



**DATE:** April 10, 2025

**TO:** Planning Commission

**FROM:** Director of Public Works

**SUBJECT:** Recommended FY 2026 – FY 2035 Capital Improvement Program

## **RECOMMENDATION**

That the Planning Commission finds that the Recommended FY 2026 – FY 2035 Capital Improvement Program (CIP) is consistent with the Hayward 2040 General Plan.

## **SUMMARY**

The City's Capital Improvement Program (CIP) is a planning document intended to guide the City's capital improvement activities over the next ten years. The CIP has been reviewed and developed to ensure that it is consistent with the City's General Plan. On January 30, 2024, the City Council adopted Resolution 24-023 updating the Climate Action Plan (CAP), amending the City's General Plan to include new and updated programs related to the Climate Action Plan that include reducing Green House Gases (GHG). The CIP, General Plan and Climate Action Plan are three separate, but parallel efforts to guide, plan, prioritize, budget and make informed recommendations to Council that best support the community of Hayward. The CIP has also been developed to support the priorities identified by the City Council as part of the City's Strategic Roadmap, which contains a set of shorter-term initiatives and projects (one to three years) than those identified in the General Plan (which is a 25-year planning document).

The proposed CIP budget includes \$161 million in FY 2026 and an estimated \$1.3 billion in the next ten years. Given that Hayward is a full-service city, the CIP covers a wide range of projects, which may include street construction and improvements; bike and pedestrian improvements; traffic calming; water, wastewater, recycled water, and storm water systems upgrades; groundwater projects; airport projects; construction of public buildings; clean and renewable energy generation; replacement of major equipment; and other miscellaneous projects. As in past years, the document also includes Identified and Unfunded Capital Needs, which currently total \$709 million.

The Recommended FY 2026 – FY 2035 CIP<sup>1</sup> is available on the City's website in a user-friendly online format. More information about navigating the online format can be found at the link below.

<sup>1</sup> FY 2026 – FY 2035 Capital Improvement Program. <https://www.hayward-ca.gov/your-government/documents/capital-improvement-program>

## DISCUSSION

State law requires that the Planning Commission and City Council review the City's currently Recommended FY 2026 – FY 2035 CIP to ensure consistency with the City's General Plan. The following discussion lists some of the specific CIP projects which align with the various General Plan elements.

[Public Facilities and Services Element](#)<sup>2</sup>. The CIP includes an emphasis on updating and improving the City's infrastructure, which supports a core priority of the Strategic Roadmap (Invest in Infrastructure), and is aligned with various goals and policies from Elements of the General Plan, including the following from the Public Facilities and Services Element:

**Goal PFS-1:** Ensure the provision of adequate and efficient facilities and services that maintain service levels, are adequately funded, accessible, reliable, and strategically allocated.

**Policy PFS-1.1, Capital Improvement Program:** The City shall maintain to ensure the implementation of the General Plan and the adequate and timely provision of public facility and municipal utility improvements.

**Policy PFS-1.2, Priority for Infrastructure:** The City shall give high priority in capital improvement programming to funding rehabilitation or replacement of critical infrastructure that has reached the end of its useful life or has capacity constraints.

The City of Hayward maintains a variety of public facilities and services to meet the needs of residents and businesses, including water supply and delivery, wastewater collection and treatment, stormwater drainage and flood control, solid waste collection and recycling, energy distribution, and communications. Maintaining necessary levels of service with adequate funding for all facilities is paramount to meet the demands of existing and future residents and businesses.

A new site assessment and conceptual design services for a new Public Safety Center, the ongoing development of the South Hayward Youth & Family Center, and La Vista Park aligns with Goal PFS 1 referenced above, and aligns with the following policy of the Public Facilities and Services Element:

**Policy PFS-1.6, Public Facility Clustering:** The City shall promote the clustering of public and quasi-public facilities (e.g., schools, parks, libraries, childcare facilities, community activity centers), the joint-use of these facilities, and agreements for sharing costs and operational responsibilities among public service providers.

In addition, Public Facilities and Services Policy PFS-1.2, the proposed sewer and water improvement projects, such as the Water Resource Recovery Facility (WRRF) Phase II Improvement Project, WRRF Electrical Switchgear Rehabilitation Project, and Seismic Retrofit Maitland Reservoir and Appurtenances Projects, meet the following Public Facilities and Services goal:

**Goal PFS-3:** Maintain a level of service in the City's water system that meets the needs of existing and future development while improving water system efficiency.

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<sup>2</sup> <https://www.hayward-ca.gov/your-government/documents/general-plan/public-facilities-and-services-element>

About 95 percent of the City, including nearly all commercial and institutional development as well as some areas outside of the City's corporate boundaries, are served by the Hayward Water System. All water supplies are received from the San Francisco Public Utilities Commission (SFPUC) Regional Water System. The remaining small portion of north Hayward is served by the East Bay Municipal Utility District (EBMUD).

Water supplied to Hayward is delivered through the Hetch-Hetchy aqueducts, but also includes treated water produced by the SFPUC from its local watershed and facilities in Alameda County. The City receives water through two aqueducts along Mission Boulevard and Hesperian Boulevard. In addition, five water wells, which have been certified by the California Department of Health Services for short duration emergency use only, are located within the city limits. Major water system projects identified in the near-term focus on replacing and renovating existing water storage reservoirs to increase storage capacity and improve structural reliability. The City has also made extensive efforts to improve the seismic safety of the water system, including retrofits of several reservoirs and improvements to pipes at fault line crossings.

Policies in this section ensure existing and future residents a reliable water supply through the City's Water Supply Agreement with the SFPUC, the City's distribution system, and facilities within the EBMUD service area. Water conservation policies will be implemented by the City to increase water use efficiency and to address potential water shortages. Existing water infrastructure will be maintained and updated to improve structural reliability and improve seismic safety.

**Policy PFS-3.5, Water System Reliability:** The City shall focus major water system projects on improving water system reliability, and shall replace or repair water lines that are leaking or otherwise meet the City's criteria for replacement, when deemed financially feasible

Annual Water Line Replacement projects also include a City-wide program to replace existing four-inch mains with six-inch mains. Each year, a group of mains will be replaced and segregated from the ongoing project to tract costs. The Water Line Improvements also improve water supply reliability by replacing approx. 26,600 linear feet of existing cast iron, ductile iron (DIP), and asbestos cement (ACP) pipes ranging from four to 12-inch with new six, eight, or 12-inch polyvinyl chloride (PVC), ductile iron (DIP), or earthquake resistant ductile iron (ERDIP) pipes at fourteen locations throughout the City.

**Goal PFS-4:** Maintain a level of service in the City's wastewater collection and disposal system to meet the needs of existing and future development.

The Sewer Line Improvement and Annual Line Replacement projects use closed circuit television (CCTV) technology to identify structurally damaged sanitary sewer mains for repair or replacement. Every year, the goals of the projects are to prevent sewer overflows and maintain the operability of the sewer collection system.

*[Mobility Element](#)*<sup>3</sup>. Key projects that align with the Mobility Element goals and policies include the Mission Boulevard Phase 3 Project, Campus Drive Improvement Projects, and the Main Street Complete Street Project.

**Goal M-1:** Provide a comprehensive, integrated, and connected network of

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<sup>3</sup> <https://www.hayward-ca.gov/your-government/documents/general-plan/mobility-element>

transportation facilities and services for all modes of travel.

**Policy M-1.2, Multimodal Choices:** The City shall promote the development of an integrated, multi-modal transportation system that offers desirable choices among modes including pedestrian ways, public transportation, roadways, bikeways, rail, and aviation.

**Policy M-1.6, Bicycling, Walking, and Transit Amenities:** The City shall encourage the development of facilities and services (e.g., secure-term bicycle parking, streetlights, street furniture and trees, transit stop benches and shelters, and street sweeping of bike lanes) that enable bicycling, walking, and transit use to become more widely used modes of transportation and recreation.

Additionally, pavement and transportation projects, including the FY 2026 Pavement Rehabilitation Project, the Safe Routes to School Implementation Project, FY 2026 New Sidewalk Project, the Main Street Complete Street Project, and Mission Boulevard Phase 3, also align with the following Mobility Element goals and policies:

**Goal M-3:** Provide complete streets that balance the diverse needs of users of the public right-of-way.

**Policy M-3.1, Serving All Users:** The City shall provide safe, comfortable, and convenient travel along and across streets to serve all users, including pedestrians, the disabled, bicyclists, motorists, movers of commercial goods, and users and operators of public transportation.

The City is currently working on a project with Alameda Transportation Commission to implement bicycle lanes connecting the intersection of Mission Blvd and A Street to the Hayward BART Station and further south to the South Hayward BART Station.

*[Natural Resources Element](#)*<sup>4</sup>. Projects aligning with the goals and policies of the Natural Resources Element, identified below, include Transitioning 15% of the Total City Fleet to EV/Hybrid Models, the Citywide EV Charging Upgrades, Mission Boulevard Phase 3, the Recycled Water Master Plan and Recycled Water Treatment Facility Expansion Phase II Projects.

**Goal NR-2:** Improve the health and sustainability of the community through continued local efforts to improve regional air quality, reduce greenhouse gas emissions, and reduce community exposure to health risks associated with toxic air contaminants and fine particulate matter.

**Policy NR-2.10: Zero-Emission and Low-Emission Vehicle Use:** The City shall encourage the use of zero-emission vehicles, low-emission vehicles, bicycles and other non-motorized vehicles, and car-sharing programs by requiring sufficient and convenient infrastructure and parking facilities throughout the City.

The Mission Boulevard Phase 3 project raised the cycle track from the city limit at Rose Street to A Street. Project features also include undergrounding of utilities, upgrades to traffic signals, installation of new fiber optic line, new streetlights, new median, new sidewalk, new curb ramps, and pavement rehabilitation.

**Policy NR-6.10: Water Recycling:** The City shall support efforts by the regional water

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<sup>4</sup> <https://www.hayward-ca.gov/your-government/documents/general-plan/natural-resources-element>

provider to increase water recycling by residents, businesses, non-profits, industries, and developers, including identifying methods for water recycling and rainwater catchment for indoor and landscape uses in new development.

The Recycled Water Master Plan involves development of a comprehensive plan for the City's future recycled water program. Key components will be updating a 2007 City-wide customer market survey to evaluate the feasibility of expanding the City's recycled water system. The Recycled Water Treatment Facility Expansion - Phase II project would include planning, design, and construction of an expanded tertiary treatment plant and pipeline to meet increased recycled water demands.

An additional project which aligns with Natural Resources Element goals and policies is the Design and Construction of the La Vista Park.

**Policy NR-1.5:** Large-Scale Natural Area Access: The City shall support efforts to improve access to publicly owned large-scale natural areas located within the Planning Area, including the shoreline, creeks, regional parks, riparian corridors, and hillside open space areas, by allowing them to be open for controlled access to improve public enjoyment and education, while also limiting access to extremely sensitive natural habitat and minimizing human-related environmental impacts.

The 1.4-Megawatt Solar Photovoltaic Energy System at WRRF is a renewable energy project which aligns with the following NR goal and policy:

**Goal NR-4.1:** Reduce energy consumption through increased production and use of renewable energy, sustainable energy purchasing, and improved energy efficiency.

**Policy NR-4.10:** Energy Efficiency Measures: The City shall ensure that all new City-owned facilities are built with renewable energy, as appropriate to their functions, and shall install renewable energy systems at existing City facilities, where feasible.

[Community Safety Element](#)<sup>5</sup>. The design and construction of the new Public Safety Center aligns with Community Safety Element goals and policies related to Police Protection Services.

**Goal CS-2:** Provide exceptional police protection services to promote a safe and secure community.

**Policy CS-2.5:** Police Equipment and Facilities: The City shall ensure that Police equipment and facilities are provided and maintained to meet modern standards of safety, dependability, and efficiency

The Public Safety Center project aims to develop the conceptual design for the new facility, including site assessment of two potential locations: the former California Air National Guard (CANG) site and the former City Hall building at 22300 Foothill Blvd. The scope of work encompasses identifying space needs, conducting site analysis and design, creating facility layout plans, performing cost analysis, and evaluating project delivery options.

[Land Use & Community Character Element](#)<sup>6</sup>. The Land Use and Community Character Element

<sup>5</sup> <https://www.hayward-ca.gov/your-government/documents/general-plan/community-safety-element>

<sup>6</sup> <https://www.hayward-ca.gov/your-government/documents/general-plan/land-use-community-character-element>

establishes goals and policies to strategically accommodate future growth and change while preserving and enhancing the qualities and characteristics that make Hayward a desirable place to live, work, learn, and play. The goals and policies are designed to enhance Hayward's neighborhoods and districts with an attractive mix of uses and amenities that expand the local economy, enhance social interaction, protect environmental resources, and improve the overall quality of life of residents.

CIP projects focus on beautification and improvement of landscaping along key thoroughfares, including Median Landscaping Improvement Projects, Public Art Crosswalk Project, and Main Street Complete Street Project which aligns with many General Plan Land Use Element goals and policies, including:

**Goal LU-4:** Create attractive commercial and mixed-use corridors that serve people traveling through the City, while creating more pedestrian-oriented developments that foster commercial and social activity for nearby residents and businesses.

**Policy LU-4.11:** Streetscape Enhancements: The City shall strive to improve the visual character of corridors by improving streetscapes with landscaped medians, and widened sidewalks that are improved with street trees, pedestrian-scaled lighting, underground utilities, landscaping, and streetscape furniture and amenities.

[Hazards Element<sup>7</sup>](#). While it is impossible to completely avoid natural and man-made hazards, the Hazards Element establishes goals and policies to protect life and minimize property damage during future disasters and emergencies. The goals and policies address regional hazards mitigation, seismic and geologic hazards, climate change, flood hazards, rising sea levels, wildland wildfires, hazardous materials, airport hazards, and noise.

The CIP includes projects that minimize property damage from potential flood hazards, such as the Drainage Improvement Project at Alves St./Leighton St. and 4th St., Maintenance Services Department Storm Drain Infrastructure Repair project, and the Storm Drain Replacement at Kings Court project. These projects replace or repair damaged storm drainpipes due to old age or erosion from the recent heavy rains over the past years which align with Goal 3 Flood Hazards:

**Goal HAZ-3:** Protect life and minimize property damage from potential flood hazards.

Various parts of Hayward are subject to flooding during major storm events, including shoreline areas and upland areas located along streams, creeks, and drainage ways. The geographic extent of local flood hazards is anticipated to increase in the next century as a result of rising sea levels caused by global warming. Extreme weather conditions caused by global warming could also increase flooding risks during major storms. This goal and its supporting policies are designed to minimize damage and risks associated with flood hazards, including flood hazards associated with extreme weather and global warming.

The CIP includes projects in the Water Improvement fund for seismic improvements and upgrades which align with Goal 2 Seismic and Geologic Hazards:

**HAZ-2.6:** Infrastructure and Utilities: The City shall require infrastructure and utility lines that cross faults to include design features to mitigate potential fault displacement impacts and restore service in the event of major fault displacement. Mitigation measures

<sup>7</sup> <https://www.hayward-ca.gov/your-government/documents/general-plan/hazards-element>

may include plans for damage isolation or temporary bypass by using standard isolation valves, flexible hose or conduit, and other techniques and equipment.

**HAZ-2.10: City Facilities:** The City shall strive to seismically upgrade existing City facilities that do not meet current building code standards. Where upgrades are not economically feasible, the City shall consider the relocation and/or reconstruction of facilities.

*Community Health and Quality of Life Element<sup>8</sup>*. The CIP also includes Landscape Material/Median Tree/Shrub Replacements project and a new Hazardous Tree Removal and Replacement project, which aligns with the Community Health and Quality of Life Goals. As an example, Mission Blvd Improvement Phase 3 includes planting over 120 24-inch box canopies and hovering trees along the project where previously this key gateway to the City had none.

**Goal HQL-8:** Maintain, enhance, and increase the city's urban forest as an environmental, economic, and aesthetic resource to improve Hayward residents' quality of life.

Extensive tree canopies reduce the urban heat island effect and make streets and sidewalks more pleasant places to walk. Trees absorb carbon dioxide and pollution and produce oxygen, which contributes to improved air quality and human health. Trees also shelter wildlife and promote biodiversity, and can provide healthy sources of food, such as fruit and nuts. Policies in this section sustain and enhance the city's urban forest.

*Environmental Justice Element<sup>9</sup>*. Historically, negative environmental impacts have been shown to disproportionately affect marginalized populations, including racial, ethnic, and socioeconomic minorities. As a result of these environmental impacts, marginalized populations tend to have poorer health and safety outcomes relative to the broader population. The Environmental Justice Element contains a comprehensive set of goals and policies aimed at increasing the role and influence of historically marginalized populations within their communities and reducing their exposure to environmental and health hazards. The Environmental Justice Element contains six focus areas: Pollution Exposure & Air Quality, Public Facilities, Safe & Sanitary Homes, Physical Activity & Public Health, Food Access and Civic Engagement.

Several CIP projects, such as Landscape Material/Median Tree/Shrub Replacements; Mission Boulevard Phase 3, Campus Drive Improvement Projects, and the Main Street Complete Street Project; as well as beautification and improvement of landscaping along key thoroughfares, including Median Landscaping Improvement Projects, Public Art Crosswalk Project, and Main Street Complete Street Project support of the following policies of the Environmental Justice Element, including:

**Policy EJ-1.2: Urban Greening.** Develop urban greening initiatives along major arterials to protect sensitive receptors from traffic related pollution, especially Diesel Particulate Matter pollution. Prioritize greening in areas with the highest pollution burden.

**Policy EJ-2.7: Active Transportation.** Support active transportation in Hayward by facilitating the timely and effective implementation of the programs and policies outlined within the Hayward Bicycle and Pedestrian Master Plan & Multimodal Intersection

<sup>8</sup> <https://www.hayward-ca.gov/your-government/documents/general-plan/community-health-and-quality-life-element>

<sup>9</sup> <https://www.hayward-ca.gov/your-government/documents/general-plan/environmental-justice-element>

Implementation Plan and Nexus Study. Prioritize creating “complete streets” and evaluate any road upgrade projects for inclusion of green stormwater features such as permeable pavement, planters, and bioswales.

## ECONOMIC IMPACT

The direct economic impact of these projects is not quantifiable. However, maintaining and improving the City’s infrastructure, fleet, buildings, and recreational facilities will have a beneficial impact on maintaining and improving economic desirability, health, and vitality of the City and community.

## FISCAL IMPACT

The capital budget for FY 2026 totals approximately \$165 million, with a total of approximately \$1.3 billion tentatively programmed for the entire ten-year period from FY 2026 through FY 2035. An additional \$709 million in unfunded needs have been identified for the same period.

Only four of the twenty-three CIP funds rely on transfers from the General Fund for project expenses. The following table reflects the proposed General Fund transfers to these four funds when compared to FY 2025.

CIP Fund	FY 2025 GF Transfer	FY 2026 GF Transfer	Increase / (Decrease) from FY 2025
405/Capital Projects (General)	\$500,000	\$2,100,000	\$1,600,000
Transportation System Improvement	\$0	\$800,000	\$800,000
726/Facilities Management Capital	\$425,000	\$95,000	(\$330,000)
731/Information Technology Capital	\$1,248,000	\$50,000	(\$1,198,000)
<b>Total Cost to General Fund</b>	<b>\$2,173,000</b>	<b>\$3,045,000</b>	<b>\$872,000</b>

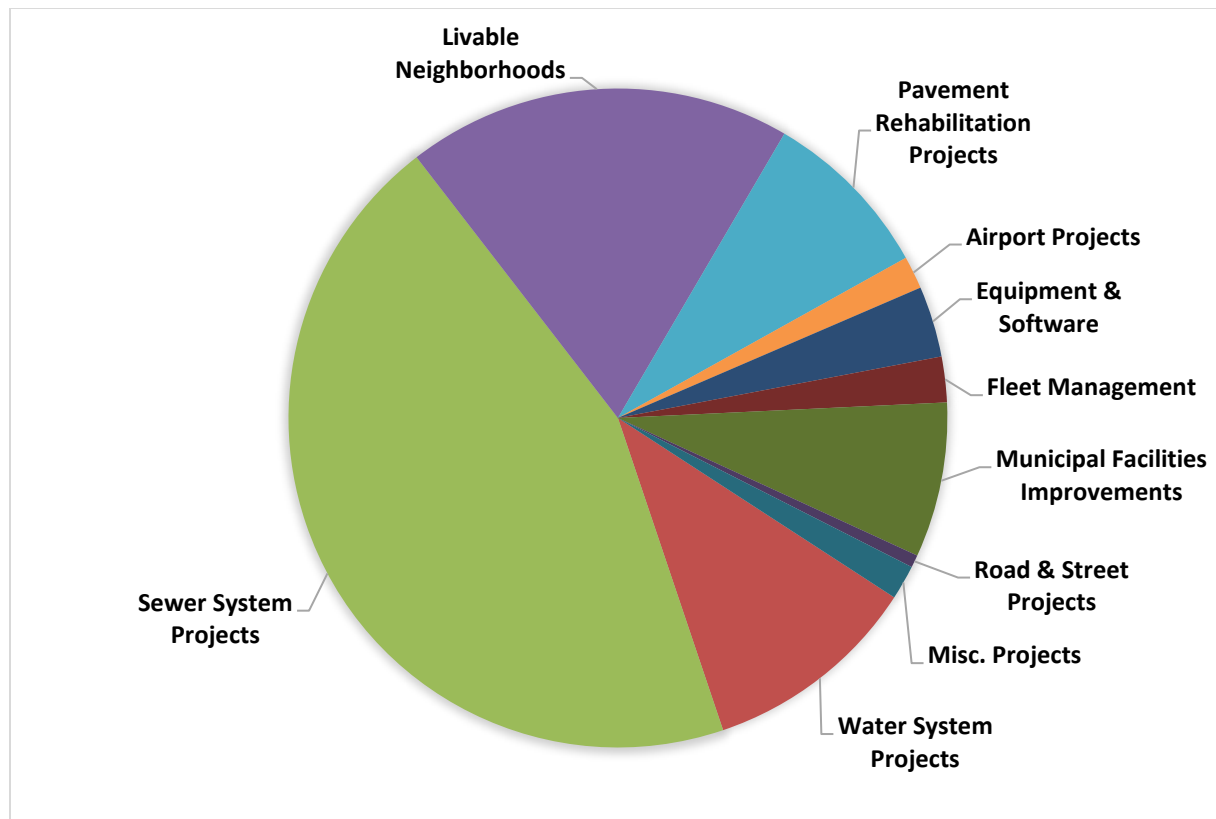
Four of the CIP funds are also Internal Service Funds, meaning they use Internal Service Fees (ISF) to finance project expenses. Internal Service Fees are collected when one City department provides a service to another, drawing those service expenses from the operating budget of the benefiting department. Although some departments are funded by Enterprise funds, many are part of the General Fund. The Internal Service Fees paid by General Fund-supported departments have an impact on the General Fund. The total proposed Internal Service Fees for FY 2026 are shown below.

CIP Fund	FY 2025 ISF	FY 2026 ISF	Increase / (Decrease) from FY 2025
726/Facilities Management Capital	\$450,000	\$450,000	\$0
731/Information Technology Capital	\$850,000	\$850,000	\$0
Fleet Management Capital (General Fund)	\$1,450,000	\$2,100,000	\$650,000
Fleet Replacement (Enterprise Funds)	\$156,000	\$506,000	\$350,000
<b>Total ISF</b>	<b>\$2,906,000</b>	<b>\$3,906,000</b>	<b>\$1,000,000</b>



As displayed in the tables above, there is an overall increase of \$872,000 in proposed FY 2026 General Fund transfers when compared to FY 2025, and an increase of \$1,000,000 in proposed FY 2026 ISF. The proposed project costs, by CIP category, are as follows on the following page:

<b>Project Category</b>	<b>FY 2025 Adopted</b>	<b>FY 2026 Recommended</b>	<b>Increase/ (Decrease) from FY 2025 CIP</b>
Livable Neighborhoods	\$34,302,028	\$30,544,206	(\$3,757,822)
Sewer System Projects	\$39,262,508	\$72,255,662	\$32,993,154
Water System Projects	\$43,808,638	\$17,230,350	(\$26,578,288)
Pavement Rehabilitation Projects	\$14,328,000	\$13,719,000	(\$609,000)
Road & Street Projects	\$4,167,000	\$994,500	(\$3,172,500)
Municipal Facilities	\$4,235,000	\$12,300,000	\$8,065,000
Misc. Projects	\$1,563,000	\$2,736,914	\$1,173,914
Airport Projects	\$7,692,000	\$2,596,000	(\$5,096,000)
Fleet Management	\$3,514,000	\$3,618,000	\$104,000
Equipment & Software	\$5,635,208	\$5,629,000	(\$6,208)
<b>Total Capital Improvement Projects</b>	<b>\$158,507,382</b>	<b>\$161,623,632</b>	<b>\$3,116,250</b>



The proposed project costs in each CIP Fund are as follows:

<b>CIP Fund</b>	<b>FY 2026 Recommended</b>
(210) Special Gas Tax	\$3,736,000
(211) RRAA (SB1)	\$5,300,000
(212) Measure BB - Local Transportation	\$6,906,000
(213) Measure BB - Ped & Bike	\$2,385,000
(215) Measure B - Local Transportation	\$237,500
(216) Measure B - Ped & Bike	\$107,500
(218) Vehicle Registration Fund	\$400,000
(219) Measure BB - Paratransit	\$0
(405) Capital Projects	\$18,253,914
(406) Measure C Capital	\$2,444,000
(410) Rte. 238 Corridor Improvement	\$50,000
(411) Rte. 238 Settlement Admin	\$1,038,000
(450) Street System Improvements	\$4,218,000
(460) Transportation System Improvements	\$7,402,706
(603) Water Replacement	\$7,445,000
(604) Water Improvement	\$20,727,000
(611) Sewer Replacement	\$14,701,000
(612) Sewer Improvement	\$58,613,012
(621) Airport Capital	\$2,596,000
(726) Facilities Capital	\$300,000
(731) Information Tech Capital	\$1,345,000
(736) Fleet Management Capital	\$2,771,000
(737) Fleet Management Enterprise	\$647,000
<b>Total</b>	<b>\$161,623,632</b>

## **PUBLIC CONTACT**

On March 28, 2025, a Notice of this Public Hearing for the Planning Commission meeting was published in *The Daily Review* newspaper. The public will have additional opportunities to review and comment on the CIP during upcoming work sessions by the Council Infrastructure and Airport Committee Meeting (CIAC), tentatively scheduled for April 23, 2025, and the City Council, tentatively scheduled for May 6, 2025.

The public will also have an additional opportunity to review and comment on the CIP when the City Council formally considers this item at a public hearing, tentatively scheduled for June 3, 2025. A notice advising residents about the City Council public hearing will be published in the *Daily Review* newspaper at least ten days in advance.

A copy of the Recommended CIP is also available online at [www.hayward-ca.gov/CIP](http://www.hayward-ca.gov/CIP), and printed copies are available at the Public Works & Utilities' Department office, at the City Clerk's office, and at City [Libraries](#)<sup>10</sup>.

**NEXT STEPS**

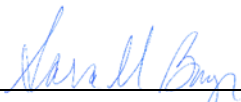
Once the Planning Commission has completed the review of the Recommended CIP and finds it complies with the *Hayward 2040 General Plan*, the CIP will be forwarded to the CIAC for review and feedback and the City Council, per the tentative dates indicated above.

*Prepared by:* Michael Wolny, Management Analyst

*Recommended by:* Alex Ameri, Director of Public Works

*Approved by:*

  
\_\_\_\_\_  
Jeremy Lochirco, Planning Manager

  
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Sara Buizer, AICP, Development Services Director

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<sup>10</sup> <https://www.hayward-ca.gov/public-library/using-library/locations-hours>