



DATE: January 24, 2018
TO: Council Infrastructure Committee
FROM: Interim Director of Public Works
SUBJECT: Old Highlands Homeowners Association (OHHA) Update

RECOMMENDATION

That the Committee reviews this report, recommends a preferred approach for implementing a street improvement program in the Old Highlands Homeowner Association (OHHA), and directs staff to develop a funding mechanism for implementation provided that a majority of OHHA property owners indicate support for the proposed program.

BACKGROUND

Staff presented a report on OHHA to the Council Infrastructure Committee on July 24, 2017. The report, which is available on-line (<https://hayward.legistar.com/LegislationDetail.aspx?ID=3108860&GUID=AC3A5B1B-21B9-48FB-84A7-04B8C4A06F53>), focused on the condition of OHHA roadways, roadway ownership, recommended street improvements, estimated costs for improvements, responsibility for the repair effort, and potential funding options. The Committee directed staff to work with the OHHA Board of Directors to develop a plan for improving the roads after the OHHA property owners approved a funding mechanism to pay for one-half of the required improvements and dedicated all private roadway segments to the City for public right-of-way.

DISCUSSION

Staff met with the OHHA Board of Directors and agreed on tentative terms that would be presented to property owners at an OHHA neighborhood meeting on January 18, 2018. Those terms are included as Attachment II.

There were approximately sixty OHHA community members and four City staff, including the City Manager, present at the meeting. Comments during the neighborhood meeting were very favorable. At the end of the meeting, the OHHA Board conducted a straw poll of all OHHA property owners to determine their position on three options: 1) take no further action on the proposed pavement repairs; 2) pursue legal action to compel the City to fund street improvements; and 3) work with the City to accept the current proposal to share costs for the

required pavement improvements. There were no votes for options one or two. Option three received unanimous consensus.

Since the property owners appear to have the necessary votes to approve a Community Facilities District (CFD) or other financing mechanism, staff can proceed to hire a consultant to develop the Engineer’s Report incorporating recommendations for the necessary street improvements and development of a benefit formula to spread the assessments amongst the property owners. The consultant would develop cost estimates to reflect how benefits could be spread by parcel, number of dwelling units, roadway frontage, or other means of identifiable specific benefit.

Once the community has formally voted to approve a financing mechanism, the City surveyor can begin to identify any private street segments included in the project, and prepare the plat and legal description necessary for the property owners to dedicate those street segments as public right-of-way. No street dedications will be accepted until the funding mechanism is approved by OHHA voters. Additionally, a consultant will be hired to prepare the necessary roadway reconstruction and construction bid documents. The OHHA Board has indicated that they would like Tribune Avenue and Cotati Street improved as the initial priority.

STRATEGIC INITIATIVES

The proposed OHHA scope of work includes roadway pavement improvements only and does not address other improvements necessary to meet the Complete Streets Initiative. The OHHA community is not proposing funding other improvements, such as sidewalks and street trees, due to lack of funding and their potential impact on the rural feel of the neighborhood.

FISCAL IMPACT

The proposed OHHA street improvement agreement would include pavement rehabilitation work only. The work is to be funded equally by the City and OHHA property owners. Approval of a financing district will supersede all existing deferred improvement agreements. The City will provide the initial funding for the work over a five to six-year period with property owner reimbursement over a twenty-year period. The preliminary estimated cost of the pavement rehabilitation is between \$5 million and \$6 million. Until the OHHA property owners formally vote to approve a CFD or other financing mechanism, City expenses will be limited to preparation of an Engineer’s Report and work with bond or other legal counsel to establish a financing district. The initial improvements may be completed as part of the City’s Capital Improvement Program FY20 rehabilitation project.

Street	FY 2017 Cost (EST.)	50% Share
Tribune Ave	\$980,000	\$490,000
Cotati St	\$410,000	\$205,000

Total	\$1,390,000	\$695,000
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SUSTAINABILITY FEATURES

The City's Pavement Rehabilitation Project uses innovative, new processes that recycle asphalt materials on-site and minimize the need for exporting and replacing the deteriorated portion of our roadways. This reduces greenhouse gas emissions associated with exporting to a recycling center and asphalt plant. All excess material generated during construction and demolition will be sent to designated facilities for recycling. This reduces carbon emissions which benefits our environment.

PUBLIC CONTACT

Staff has engaged in numerous discussions with OHHA board members and property owners over the years. Most recently, staff attended the January 18, 2018 OHHA neighborhood meeting, heard their concerns, and provided feedback. The OHHA Board has assumed responsibility for direct communication with property owners in the future on this proposal.

NEXT STEPS

Based on the input and direction received from the Committee and the results of the OHHA Board's straw poll, staff will return to the Committee with a plan for funding the improvements.

Prepared by: Kathy Garcia, Deputy Director of Public Works

Recommended by: Alex Ameri, Interim Director of Public Works

Approved by:



Kelly McAdoo, City Manager