2.2 Franciscan Sheared Rock**

A zone of sheared Franciscan rock was mapped near the serpentinite. This material consists of highly sheared shale with lenses or inclusions of serpentinite. The shale is reportedly dark gray in color, friable, and contains abundant clay seams. The structure has been disrupted by extensive shearing. The shearing is reportedly northwest striking and northeast dipping (BGC, 2000).

### **3.2.3 Serpentinite and Serpentinitized Gabbro**

Much of the east-central portion of the La Vista property is reportedly underlain by serpentinite and serpentinitized gabbro. These materials are reportedly dark green, friable to weak, are generally highly sheared, and contain abundant clay seams. Additionally, the rock structure is reportedly complex with predominantly northwest striking with northeast-dipping slickensided sheared zones in many exposures (BGC, 2000).

### **3.2.4 Knoxville Formation**

Most of the quarry slopes are reportedly underlain by interbedded brown to black shale and brown to greenish-gray greywacke sandstone identified as Knoxville formation. Exposures of the Knoxville formation are reported to be generally weak to moderately strong, highly fractured to crushed, and thinly bedded (BGC, 2000).

### **3.3 GROUNDWATER**

Several springs were observed in the vicinity of quarry cut slopes during previous field reconnaissance activities, but no free water was encountered in test pits excavated at the La Vista property (BGC, 2000). Groundwater was encountered during a geotechnical exploration performed in November 1988 at depths ranging between 11 and 45 feet below the ground surface (BGC, 2000). It should be noted that fluctuations in groundwater levels occur seasonally and over a period of years because of variations in precipitation, temperature, irrigation, and other factors.

### **3.4 SEISMIC SOURCES**

The Project lies within the mapped Alquist-Priolo Earthquake Fault Hazard Zone for the Hayward Fault, established by the California Geological Survey (CGS). A geologic map of the quarry, including the location of the Hayward Fault zone as determined by site-specific mapping, is shown on Appendix A, Figure 2. As discussed above, the active Hayward Fault zone generally occurs at the base of the historic steeper ridge slopes that existed prior to quarry excavations. The fault zone consists of a band of sheared soil and rock designated by BGC as the “concentrated fault zone” that varies in width from roughly 300 feet at the southern side of the property to 100 feet at the north side. BGC performed refined mapping of the concentrated fault zone at the east and west boundaries of the zone by excavating and logging a series of trenches. BGC logged additional shear zones in four trenches outside the main “concentrated fault zone” and outside the 50-foot setback zone designated from the edge of the “concentrated shear zone” (Trenches T-3, T-4, T-14 and T-15) some of which appear to have exposed sheared contacts between greenstone and soil (Trenches T-14 and T-15); however, these shear zones were not designated as active by BGC or depicted on the geologic map in the design-level report. BGC interpreted these zones as not active based on reported lack of continuity or inconsistent orientations between trenches. BGC designated a “special building foundation zone” which includes Lots 147 through 159 and 164 through 171. This zone was designated to mitigate the risk of “minor sympathetic rupture” in the event of rupture along the adjacent main fault zone. BGC does not provide a specific estimate of the expected magnitude of the “minor sympathetic rupture” or the type of movement that can be expected in terms of vertical, horizontal or shear displacement. They recommend post-tensioned slab foundations to mitigate the risk in the special foundation zone, but do not provide specific slab design recommendations.

An earthquake of moderate to high magnitude generated within the San Francisco Bay Region, similar to those that have occurred in the past, could cause considerable ground shaking at the

La Vista property. The Hayward Fault is considered capable of generating an earthquake with a maximum moment magnitude of 7.1. Other seismic sources near the La Vista property include the Calaveras Fault (approximately 7 miles to the northeast) and the San Andreas Fault (approximately 16 miles to the southwest). The Calaveras Fault is considered capable of generating an earthquake with a maximum moment magnitude of 6.8, and the San Andreas Fault is considered capable of generating an earthquake with a maximum moment magnitude of 7.9.

#### **4.0 GEOLOGIC HAZARDS**

The following geologic hazards were identified for the Project in the previous studies and are expected to remain to some extent after site grading has been completed.

- Slope instability
- Fault rupture and creep
- Seismically induced ground shaking

#### **4.1 SLOPE INSTABILITY**

Earth stability is the GHAD's prime geotechnical concern within the GHAD Boundary and Easements "M" and "TBD". This is not unique to this project, but is of importance for hillside projects in the San Francisco Bay Area. This section describes several types of slope instability which are within the GHAD's responsibility, subject to the provisions of Sections 6 and 7.

Landslides are a common geologic phenomenon and are part of the process of mass wasting. Weathered or fractured bedrock and soil are transported downslope over geologic time as a result of gravitational and hydrostatic forces. A landslide is a deposit of soil and/or bedrock moving downward from its original position under the influence of gravity. Landslides include a variety of morphologies and are further defined by type of materials, wetness, and mode of movement. They can consist of mass movements of earth materials that are primarily intact, and occur along discrete shear surfaces. These surfaces (shear or slip planes) can be rotational (conchoidal or concave), such as for earth slumps, or planar, as for translational earth slide or bedrock block slides. Most landslides are truly "complex landslides", sliding, falling and flowing with more than one type of movement and/or material.

Table 4.1-1 summarizes the landslide areas identified at the La Vista property by BGC (2000), the proposed corrective measures and areas remaining undisturbed to maintain the existing slope profiles.

**TABLE 4.1-1**  
**La Vista**  
**Select Areas of Slope Instability**

Identification	Proposed Action
Landslide 1	Removal and replacement of landslide with subdrained engineered fill.
Landslide 2	Removal and replacement of landslide with subdrained engineered fill.
Landslide 3	No planned remediation; located outside limits of the proposed quarry reclamation.
Landslide 4	Landslide removed by a design cut.
Landslide 5	Landslide removed by a design cut.
Landslide 6	Landslide removed by a design cut.
Landslide 7	Landslide removed by a design cut.
Landslide 8	Landslide removed by a design cut.
Landslide 9	Landslide removed by a design cut.
Landslide 10	Landslide removed by a design cut.
Landslide 11	Landslide removed by a design cut.
Landslide 12	Landslide removed by a design cut.
Landslide 13	Landslide removed by a design cut.
Landslide 14	Landslide removed by a design cut.
Landslide 15	Landslide removed by a design cut.
Landslide 16	Landslide removed by a design cut.
Landslide 17	Portion of the landslide removed by the proposed cuts of the quarry reclamation.
Landslide 18	Removal and replacement of landslide with subdrained engineered fill.
Landslide 19	Removal and replacement of landslide with subdrained engineered fill.
Landslide 20	Landslide removed by a design cut.

Falls are an abrupt free-fall of earth materials off cliffs, steep cuts, or steep stream banks while earthflows are mass movements of earth materials in which the type of movement is one of flowing. When composed of soil finer than gravel size, the flowing material is commonly called a mudflow. A debris flow/debris avalanche is composed of natural earth materials, artificial fill, and/or organic debris which flow downslope with speed. Most of the material is transported away from the area of initial ground failure.

Slope failures are also often triggered by increased pore water pressure due to the infiltration of rainwater. The resulting decrease of shear resistance (internal resistance to deformation by shearing) can cause the slope to move. The level of groundwater table varies with the amount of rainfall for the area. If rainfall is higher than average during the winter season, the water table will become higher than average on a hillslope and groundwater pressures may become sufficiently high to initiate slope movement.

Landslides located within open space areas are natural landforms that do not require mitigation except where they affect man-made improvements. Debris catchment areas are the principal mitigation method used within the GHAD for areas between potentially unstable slopes and improvements. The debris catchment structures include debris benches, debris berms, and runout areas. GHAD maintenance of the areas will be critical to maintain adequate protection for the Site Improvements (as such term is defined in Section 5.1). Maintenance and monitoring of these areas is described in Section 9. Potential mitigation and repair measures for GHAD areas near development are discussed in Section 7. A copy of the as-built subdrain plan is shown on Appendix A, Figure 3.

Soil creep is the slow, often imperceptible, deformation of slope materials under low stress levels, which normally affects the shallow portion of the slopes, but can be deep seated where a weak zone of soil or bedrock exists. It results from gravitational and seepage forces, and may be indicative of conditions favorable for landsliding. Creep can be caused by wetting and drying of clays, by solution and crystallization of salts, by the growth of roots, by burrowing animals and by downslope movement of saturated ground. Colluvium refers to the mantle of loose soil and weathered bedrock debris that progresses down hillsides by creep.

The GHAD shall also be concerned with erosion and sedimentation in open space or affecting developed lots or improvements. Erosion is defined as the process by which earth materials are loosened and removed by running water on the ground surface or in the subsurface. Sedimentation is the depositing or settling of soil or rock particles from a state of suspension in a liquid.

Hilly terrain open space either in a natural condition or particularly on excavated slopes can be subject to erosion. Landslide deposits which are sometimes in a loosened condition are particularly prone to erosion. Earth flow-, debris flow- and mud flow-type landslides typically have an area of deposition or accumulation (sedimentation area) at their base. Graded slopes in the GHAD, particularly those in excess of 20 feet in vertical height or those not sufficiently vegetated, can be subject to erosion and therefore a source of transported sediment.

#### **4.1.1 Fault Rupture and Creep**

Given the proximity of the La Vista property to the Hayward Fault, there is a hazard of primary fault rupture in the event of an earthquake on the Hayward Fault. A moderate to strong earthquake could result in lateral and/or vertical offset, which could pose an adverse impact to structures and improvements. Additionally, the Hayward Fault may experience slow-moving

offset, or creep, during the design life of the development. To mitigate the hazard of fault rupture and creep beneath proposed structures, a 50-foot-wide structural setback has been established on both sides of the fault. Practical measures to reduce the potential for disruption of utilities due to fault creep at fault crossings should be undertaken. Additionally, all structures and improvements should be designed using sound engineering judgment and the latest building code requirements, as a minimum.

#### **4.1.2 Seismically Induced Ground Shaking**

As identified in the geologic and geotechnical reports pertaining to the project, an earthquake of moderate to high magnitude generated within the San Francisco Bay Region could cause considerable ground shaking at the La Vista property, similar to that which has occurred in the past. To mitigate the shaking effects, all structures should be designed using sound engineering judgment and the latest building code requirements, as a minimum.

Seismic slope stability analysis was incorporated in the corrective grading plans for the graded portions of the properties; however, seismically generated slope failures could occur in open space areas outside of the development limits. The proposed catchments, including debris benches, berms, and runout areas, will be maintained to reduce the potential for impacts to the project from upslope failures.

### **5.0 CRITERIA FOR GHAD RESPONSIBILITY**

In forming the GHAD and establishing the assessment levels and budgets for the District, including offsite Easements “M” and “TBD” (which will be maintained by the GHAD but will not be assessed by the GHAD), it is important to clearly define the limits of the GHAD’s responsibilities. The GHAD will accept responsibility for property as described in Section 6 of this Plan of Control; however, the intent of this Plan of Control is not to extend the GHAD’s responsibilities to every potential situation of instability; rather, the following are exclusions from GHAD responsibility.

#### **5.1 ISOLATED OR REMOTE FEATURE REQUIRING MITIGATION**

The GHAD shall not have responsibility to monitor, abate, mitigate or control slope instability that does not involve damage to or pose a significant threat to damage Site Improvements. As used herein, the term “Site Improvements” means buildings, public and private roads (including, but not limited to, Tennyson Road where such road adjoins Easement “TBD” and the private road cut bordering Easement “TBD”), sidewalks, utilities, improved trails, swimming pools, tennis courts, gazebos, cabanas, geologic stabilization features, or similar improvements.

#### **5.2 SINGLE PROPERTY**

The GHAD will not prevent, mitigate, abate or control geologic hazards which are limited in area to a single parcel of property unless the geologic hazard has damaged, or poses a significant

threat of damage to Site Improvements located on other property within the GHAD Boundary. This exclusion does not apply to geologic hazards existing on (i) open space property owned by any homeowner's associations, (ii) Easement "M" and Easement "TBD", or (iii) the GHAD Parcels.

### **5.3 GEOLOGIC HAZARDS RESULTING FROM NEGLIGENCE OF PROPERTY OWNER**

The GHAD may, in the GHAD Manager's sole discretion, decline to prevent, mitigate, abate or control geologic hazards which occurred or resulted from any negligence of the homeowner and/or the homeowner's contractors, agents or employees in developing, investigating, grading, constructing, maintaining or performing or not performing any post-development work on the subject property as long as the geologic hazard is limited to a single lot, pursuant to the single-property exclusion noted above. If the GHAD bears expense as the result of negligence described in this section, the GHAD may pursue reimbursement from the negligent parties.

The GHAD Manager is an entity employing a licensed Geotechnical Engineer who will oversee the operations of the GHAD, including preparation of GHAD budgets. The GHAD Manager is appointed by and reports to the GHAD Board of Directors.

### **5.4 PROPERTY NOT ACCEPTED**

The GHAD shall not have responsibility to repair damage, which is situated on a parcel of real property, which the GHAD has not accepted in accordance with Section 6, below. The GHAD, however, may monitor, abate, mitigate or control geologic or hydrogeologic hazards on a parcel of real property which the GHAD has not accepted in accordance with Section 6 and is not excluded from GHAD responsibility by Sections 5.1, 5.2, and 5.3; provided, however, that GHAD responsibility on such parcel shall be limited to the extent necessary to address damage to, or a significant threat of damage to, Site Improvements which are within a parcel of real property which the GHAD has accepted in accordance with Section 6. Should the District be required to respond to a geologic hazard outside the GHAD Boundary, the District may take such actions as may be appropriate to recover costs incurred as a result of preventing, mitigating, abating or controlling such geologic hazard from the responsible party, if any.

### **5.5 GEOLOGIC HAZARD WHICH REQUIRES EXPENDITURE IN AMOUNT EXCEEDING THE VALUE OF THE THREATENED OR DAMAGED IMPROVEMENT**

The GHAD may elect not to prevent, mitigate, abate or control a geologic hazard where, in the GHAD Manager's sole discretion, the anticipated expenditure required to be funded by the GHAD to prevent, mitigate, abate or control the geologic hazard will exceed the value of the structure(s) and site improvement(s) threatened with damage or loss.

## **5.6 GHAD FUNDING OR REIMBURSEMENT FOR DAMAGED OR DESTROYED STRUCTURES OR SITE IMPROVEMENTS**

In the event a residence or any other structure, Site Improvement or landscaping is damaged or destroyed due to, or as a result of, a geologic hazard, the GHAD may fund or reimburse the property owner for the expenses necessary to repair or replace the damaged or destroyed structure, Site Improvement or landscaping. Unless authorized by the Board of Directors, the dollar amount of the GHAD funding or reimbursement may not exceed ten percent (10%) of the costs incurred by the GHAD in preventing, mitigating, abating or controlling the geologic hazard responsible for the damage<sup>1</sup>. In the event the geologic hazard damaged or destroyed a structure, Site Improvement or landscaping which violated any provisions of the City Building Code or City Ordinance Code at the time of its installation or improvement, the GHAD may decline to provide any funding, or reimbursement to the property owner, for repair or replacement of the damaged structure, Site Improvement or landscaping.

## **5.7 NO REIMBURSEMENT OF EXPENSES INCURRED BY PROPERTY OWNERS**

The GHAD will not be obligated to reimburse a property owner for expenses incurred for the prevention, mitigation, abatement, or control of a geologic hazard absent a written agreement between the property owner and the GHAD to that effect, which agreement has been executed prior to the property owner incurring said expenses, and following an investigation conducted by the GHAD.

## **6.0 ACCEPTANCE**

### **6.1 ACTIVATION OF ASSESSMENT**

An annual assessment shall be promptly authorized on all residential parcels within the GHAD Boundary as shown on Appendix B, Exhibit A. Easements "M" and "TBD" are not residential parcels within the GHAD Boundary and, as such, will not be assessed by the GHAD. The assessment shall be levied by the GHAD on each individual parcel beginning the first fiscal year following issuance of a building permit for that parcel.

### **6.2 RESPONSIBILITY FOR GHAD ACTIVITIES**

On June 23, 2015, the City of Hayward approved the Final Map within the boundaries of the proposed Hayward GHAD. La Vista, L.P. currently owns the developable parcels shown on the Final Map and shall have the responsibility to perform all the activities of the GHAD on property within the Final Map and Easements "M" and "TBD". Such responsibility shall be eligible for transfer to the GHAD at 9:00 a.m. on the day exactly one year after the first residential building

<sup>1</sup> For example, if a landslide causes \$10,000 in structural damage to each one of four neighboring homes for a total of \$40,000 in structural damage and it costs the GHAD \$100,000 to design and install a new retaining wall to abate the slide, the District may only reimburse each property owner \$2,500 of their \$10,000 in structural damage.



permit is issued by the City of Hayward ("Transfer Eligibility Date"). The period between the levying of the GHAD assessment and the GHAD accepting maintenance responsibility of the GHAD activities as defined in Section 7 below will allow the District to accumulate reserve funds without incurring significant expenses.

### **6.3 OWNERSHIP OF THE OPEN SPACE**

Ownership of the GHAD Parcels shown on Appendix B, Exhibit A will be conveyed by the Developer to the GHAD at the end of the transfer process described in Section 6.4, which shall be the date the GHAD becomes responsible for oversight of the actual physical maintenance of the GHAD Parcels as provided in this Section. The Developer shall record a grant deed transferring fee title to the GHAD for the GHAD Parcels. The grant deed(s) must first be reviewed and approved by the GHAD Manager and GHAD Attorney.

### **6.4 PROCESS FOR TRANSFERRING RESPONSIBILITY FOR GHAD ACTIVITIES**

After the Transfer Eligibility Date for one or more GHAD Parcels, the process for transferring responsibility for performing GHAD Activities on such Parcel(s) shall be as follows:

1. Up to one year in advance of the Transfer Eligibility Date or in any subsequent year, at its discretion, the Developer may apply to the GHAD ("Transfer Application") to transfer the responsibility for performing GHAD Activities (as such term is defined in Section 7.0 herein below) for such Parcel(s) to the District.
2. Within 30 days of receiving such Transfer Application, the GHAD Manager shall verify that all the facilities for which the GHAD will have maintenance responsibility have been approved, constructed and maintained according to the City of Hayward approved plans and specifications for the individual improvements, and that such facilities are operational and in good working order.
3. Within 15 days of such inspection, the GHAD will send the Developer a list ("Punch list") of all of the items that need to be constructed, repaired or otherwise modified in order to comply with the city-approved plans and specifications.
4. The Developer shall notify the GHAD Manager when it has completed the items identified on the Punch list. Within 30 days of receipt of such notice, the GHAD Manager shall verify that all Punch list items have been completed and notify the Developer that the District accepts responsibility for performing all future GHAD activities on such Parcel(s).
5. The GHAD Manager shall confirm that the reserve requirement defined in the Engineer's Report approved by the GHAD Board has been met. The Engineer's Report is the document that establishes the individual property owners' GHAD assessment limit based on the projected expenses (budget) of the GHAD.

6. Prior to the GHAD accepting any responsibility for GHAD Activities, the Developer shall record a Declaration of Restrictive Covenants, Right of Entry and Disclosures Regarding Geologic Hazard Abatement District (“Declaration”) as approved by the GHAD Manager and GHAD Attorney and as discussed in Section 10.
7. Any monies owed to the GHAD by the Developer have been paid.
8. Prior to the GHAD accepting any responsibility for GHAD Activities, Developer shall provide necessary documentation, to the satisfaction of the GHAD Manager and GHAD Attorney, providing a property interest in Parcels “M” and “TBD” to allow the GHAD the ability to monitor and maintain slopes and drainage facilities within these parcels as set forth in Section 7.0.

As part of the transfer, the Developer of the GHAD Parcel(s) to be transferred will provide the GHAD, for its use, copies of the applicable geotechnical exploration reports, as-built grading plans, as-built corrective grading plans, as-built improvement plans, as-built subdrain plans or other pertinent documents as requested by the GHAD.

The GHAD is not responsible for maintaining any GHAD Activities until it accepts such responsibilities pursuant to this section. Developer will remain responsible for all GHAD Activities until the GHAD accepts responsibility pursuant to this section.

## **7.0 HAYWARD GHAD MAINTENANCE AND MONITORING RESPONSIBILITIES**

Several entities shall have ownership and maintenance duties of common space within the Project. Other than the GHAD, these entities include a Homeowner’s Association (“HOA”), a Landscape, Lighting, and Irrigation District (“LLID”), the City of Hayward (“City”), and the Hayward Area Recreation District (“HARD”). Landscaping and irrigation within a 100-foot-wide fire break in open space and adjacent to the residential units shall be maintained by the LLID. A Facility Maintenance Exhibit (FME) delineating ownership and maintenance responsibilities is presented in Appendix A, Figure 1.

The GHAD will assume monitoring and maintenance responsibilities for the following site facilities and activities (“GHAD Activities”):

- General maintenance of the surface drainage improvements within the GHAD Boundary and Easements “M” and “TBD”, such as the concrete V-ditches. The GHAD is also responsible for general maintenance of storm drain inlets and outlets in open space, subdrain outlets, and risers. Inspection and maintenance of concrete-lined drainage ditches.
- Monitoring and maintenance of measurement devices, such as piezometers, inclinometers, and tiltmeters, if any.

- Maintenance of existing property line/boundary fencing.
- Inspection and maintenance of surface water quality treatment, water quality pond, and detention basins within the Project.
- Retaining wall east of Alquire Parkway at the northwest corner of the Moita property.
- Maintenance of two CDS™ water quality treatment units along Tennyson Road.
- Maintenance roads associated with the water quality pond and the detention basins.
- Maintenance roads/trails over public water mains on the GHAD Parcels.
- Debris benches and walls.
- Subdrains, including, but not limited to, those shown on Appendix A, Figure 3.
- Storm drain inlets, outfalls and pipelines within the GHAD Parcels and a portion of the public park area as shown on Appendix A, Figure 1.
- Maintenance including trails (other than City-owned public trails) within the GHAD Parcels.
- Slopes including Hayward Concentrated Fault Zone.
- Vegetation control for fire suppression.
- Maintenance of slopes including subdrains and surface drainage within Easements “M” and “TBD”.

As listed above, the GHAD will monitor and maintain slopes and drainage facilities within Easements “M” and “TBD” (Appendix B, Exhibit A). Although this area is outside the GHAD Boundary, the maintenance of these slopes (including vegetation management for erosion control) is necessary to reduce the potential for uncontrolled stormwater infiltration, erosion, and other potential geologic hazards that could affect properties and Site Improvements within the GHAD Boundary and, therefore, will be protective of facilities within the GHAD Boundary. Prior to the GHAD providing monitoring and maintenance for the slopes and drainage facilities within Easements “M” and “TBD”, Developer must transfer and assign its rights, duties, obligations and burdens under Easements “M” and “TBD” to the GHAD and the GHAD must be the beneficiary of a permanent easement by Hayward Tennyson, LLC acceptable to the GHAD. The GHAD is not responsible for installation, maintenance, or repair of any landscape or landscape related irrigation improvements within Easements “M” and “TBD”. In addition, the GHAD is not responsible for maintenance of other areas or improvements within Assessor’s Parcel Number 78C-461-1-13.

## **7.1 GEOTECHNICAL TECHNIQUES FOR MITIGATION OF LANDSLIDE AND EROSION HAZARDS**

The techniques which may be employed by the GHAD to prevent, mitigate, abate, or control geologic hazards include, but are not limited to, the following.

- A. Removal of the unstable earth mass.
- B. Stabilization (either partial or total) of the landslide by removal and replacement with compacted, drained fill.
- C. Construction of structures to retain or divert landslide material or sediment.
- D. Construction of erosion control devices such as gabions, riprap, geotextiles, or lined ditches.
- E. Placement of drained engineered buttress fill.
- F. Placement of subsurface drainage devices (e.g. underdrains, or horizontal drilled drains).
- G. Slope correction (e.g. gradient change, biotechnical stabilization, slope trimming or contouring).
- H. Construction of additional surface ditches and/or detention basins, silt fences, sediment traps, or backfill or erosion channels.

Potential landslide and erosion hazards can often best be mitigated by controlling soil saturation and water runoff and by maintaining the surface and subsurface drainage system.

## **8.0 PRIORITY OF GHAD EXPENDITURES**

Emergency response and scheduled repair expenditures by the GHAD are to be prioritized by the GHAD Manager, utilizing his or her discretion, based upon available funds and the approved operating budget. When available funds are not sufficient to undertake all of the identified remedial and preventive stabilization measures, the expenditures are to be prioritized as follows in descending order of priority:

- (A) Prevention, mitigation, abatement or control of geologic hazards that have either damaged or pose a significant threat of damage to residences, critical underground utilities or paved streets.
- (B) Prevention, mitigation, abatement or control of geologic hazards which have either damaged or pose a significant threat of damage to ancillary structures, including but not limited to water quality facilities, pool cabanas or restroom buildings.

- (C) Prevention, mitigation, abatement or control of geologic hazards which have either damaged or pose a significant threat of damage to open space amenities.
- (D) Prevention, mitigation, abatement or control of geologic hazards which have either damaged or pose a significant threat of damage limited to loss of landscaping or other similar non-essential amenities.
- (E) Prevention, mitigation, abatement or control of geologic hazards existing entirely on open-space property and which have neither damaged nor pose a significant threat of damage to any Site Improvements.

In performing its duties as described above, the GHAD may seek reimbursements from public and private entities including, but not limited to, FEMA, City and County agencies, insurance companies, etc.

## **9.0 MAINTENANCE AND MONITORING SCHEDULE**

Geologic features and GHAD-maintained improvements defined in Section 7.0, including Easements "M" and "TBD", should be inspected by GHAD staff or GHAD-assigned consultants as presented below. The site inspections should be undertaken at appropriate intervals as determined by the GHAD Manager using supporting documents prepared for the Project and the Site Improvements. The GHAD budget should provide for three or more inspections in years of heavy rainfall. Generally, the inspections should take place in October, prior to the first significant rainfall; mid-winter as necessary during heavy rainfall years; and in early April at the end of the rainy season. The frequency of the inspections should increase, depending upon the intensity and recurrence of rainfall.

The Developer shall provide to the GHAD copies of geologic or geotechnical exploration reports related to site development and the GHAD shall retain these reports in the records of the GHAD. In addition, copies of any earthwork-related testing and observation reports that will be finalized at the completion of grading, when as-built drawings are available, shall be provided to the GHAD by the Developer and maintained as part of the GHAD records.

Following are guidelines for a monitoring plan. The actual timing, scope, frequency and other details regarding such maintenance, inspection and similar activities shall be at the discretion of the GHAD Manager.

- A State-licensed Professional Engineer and/or Professional Geologist should carry out a geologic reconnaissance of the slopes for indications of erosion or slope failures. Open space slope area monitoring would include observation of debris benches. The removal of accumulated debris from the bench, including rockfall material, should be undertaken in a manner that maintains the capacity of the bench to protect Site Improvements.

- A State-licensed Professional Engineer and/or Professional Geologist retained by the District should carry out an inspection of lined surface ditches. Repairs and maintenance, as needed, should be undertaken including removal of excess silt or sediment in ditches and patching or replacement of cracked or broken ditches, prior to the beginning of the next rainy season.
- Subsurface drain outlets and horizontal drilled drain outlets, if any, should be checked. Water flowing from these outlets should be measured and recorded during each inspection.
- Piezometers to measure groundwater levels, or instruments such as inclinometers or tiltmeters measuring potential slope instability should be monitored as recommended, if installed.
- Settlement monitoring devices, if any, should be measured periodically and tracked. In the event of anomalous readings or excessive settlement, the monitoring frequency should be increased.
- Inlets, outfalls or trash racks, if used, must be kept free of debris and spillways maintained. Additionally, water detention facilities and water quality facilities should be inspected and maintained. It is anticipated that initially at least once every two (2) years, cleanup of vegetation and removal of silt would be in order. Attention should be given to plantings or other obstructions which may interfere with access by power equipment.
- Monitoring of the paved and unpaved trail system should include observing the trail for excess vegetation growth, eroded areas or areas of instability.
- Retaining walls should be inspected for evidence of distress, such as tilting and/or structural failure. Repairs and maintenance would be undertaken only in the event that the structural integrity of the wall has been compromised or if the wall distress poses a threat to the integrity of adjacent structures.
- The water quality/detention basins and associated improvements should be monitored on a semi-annual basis; once prior to and once following the rainy season. Repairs and maintenance, as needed, should be undertaken, including removal of excess silt or sediment. Monitoring of the pond/basin access roads should include observing the access road for eroded areas or areas of instability, pavement competency, and encroaching vegetation.
- An annual inspection shall be made by a State-licensed Professional Engineer and/or Certified Engineering Geologist to assess the effectiveness of the preventive maintenance program and to make recommendations as to which landslide or erosion measures should be undertaken in the next fiscal year. Any appropriate site-specific study of landslide or erosion conditions shall be determined at that time. Consultants, if necessary, will be retained to undertake the needed studies. An annual inspection report to the GHAD shall be prepared by the Professional Engineer and/or Certified Engineering Geologist.

## **10.0 RIGHT-OF-ACCESS**

The GHAD Board of Directors, officers, employees, consultants, contractors, agents, and representatives shall have the right to enter upon all lands within the GHAD Boundary as shown on Appendix B, Exhibit A, for the purpose of performing the GHAD Activities defined in this Plan of Control. Such GHAD Activities include, but are not limited to the inspection, maintenance and monitoring of those improvements listed in Section 7.0. Should the District need to access private residential lots to fulfill its duties under the Plan of Control, the District shall provide the affected landowner and/or resident with 72 hours advanced notice unless, in the reasonable judgment of the District, an emergency situation exists which makes immediate access necessary to protect the public health and safety, in which case no advanced notice is required, but the District shall inform the landowner and/or resident as soon as reasonably possible.

The foregoing right-of-entry provision shall be recorded in the chain of title for all Project residential parcels and common area lots, and it shall be included in all Covenants, Conditions and Restrictions (CC&Rs) and homebuyer disclosure statements prepared for parcels within the GHAD Boundary, but not on Easements "M" and "TBD".

## SELECTED REFERENCES

1. Berlogar Geotechnical Consultants, Geotechnical Investigation, 1999 Reclamation Plan, La Vista Quarry, Hayward, California; January 14, 2000; Project No. 1692.011.
2. Berlogar Geotechnical Consultants, Fault Investigation Report La Vista Quarry, Hayward, California, February 29, 2000.
3. Berlogar Geotechnical Consultants, Report Fault Investigation Marcotte Property, Alquire Parkway, Hayward, California, December 3, 2001.
4. Berlogar Geotechnical Consultants, Supplemental Fault Investigation Report, La Vista Quarry, Hayward, California, December 3, 2001.
5. Berlogar Geotechnical Consultants, Design Level Geotechnical Report Reclamation Plan Modifications, Hayward, California, April 7, 2004.
6. Berlogar Geotechnical Consultants, Geotechnical Recommendations, Reclamation Plan Modifications, La Vista Quarry Development, La Vista Quarry and Marcotte Property, Hayward, California, Volumes 1 through 3 March 24, 2005.
7. Berlogar Geotechnical Consultants, Overexcavation Plan, La Vista Quarry Development, La Vista Quarry, Hayward, California, November 9, 2005, revised May 2, 2006.
8. Berlogar Geotechnical Consultants, Supplemental Geotechnical Investigation, Tennyson Road Extension, La Vista Quarry Development, Hayward, California March 9, 2007.
9. Berlogar Geotechnical Consultants, Interim Report, Soil Engineering Services During Mass Grading, La Vista Residential Development, Hayward, California May 2, 2008.
10. California Division of Mines and Geology, 1982, Revised official map of Alquist-Priolo Earthquake Fault Hazard Zones, Hayward Quadrangle: California Division of Mines and Geology, scale 1:24,000
11. Dibblee, T.W. and Minch, J.A., 2005, Geologic map of the Hayward quadrangle, Contra Costa and Alameda Counties, California: Dibblee Geological Foundation, Dibblee Foundation Map DF-163, scale 1:24,000.
12. Graymer, R.W., Jones, D.L., and Brabb, E.E., 1998, Geologic map of the Hayward fault zone, Contra Costa, Alameda, and Santa Clara Counties, California: a digital database: U.S. Geological Survey, Open-File Report OF-95-597, scale 1:50,000.
13. Liekaemper, J.J., 2006, Digital database of recently active traces of the Hayward fault, California: U.S. Geological Survey, Data Series DS-177, scale 1:12,000



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**SELECTED REFERENCES (Continued)**

14. Nilsen, T. H., 1975, Preliminary Photointerpretation Map of Landslide and Other Surficial Deposits of the Hayward 7½' Quadrangle, Alameda and Contra Costa Counties, California; USGS Open File Map 75-277-14.
15. Ruggeri-Jensen Associates, 2005, Precise Development Plan
16. Ruggeri-Jensen Associates, Grading Plans La Vista Tact 7620 June 5, 2007

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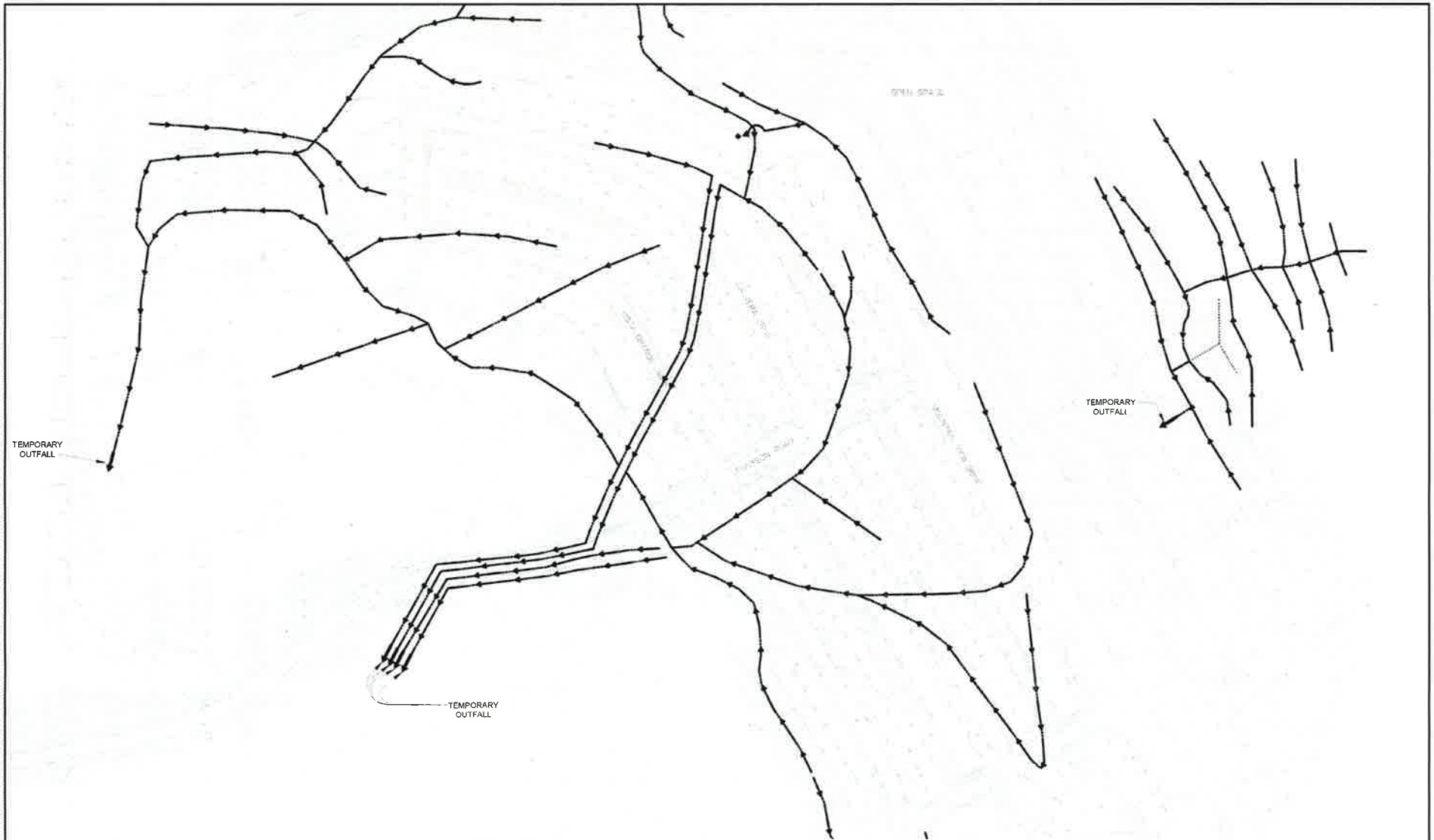
**APPENDIX A**

- Figure 1 Facility Maintenance Exhibit
- Figure 2 Geologic Map
- Figure 3 As-Built Subdrain Map





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**EXPLANATION**

ALL LOCATIONS ARE APPROXIMATE

—●—●—●— AS-BUILT SUBDRAIN

BASE MAP SOURCE: BERLOGAR



AS-BUILT SUBDRAIN PLAN  
LA VISTA QUARRY  
HAYWARD, CALIFORNIA

PROJECT NO.: 6671.105.001

SCALE: AS SHOWN

DRAWN BY: DLB

CHECKED BY: PJS

FIGURE NO.

3




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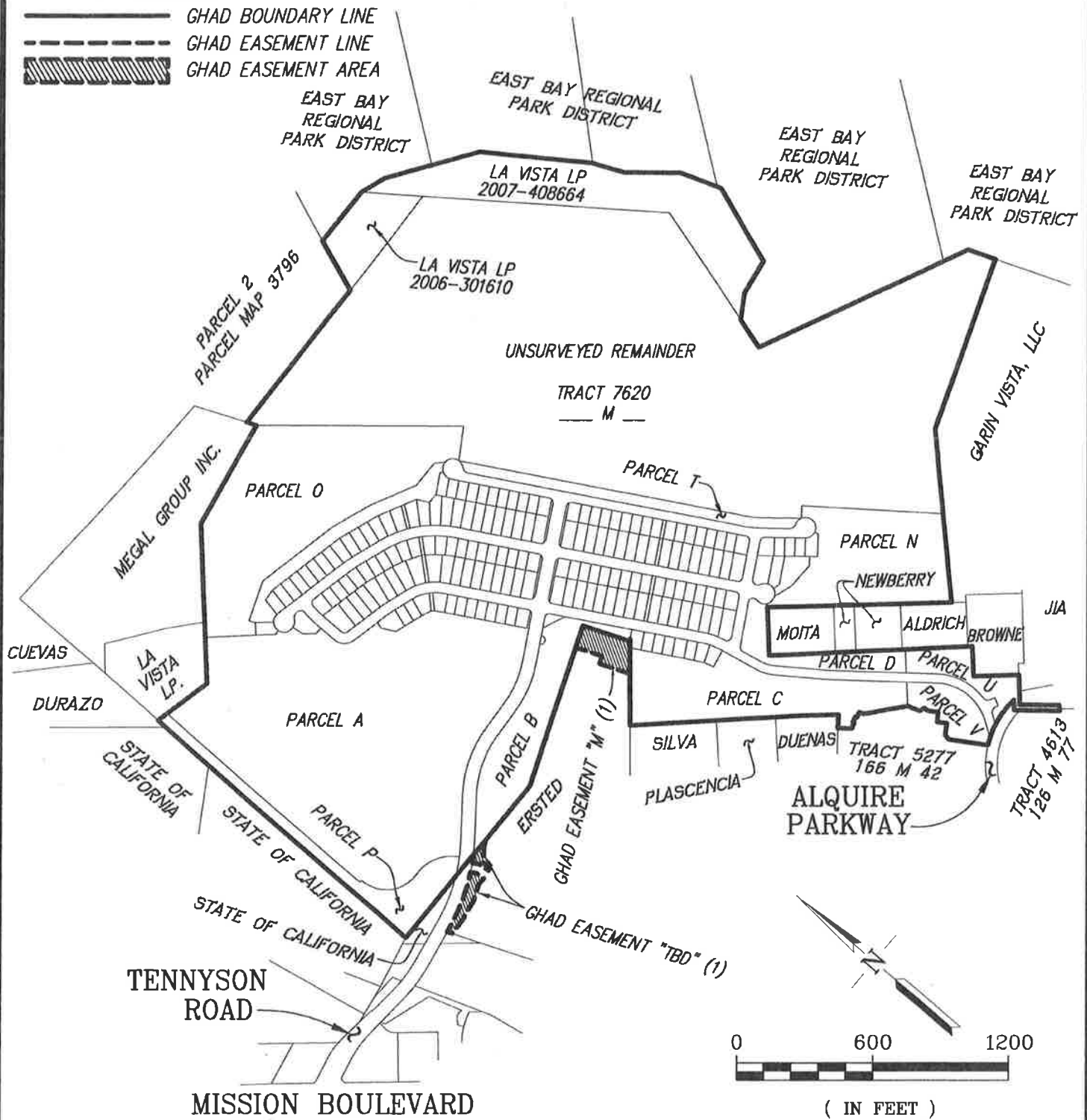
**APPENDIX B**

**Exhibit A – Plat and Legal Description for GHAD Boundary**



**LEGEND**

-  GHAD BOUNDARY LINE
-  GHAD EASEMENT LINE
-  GHAD EASEMENT AREA



(1) HAYWARD TENNYSON, LLC EASEMENTS MAINTAINED BY THE HAYWARD GHAD.

SHEET 1 OF 3 SHEETS

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**EXHIBIT A**  
**PLAT TO ACCOMPANY LEGAL DESCRIPTION**  
**FOR**  
**GEOLOGIC HAZARD**  
**ABATEMENT DISTRICT**  
**CITY OF HAYWARD, ALAMEDA COUNTY, CALIFORNIA**

**RJA**  
**RUGGERI-JENSEN-AZAR**  
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 PHONE: (925) 227-9100 FAX: (925) 227-9300

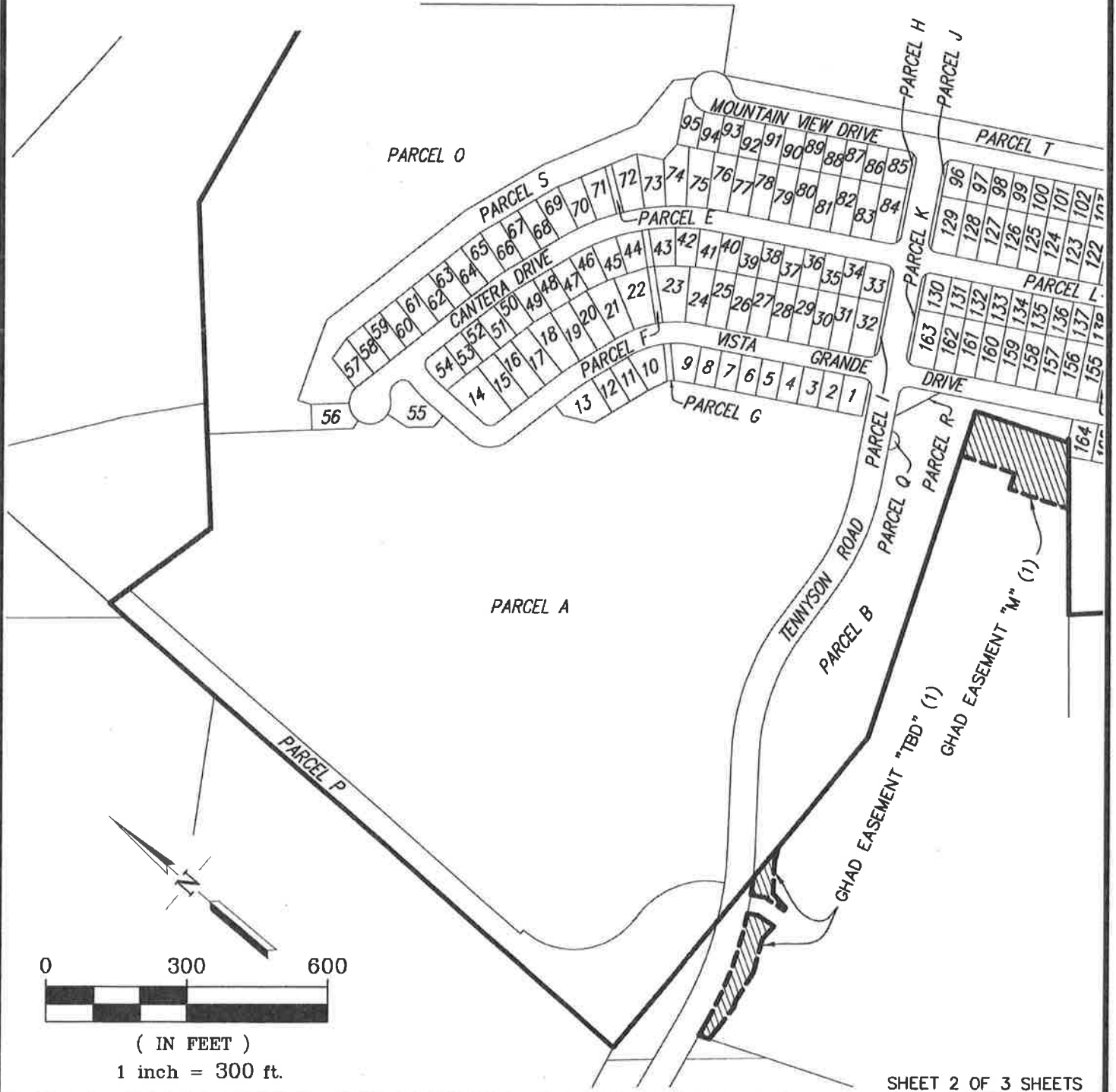
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**LEGEND**

-  GHAD BOUNDARY LINE
-  GHAD EASEMENT LINE
-  GHAD EASEMENT AREA

UNSURVEYED REMAINDER

TRACT 7620  
— M —



SHEET 2 OF 3 SHEETS

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**EXHIBIT A**  
**PLAT TO ACCOMPANY LEGAL DESCRIPTION**  
**FOR**  
**GEOLOGIC HAZARD**  
**ABATEMENT DISTRICT**  
**CITY OF HAYWARD, ALAMEDA COUNTY, CALIFORNIA**

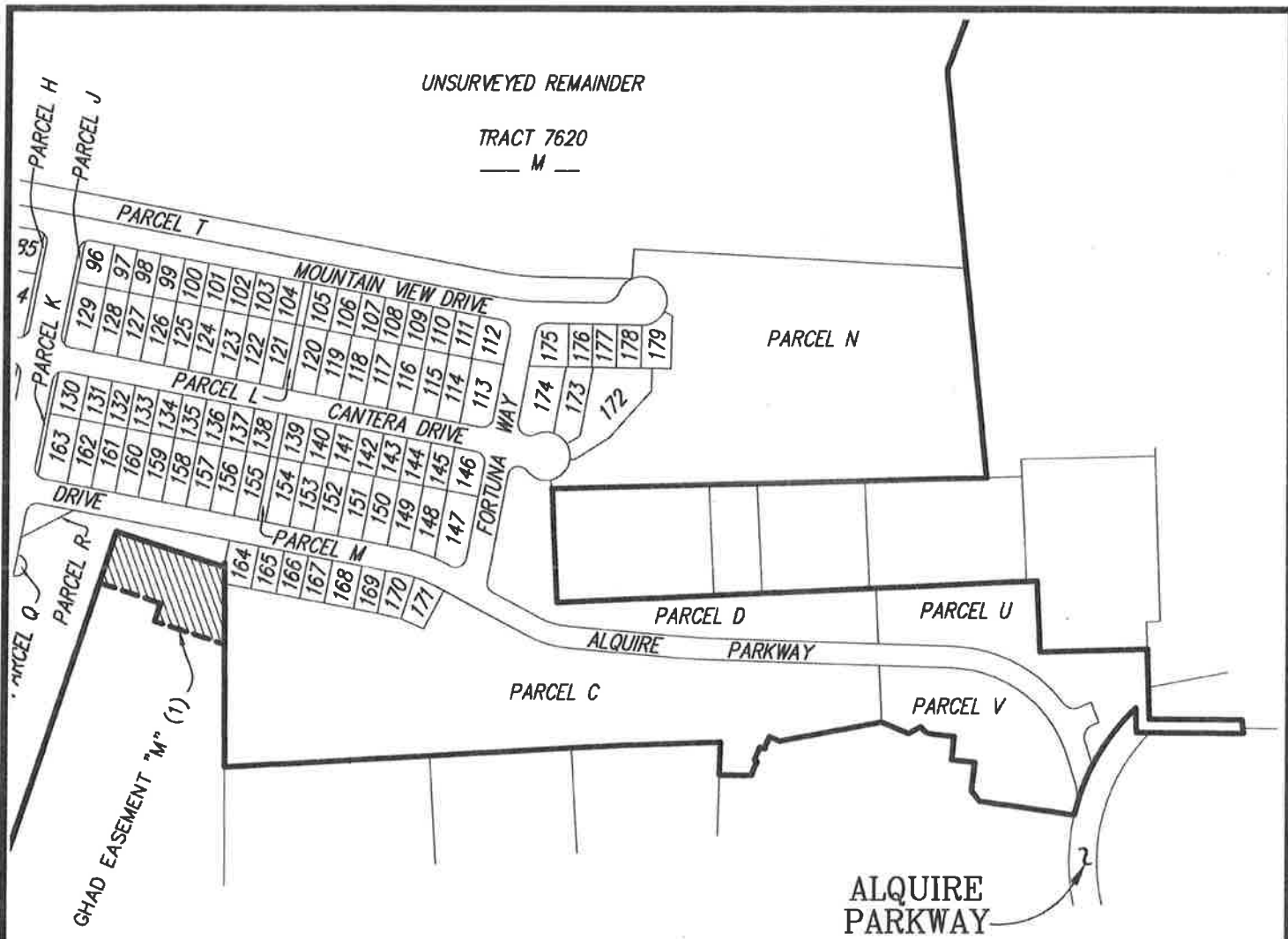


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 PHONE: (925) 227-9100 FAX: (925) 227-9300

SCALE:  
1" = 300'

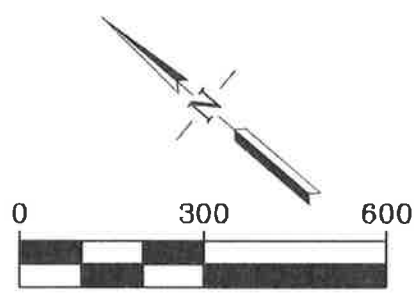
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**LEGEND**

-  GHAD BOUNDARY LINE
-  GHAD EASEMENT LINE
-  GHAD EASEMENT AREA



( IN FEET )  
1 inch = 300 ft.

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**EXHIBIT A**  
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**CITY OF HAYWARD, ALAMEDA COUNTY, CALIFORNIA**

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SCALE: 1" = 300'	DATE: 09-30-2015	JOB NO.: 053019
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**EXHIBIT "A"**

Real Property situate in the City of Hayward, County of Alameda, and State of California; and being all of Lots 1 thru 179 & all of Parcels A thru V as created by that certain map entitled "Tract 7620" and filed on \_\_\_\_\_ and recorded in Book \_\_\_\_\_ of Maps at pages \_\_\_\_ through \_\_\_\_, Official Records of said County, and all of the certain parcel described as Parcel Two in a Grant Deed to La Vista L.P. recorded on August 7, 2006 under document number 2006-301610 Official Record of said County, and all of that certain parcel of land described in the Grant Deed to La Vista L.P. recorded on November 30, 2007 under document number 2007-408664 Official Records of said County.

**End of Description**

Prepared by:

\_\_\_\_\_

Scott A. Shortlidge, L.S. 6441

\_\_\_\_\_

Date

**THE BOARD OF DIRECTORS OF HAYWARD  
GEOLOGIC HAZARD ABATEMENT DISTRICT**

**RESOLUTION NO. 16-04**

---

**RESOLUTION OF INTENTION TO ORDER AN ASSESSMENT FOR THE LA VISTA DEVELOPMENT WITHIN THE HAYWARD GHAD AND SET A PUBLIC HEARING FOR DECEMBER 13, 2016 TO CONSIDER THE PROPOSED ASSESSMENT AND PROTESTS THERETO**

**WHEREAS**, 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 appointing itself to serve as the GHAD Board of Directors;

**WHEREAS**, on October 25, 2016, the GHAD Board adopted Resolution No. 16-03 approving the Plan of Control for the La Vista development dated October 17, 2016;

**WHEREAS**, in order to pay for the cost and expenses of maintaining and operating the GHAD improvements as set forth in the Plan of Control an assessment for GHAD services is to be considered for imposition on the homes in the development as reflected in the attached draft Engineer’s Report;

**WHEREAS**, Public Resources Code sections 26650 *et seq.* authorize, after a noticed public hearing, the levy and collection of an assessment upon specially benefited property within the GHAD to pay for the maintenance and operation of GHAD improvements. Article XIII(D) of the California Constitution imposes additional requirements for the levy and collection of said assessment;

**WHEREAS**, the property within the GHAD is identified in the map attached hereto as Attachment A, and each parcel to be assessed is identified on the map;

**WHEREAS**, a draft Engineer’s Report has been prepared by the GHAD Manager to reflect the Plan of Control; the GHAD Manager is a registered professional engineer, certified in the State of California, in compliance with Public Resources Code section 26651(a) and section 4(b) of Article XIII (D) of the California Constitution; the Engineer’s Report attached hereto as Attachment B sets forth the purpose of the GHAD, the estimated budget, the total assessment that will be chargeable to the entire GHAD, the proposed estimated assessment to be levied against each parcel of property within the GHAD, and a description of the method used in formulating the estimated assessments; and

**NOW THEREFORE, the GHAD Board of Directors resolves and orders that:**

1. The GHAD Board declares its intention, consistent with the requirements of Article XIII (D) of the California Constitution, Public Resources Code sections 26650 *et seq.*, Government Code section 53750, and Elections Code section 4000, to order that the cost and expenses of maintaining and operating any GHAD improvements acquired or constructed

by Section 4(e) of Article XIII (D) of the California Constitution. If there is no majority protest, the GHAD Board shall authorize the assessment. Following the public hearing, the GHAD Board shall consider the adoption of the canvas of votes for the GHAD.

8. Upon authorization of the assessment, the GHAD Board shall levy the authorized assessment on the now vacant 179 parcels the first fiscal year following issuance of a residential building permit for each of those parcels.

9. The annual assessment will be levied at \$1,502 per residential unit (fiscal 2016/2017 dollars) with an annual adjustment to reflect the percentage change in the San Francisco-Oakland-San Jose Consumers Price Index for all Urban Consumers.

10. This Resolution shall become effective immediately upon its passage and adoption.

**HAYWARD, CALIFORNIA, OCTOBER 25, 2016**

**PASSED BY THE FOLLOWING VOTE:**

**AYES:**

**NOES:**

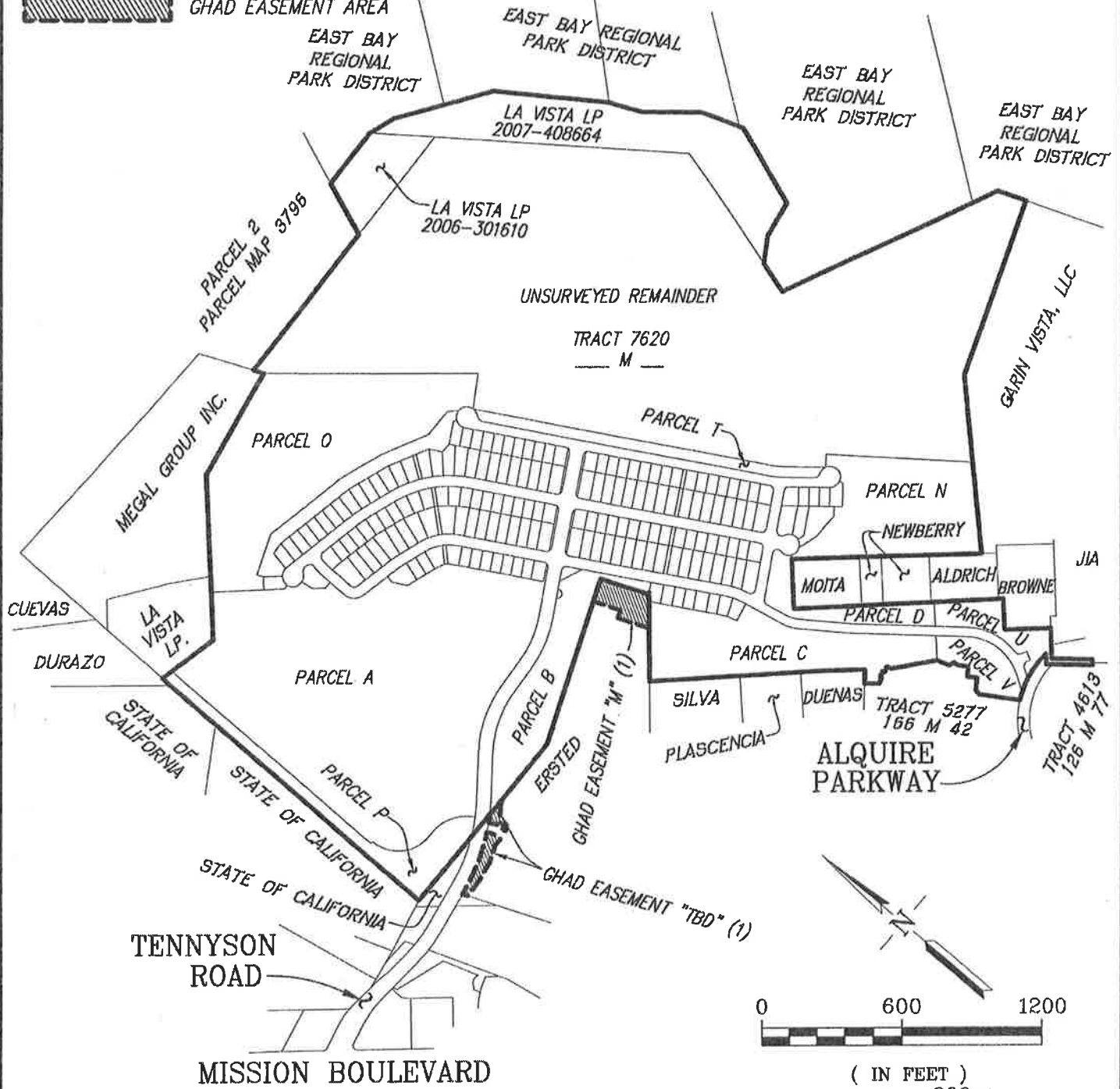
**ABSENT:**

**ABSTENTIONS:**

Attachments: Attachment A (Map of Hayward GHAD Boundaries)  
Attachment B (Engineer's Report)  
Attachment C (Notice of Adoption of Resolution and Notice of Assessment)  
Attachment D (Ballot)

**LEGEND**

-  GHAD BOUNDARY LINE
-  GHAD EASEMENT LINE
-  GHAD EASEMENT AREA



(1) HAYWARD TENNYSON, LLC EASEMENTS MAINTAINED BY THE HAYWARD GHAD.

SHEET 1 OF 3 SHEETS

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**EXHIBIT A**

PLAT TO ACCOMPANY LEGAL DESCRIPTION  
FOR  
GEOLOGIC HAZARD  
ABATEMENT DISTRICT

CITY OF HAYWARD, ALAMEDA COUNTY, CALIFORNIA



**RUGGERI-JENSEN-AZAR**




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PHONE: (925) 227-9100 FAX: (925) 227-9300

SCALE:  
1" = 600'

DATE:  
09-30-2015

JOB NO.:  
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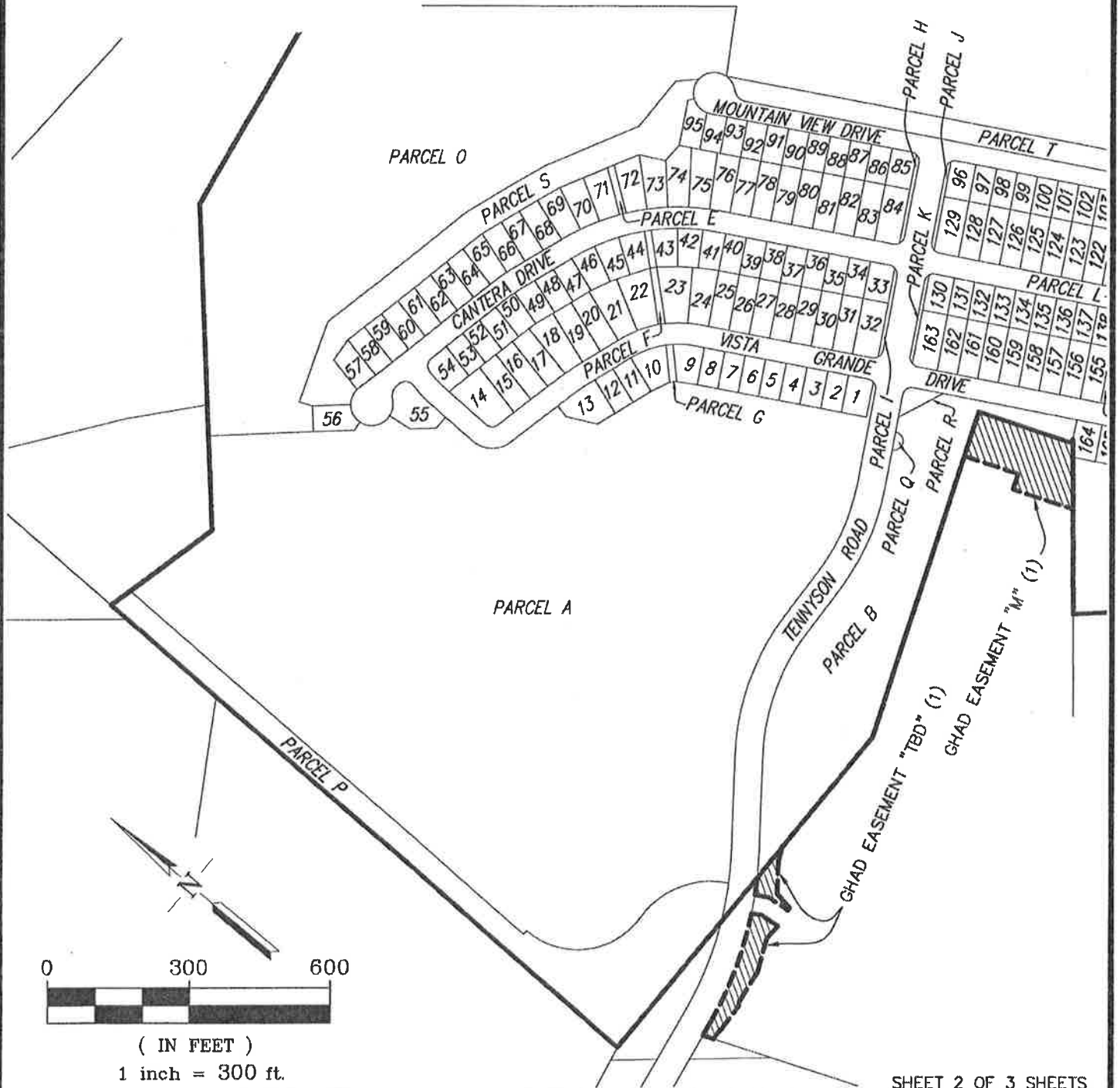
**LEGEND**

-  GHAD BOUNDARY LINE
-  GHAD EASEMENT LINE
-  GHAD EASEMENT AREA

UNSURVEYED REMAINDER

TRACT 7620

— M —



SHEET 2 OF 3 SHEETS

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**EXHIBIT A**  
**PLAT TO ACCOMPANY LEGAL DESCRIPTION**  
**FOR**  
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**ABATEMENT DISTRICT**  
**CITY OF HAYWARD, ALAMEDA COUNTY, CALIFORNIA**

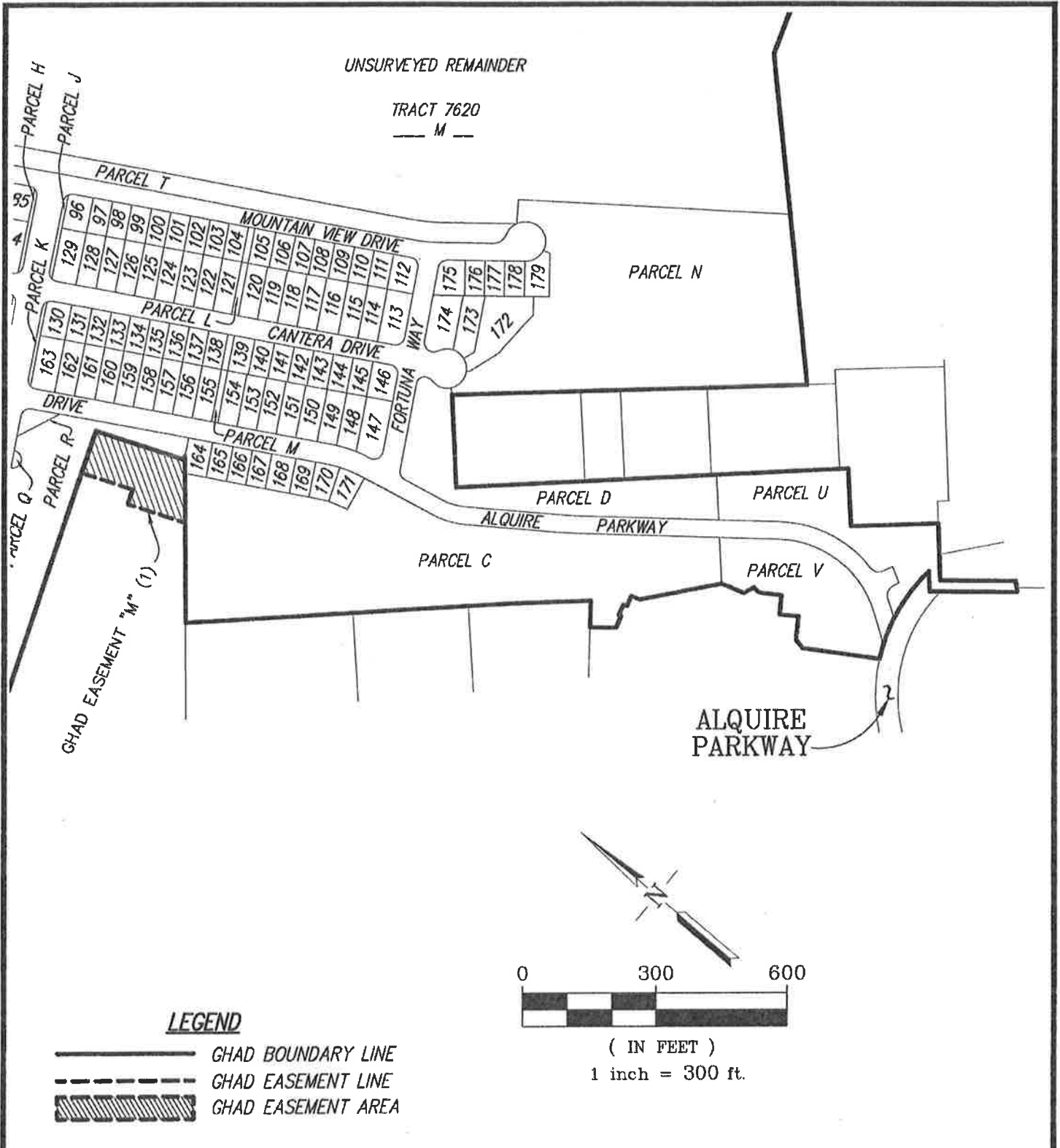


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SCALE:  
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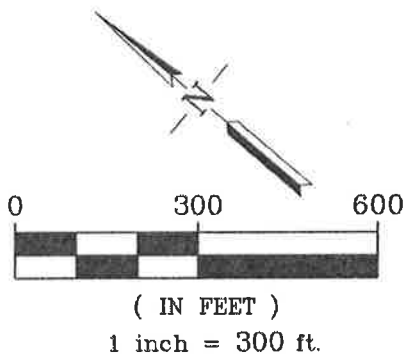
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**LEGEND**

-  GHAD BOUNDARY LINE
-  GHAD EASEMENT LINE
-  GHAD EASEMENT AREA



SHEET 3 OF 3 SHEETS

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**EXHIBIT A**  
**PLAT TO ACCOMPANY LEGAL DESCRIPTION**  
**FOR**  
**GEOLOGIC HAZARD**  
**ABATEMENT DISTRICT**  
**CITY OF HAYWARD, ALAMEDA COUNTY, CALIFORNIA**

  
**RUGGERI-JENSEN-AZAR**  
 ENGINEERS • PLANNERS • SURVEYORS  
 4690 CHABOT DRIVE, SUITE 200 PLEASANTON, CA 94588  
 PHONE: (925) 227-9100 FAX: (925) 227-9300

SCALE: 1" = 300'	DATE: 09-30-2015	JOB NO.: 053019
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**ENGINEER'S REPORT**

**for**

**HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT  
LA VISTA DEVELOPMENT  
HAYWARD, CALIFORNIA**

**October 17, 2016**

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**ENGINEER'S REPORT**

**HAYWARD  
GEOLOGIC HAZARD ABATEMENT DISTRICT  
(Pursuant to the Public Resources Code of the State of California, Section 26500 et seq.)**

**CERTIFICATION OF FILING**

The Hayward Geologic Hazard Abatement District (“GHAD”) shall provide monitoring and maintenance of improvements related to geologic hazard management and other responsibilities as a landowner, within the La Vista Development in the Hayward GHAD and levies and collects assessments in order to perform its activities.

The GHAD responsibilities, which are the subject of this report and the Plan of Control, are defined as any activity necessary or incidental to the prevention, mitigation, abatement, or control of a geologic hazard, construction, maintenance, repair, or operation of improvement; or the issuance and servicing of bonds issued to finance any of the foregoing (Section 26505).

This report consists of eight parts, as follows:

- I. INTRODUCTION
- II. BACKGROUND
- III. GEOLOGIC HAZARD ABATEMENT DISTRICT DIAGRAM
- IV. SERVICE LEVELS
- V. DESCRIPTION OF GHAD-MAINTAINED IMPROVEMENTS
- VI. ASSESSMENT METHOD
- VII. ASSESSMENT LIMIT - BUDGET PROJECTION
- VIII. PROPERTY OWNER OR DEVELOPER RESPONSIBILITIES

The undersigned respectfully submits the enclosed Engineer's Report.

Date: October 17, 2016

By: ENGEO Incorporated

\_\_\_\_\_, GE  
Paul C. Guerin

I HEREBY CERTIFY that the enclosed Engineer's Report was approved and confirmed by the GHAD Board.

\_\_\_\_\_  
Patricia E. Curtin  
Clerk of the Board  
Hayward Geologic Hazard Abatement District  
Hayward, California

---

**ENGINEER'S REPORT**

**for**

**HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT  
LA VISTA DEVELOPMENT  
HAYWARD, CALIFORNIA  
for the  
ESTABLISHMENT OF AN ASSESSMENT LIMIT**

**I. INTRODUCTION**

The Hayward City Council formed the Hayward Geologic Hazard Abatement District (“GHAD” or “District”) on March 1, 2016 (Resolution No. 16-030), under the authority of the California Public Resources Code, Division 17, Section 26500 et seq. Members of the Hayward City Council act as the Board of Directors of the GHAD.

**II. BACKGROUND**

The developer of the La Vista development (“Project”) has submitted the Hayward GHAD Plan of Control – La Vista Development (“Plan of Control”) that describes the GHAD’s responsibilities to permanently monitor and maintain GHAD improvements within the GHAD and within Easement Areas “M” and “TBD”. This Engineer’s Report describes the establishment of an assessment level to fund GHAD activities necessary or incidental to geologic hazard mitigation, abatement and control.

**III. GEOLOGIC HAZARD ABATEMENT DISTRICT BOUNDARIES**

The boundaries for the GHAD are shown in the plats (Exhibit A) and legal description (Exhibit B).

**IV. SERVICE LEVELS**

The GHAD’s activities are those that are necessary or incidental to the prevention, mitigation, abatement, or control of geologic hazards including construction, maintenance, repair, or operation of any improvement; and the issuance and servicing of bonds issued to finance any of the foregoing.

The GHAD provides for the administration and review of facilities within the budgeted limits, including the following services:

1. Oversight of GHAD operations, including reporting to the GHAD Board of Directors.

2. In conjunction with the County Assessor's Office, setting the annual levying of assessments on the property tax rolls.
3. Engagement of technical professionals to perform the monitoring duties as described in the Plan of Control.
4. Performance of GHAD maintenance activities in accordance with the Plan of Control. These maintenance activities include:
  - General maintenance of the surface drainage improvements within the GHAD Boundary and Easements "M" and "TBD", such as the concrete V-ditches. The GHAD is also responsible for general maintenance of storm drain inlets and outlets in open space, subdrain outlets, and risers. Inspection and maintenance of concrete-lined drainage ditches.
  - Monitoring and maintenance of measurement devices, such as piezometers, inclinometers, and tiltmeters, if any.
  - Maintenance of existing property line/boundary fencing.
  - Inspection and maintenance of surface water quality treatment, water quality pond, and detention basins within the Project.
  - Maintenance of retaining wall east of Alquire Parkway at the northwest corner of the Moita property.
  - Maintenance of two CDS water quality treatment units along Tennyson Road.
  - Maintenance of roads associated with the water quality pond and the detention basins.
  - Maintenance of roads/trails over public water mains on the GHAD owned parcels.
  - Maintenance of debris benches and walls.
  - Maintenance of subdrains, including, but not limited to, those shown on Appendix A, Figure 3.
  - Maintenance of storm drain inlets, outfalls and pipelines within the GHAD owned parcels and a portion of the public park area.
  - Maintenance of trails (other than City-owned public trails) within the GHAD owned parcels.

- Maintenance of slopes including Hayward Concentrated Fault Zone.
  - Maintenance of vegetation control for fire suppression.
  - Maintenance of slopes including subdrains and surface drainage within Easements “M” and “TBD”.
5. The GHAD will also have maintenance, monitoring and repair responsibilities for slopes, which will include natural, reconstructed or partially reconstructed landslides.
  6. Preparation of annual GHAD budgets and other documents and reports for consideration by the GHAD Board of Directors.

## **V. DESCRIPTION OF THE IMPROVEMENTS MAINTAINED BY THE GHAD**

The GHAD-maintained improvements are described in the Plan of Control. In general, these improvements include water quality facilities; drainage systems, including concrete-lined ditches in developed areas and open space; open-space storm drain inlets and outlets; subdrains and outlets; retaining walls; access roadways; and improvements within Easements “M” and “TBD”.

## **VI. ASSESSMENT METHOD**

With the exception of Easements “M” and “TBD”, the improvements and GHAD responsibilities described in Section V are distributed within the limits of the GHAD. The improvements described in this document will confer the following special benefits to the assessed parcels:

1. Protection from slope instability
2. Protection from erosion due to uncontrolled surface water
3. Protection of water quality
4. Protection from wild land fires associated due to unmanaged vegetation

The GHAD assessment is distributed among all residential property owners within the GHAD. The improvements and responsibilities listed in Section V provide specific benefits to the properties within the GHAD and the improvements are constructed for the benefit of those assessed and not the general public.

As listed above and in Section 7.0 of the Plan of Control, the GHAD will monitor and maintain non-irrigated vegetation management, slopes, surface and subsurface drainages within Easements “M” and “TBD”. Although this area is outside the GHAD boundary, the maintenance of these facilities is necessary to reduce the potential for uncontrolled stormwater infiltration, erosion, and other potential geologic hazards that could affect properties and improvements within the Project.

Single-family residential lots are assessed as one unit. There are a total of 179 residential units within the Project. The total number of equivalent residential units within the GHAD was considered in light of the annual GHAD budget in developing the annual assessment amount. The Engineer hereby finds that residential properties within the GHAD receive substantially proportional special benefit.

A financial analysis was performed to provide a framework for an operating budget for the on-going abatement, mitigation, prevention and control of geologic hazards within the GHAD. In preparation of the budget, several factors were considered including:

- Site geology
- Remedial grading
- Proximity of geologic hazards to proposed residences
- Improvements or structures
- Site access considerations
- Elements requiring routine maintenance, including:
  1. Surface drainage facilities
  2. Graded slopes
  3. Retaining walls
  4. Bioretention and detention basin facilities
  5. Trails and fire breaks

## **VII. ASSESSMENT - BUDGET**

The purpose of this Engineer's Report is to establish the assessment level and the apportionment of the assessment within the GHAD as required under Proposition 218. The annual budget in each subsequent fiscal year will apprise the GHAD Board of Directors of the estimated budget for the upcoming year.

Based on the estimated expenses for on-going operations, and allowing for larger (approximately \$750,000) geologic events at 10-year intervals, a budget was prepared for the purpose of estimating initial assessment levels (Exhibit B).

The Engineer recommends an annual assessment limit for the GHAD of \$1,502.00 per single-residential unit (Fiscal Year 2016/17 dollars). The proposed initial assessment level will be automatically adjusted annually on June 30 to reflect the percentage change in the San Francisco-Oakland-San Jose Consumers Price Index for All Urban Consumers.

While the assumptions and estimated expenses listed in Exhibit B were used to determine the assessment levels for the GHAD, they do not represent the actual budget for any one year of the GHAD's operation, since assessment of the individual parcels will be based on the issuance of building permits, which will occur over a number of years. In addition, the Engineer anticipates that the projected expense amounts will be reached over time and that these amounts will be inflation-adjusted in the year that the expenses occur.

## **VIII. PROPERTY OWNER OR DEVELOPER RESPONSIBILITIES**

The property owner or developer of the Project is responsible for managing and maintaining the La Vista portion of the GHAD until the GHAD accepts responsibility for the GHAD Improvements as set forth in the Plan of Control. In addition, the property owner or developer is responsible for funding any necessary GHAD functions or business undertaken for the GHAD that the GHAD Officers or Board of Directors determine are necessary before the GHAD accepts the GHAD Improvements. If the property owner or developer fails to fund all or a portion of these costs, these costs shall be covered by the funds generated by and for the GHAD (i.e., through the assessment) and the developer shall be required to reimburse the GHAD for such costs before the GHAD can accept monitoring and maintenance responsibilities for the GHAD Improvements.

The GHAD may utilize funds generated by or for the GHAD to conduct any necessary GHAD functions or business for the GHAD before the GHAD accepts the GHAD improvements. Such functions and business can include periodic reporting to the GHAD Board of Directors and work performed by GHAD Officers to verify the GHAD is implemented in accordance with the Plan of Control and GHAD Law. Such an undertaking does not render the GHAD liable or responsible for the GHAD improvements during this period of time. The GHAD only becomes responsible for maintenance once the GHAD improvements are accepted by the GHAD in accordance with the requirements set forth in the Plan of Control.

**EXHIBIT A**

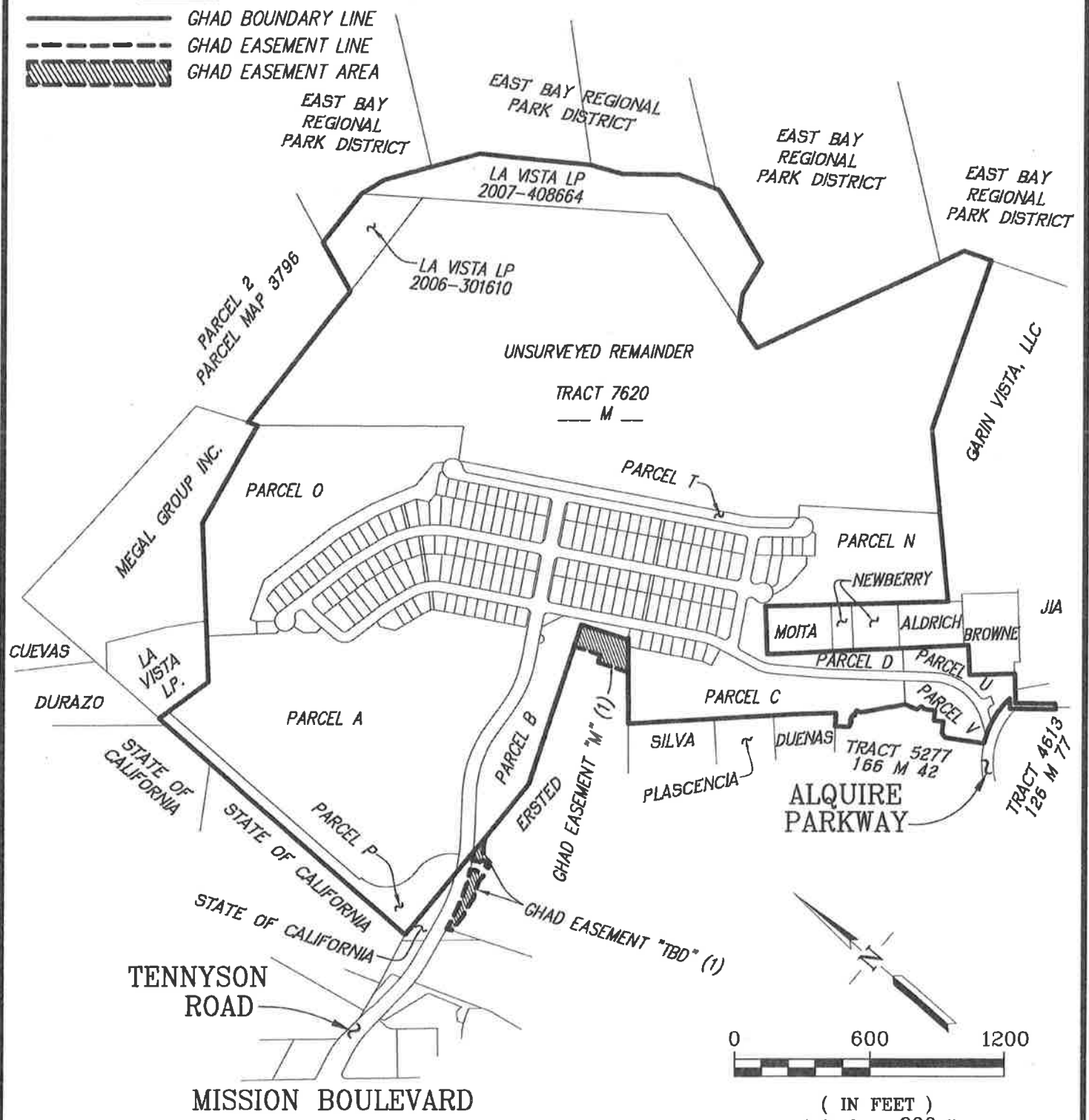
**Legal Description and Plats to Accompany Legal Description**

6671.105.001  
October 17, 2016



**LEGEND**

-  GHAD BOUNDARY LINE
-  GHAD EASEMENT LINE
-  GHAD EASEMENT AREA



(1) HAYWARD TENNYSON, LLC EASEMENTS MAINTAINED BY THE HAYWARD GHAD.

SHEET 1 OF 3 SHEETS

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**EXHIBIT A**  
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**FOR**  
**GEOLOGIC HAZARD**  
**ABATEMENT DISTRICT**  
**CITY OF HAYWARD, ALAMEDA COUNTY, CALIFORNIA**

**RJA**  
**RUGGERI-JENSEN-AZAR**  
 ENGINEERS • PLANNERS • SURVEYORS  
 4690 CHABOT DRIVE, SUITE 200 PLEASANTON, CA 94588  
 PHONE: (925) 227-9100 FAX: (925) 227-9300

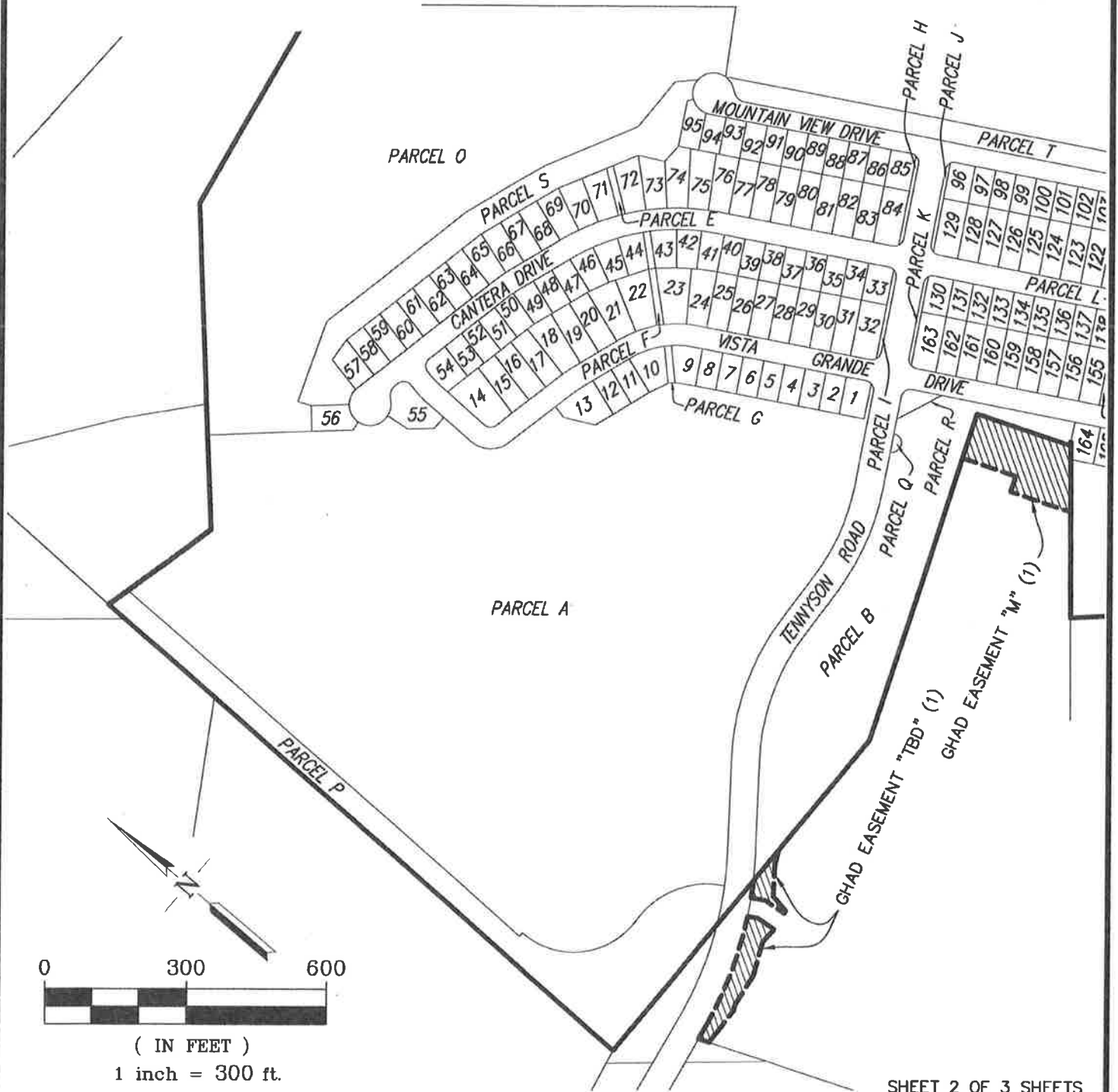
SCALE: 1" = 600'	DATE: 09-30-2015	JOB NO.: 053019
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**LEGEND**

-  GHAD BOUNDARY LINE
-  GHAD EASEMENT LINE
-  GHAD EASEMENT AREA

UNSURVEYED REMAINDER

TRACT 7620  
M



SHEET 2 OF 3 SHEETS

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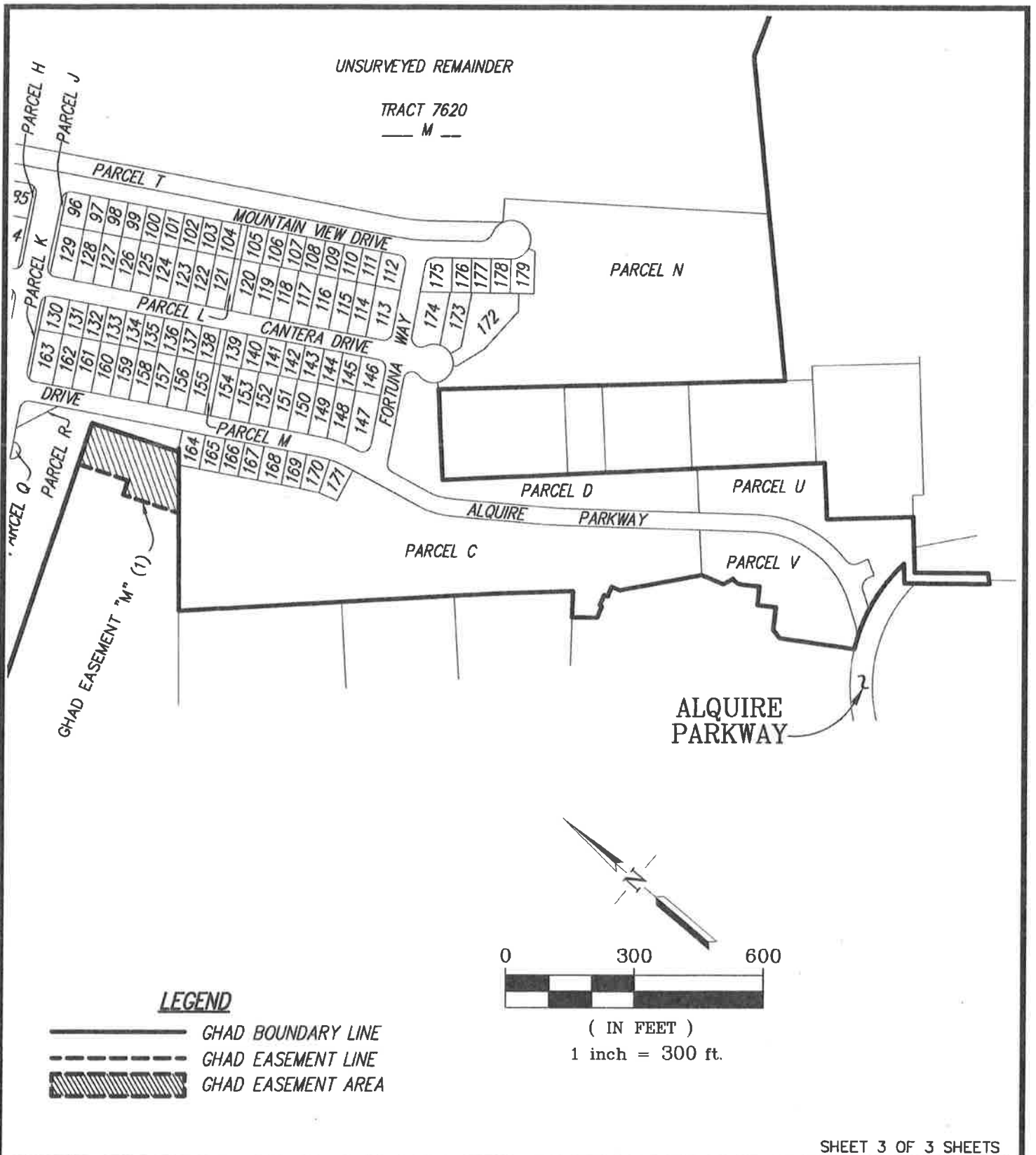
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053019



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SCALE: 1" = 300'	DATE: 09-30-2015	JOB NO.: 053019
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**EXHIBIT "A"**

Real Property situate in the City of Hayward, County of Alameda, and State of California; and being all of Lots 1 thru 179 & all of Parcels A thru V as created by that certain map entitled "Tract 7620" and filed on \_\_\_\_\_ and recorded in Book \_\_\_\_ of Maps at pages \_\_\_ through \_\_\_, Official Records of said County, and all of the certain parcel described as Parcel Two in a Grant Deed to La Vista L.P. recorded on August 7, 2006 under document number 2006-301610 Official Record of said County, and all of that certain parcel of land described in the Grant Deed to La Vista L.P. recorded on November 30, 2007 under document number 2007-408664 Official Records of said County.

**End of Description**

Prepared by:

\_\_\_\_\_

Scott A. Shortlidge, L.S. 6441

\_\_\_\_\_

Date

**EXHIBIT B**

**Hayward GHAD Budget**

**La Vista Development**

**EXHIBIT B**  
**Hayward Geologic Hazard Abatement District**  
**La Vista Development**

Budget

**ASSUMPTIONS**

Total Number of Single Family Residential Units	179
Annual Assessment per Unit (FY 2016/2017 Dollars)	\$1,502
Annual Adjustment in Assessment (estimated)	3.0%
Inflation (estimated)	3.0%
Investment Earnings (estimated)	4.5%
Frequency of Large-Scale Repair (years)	10
Cost of Large-Scale Repair (current \$)	\$750,000

**ESTIMATED ANNUAL EXPENSES IN FY 2016/17 DOLLARS**

Administration and Management	\$ 18,000
Additional GHAD Staff, Memberships, Assessment Roll, and Budget	\$ 9,250
Site Monitoring Program	\$ 10,250
Slope Stabilization, Erosion, and Minor Repairs	\$ 20,000
Detention Basin Facility Maintenance	\$ 15,300
Sediment Removal - Concrete Structures	\$ 12,500
Vegetation Control – Open Space	\$ 8,000
Subdrain Maintenance	\$ 500
Trail and Fence Maintenance	\$ 2,436
Open Space Management – Conservation Easement Activities	\$ 15,000
Concrete lined Drainage Ditch Replacement	\$ 20,000
Detention Basin/Water Quality Improvement Replacement	\$ 800
Open Space Storm Drain Replacement	\$ 13,800
Retaining Wall, Fence, and Trail Replacement	\$ 2,690
Major Repair (Annualized)	\$ 75,000
Misc & Contingency (10%)	<u>\$ 14,853</u>

**Total**      **\$ 238,379**

**NOTICE OF 1) ADOPTION OF RESOLUTION NO. 16-04 BY THE BOARD OF DIRECTORS OF THE HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT, 2) PROPOSED ASSESSMENT AND, 3) PUBLIC HEARING FOR DECEMBER 13, 2016**

On March 1, 2016, the Hayward City Council adopted Resolution No. 16-030, approving and ordering the formation of the Hayward Geologic Hazard Abatement District ("GHAD") and appointing itself to act as the Board of Directors of the GHAD ("GHAD Board"). On October 25, 2016, the GHAD Board adopted Resolution No. 16-03 approving the Plan of Control for the La Vista development dated October 17, 2016.

NOTICE IS HEREBY GIVEN that:

On October 25, 2016, the GHAD Board adopted Resolution No. 16-04 declaring its intention to impose an assessment on the property to be included in the GHAD and directing that a public hearing be scheduled to consider adoption of this assessment to finance the Hayward GHAD. The total yearly estimated budget for the Hayward GHAD for the La Vista development as set forth in the current Engineer's Report is \$238,379.00. If the assessment is adopted, each detached single-family parcel will be assessed a maximum of \$1,502.00 per year (fiscal Year 2016/17 dollars), plus an annual adjustment to reflect the percentage change in the San Francisco-Oakland-San Jose Consumers Price Index (CIP) for All Urban Consumers. The assessment for any new residential unit will be levied beginning the first fiscal year after issuance of the building permit for that parcel. An assessment will continue to be levied in perpetuity.

The attached draft Engineer's Report (dated October 17, 2016) for the La Vista development within the Hayward GHAD was prepared by a registered engineer, certified in the State of California, and describes in detail the reason for the assessment and the basis upon which the amount of the proposed assessment was calculated. The draft Engineer's Report specifically sets forth the yearly estimated budget, the total assessment, the proposed estimated assessments to be levied each year against each parcel of property, and a description of the method used in formulating the estimated assessment. A copy of GHAD Board Resolution Nos. 16-03 and 16-04 are available for inspection at ENGEIO Incorporated, 1630 San Pablo Avenue, Oakland, California, 94612.

The GHAD Board will conduct the public hearing on December 13, 2016, at 7:00 p.m. at Hayward City Hall, 777 B Street, Hayward, California, on the proposed assessment.

The following paragraph provides the procedure for returning and tabulating the ballots. Copies of this Notice, a sealable ballot, and the draft Engineer's Report have been sent to each of the property owners within the Hayward GHAD.

The ballot may be completed and mailed or hand delivered to Hayward GHAD c/o ENGEO Incorporated, 2010 Crow Canyon Place, Suite 250, San Ramon, CA 94583 or may be submitted at the public hearing. Each ballot may be submitted, withdrawn, or changed at any time prior to the conclusion of the testimony on the proposed assessment at the public hearing. At the hearing, the GHAD Clerk shall tabulate the ballots and the GHAD Board shall consider any objections or protests to the assessment and certify the tabulation of the ballots.

The GHAD Board shall not impose the assessment if there is a majority protest. A majority protest exists if, upon conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. In tabulating the ballots, the ballots shall be weighted according to the proportional financial obligation of the affected property.

Inquiries regarding the proposed assessment may be made by mail to: Hayward GHAD c/o ENGEO Incorporated, Attn: Eric Harrell, 2010 Crow Canyon Place, Suite 250, San Ramon, CA 94583 by phone at (925) 866-9000, or by e-mail at [eharrell@engeo.com](mailto:eharrell@engeo.com).

Enclosures: Draft Engineer's Report (dated October 17, 2016)  
Sealable Ballot



Ballot  
Hayward Geologic Hazard Abatement District  
La Vista Development

Identification of Parcel: \_\_\_\_\_

Record Owner: \_\_\_\_\_

\_\_\_\_\_ Yes, I approve the proposed annual benefit assessment described in the attached Notice on the property described by the parcel numbers identified in this Ballot.

\_\_\_\_\_ No, I do not approve the proposed annual benefit assessment described in the attached Notice on the property described by the parcel numbers identified in this Ballot.

\_\_\_\_\_  
Signature of Record Owner or  
Authorized Representative of the  
above identified parcel(s)

Dated: \_\_\_\_\_

Mail or deliver sealed Ballot to:

GHAD General Manager  
Hayward Geologic Hazard Abatement District  
c/o ENGEEO Incorporated  
Attention: Eric Harrell  
2010 Crow Canyon Place, Suite 250  
San Ramon, CA 94583

