



SUBJECT

Recommended FY 2025 – FY 2034 Capital Improvement Program

RECOMMENDATION

That the Planning Commission finds that the Recommended FY 2025 – FY 2034 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. It has also been developed to support the Priorities identified by the Council as part of the City's Strategic Roadmap.

The proposed CIP budget includes approx. \$161 million in FY 2025 and an estimated \$1 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 \$690 million. The Recommended FY 2025 – FY 2034 CIP¹ can be found [here](#) on the City's website, presented in a user-friendly format.

BACKGROUND

State law requires that the Planning Commission review the City's currently Recommended FY 2025 – FY 2034 CIP to ensure consistency with the City's General Plan. The Council will review the Recommended FY 2025 – FY 2034 CIP at a work session in May 2024.

DISCUSSION

The following discussion lists some of the specific CIP projects which align with the various goals and policies of the *Hayward 2040 General Plan* as listed below:

[Public Facilities and Services Element](#)²

The CIP includes an emphasis on updating and improving the City's infrastructure, which supports a core priority of the Strategic Roadmap, and is aligned with various goals and

¹ Hayward Capital Improvement Program. <https://www.hayward-ca.gov/your-government/documents/capital-improvement-program>

² <https://www.hayward2040generalplan.com/public-facilities-services>

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-1.2: 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 ongoing development of the South Hayward Youth & Family Center aligns with the following goal and policy of 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-1.6 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 to the previously stated Public Facilities and Services Policy PFS-1.2, sewer and water improvement projects such as the Water Resources Recovery Facility (WRRF) Switchgear Rehabilitation Project and WRRF Phase II Improvement Projects adhere to the policies under the following Public Facilities and Services goals:

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.

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.

[Mobility Element](#)³

Key projects which align with the first Mobility Element goal and policies include the Mission Boulevard Phase 3 Project, Campus Drive Improvement Project, and the Main Street Complete Street Project.

Goal M-1: Provide a comprehensive, integrated, and connected network of transportation facilities and services for all modes of travel.

Policy M-1.2: Multimodal Choices: The City shall promote 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,

³ <https://www.hayward2040generalplan.com/mobility>

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.

Paving and transportation projects also align with the third Mobility Element goal and policies, including the FY 2024 Pavement Rehabilitation Project, the Old Hayward Highland Association (OHHA) Pavement Improvements, FY 2024 New Sidewalk Project, Main Street Complete Street Project, and Mission Boulevard Phase 3.

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.

*Natural Resources Element*⁴

Projects aligning with the Natural Resources Element goals and policies include Transitioning 15% of the Total City Fleet to EV/Hybrid Models, the Citywide EV Charging Strategy Upgrade & Publicly Accessible Faster Chargers Projects, and the Recycled Water Master Plan and 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.

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

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 WPCF is a renewable energy project which aligns with the following NR goal and policy:

⁴ <https://www.hayward2040generalplan.com/natural-resources>

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*⁵

The construction of the new Fire Station No. 6 and Training Center aligns with Community Safety Element goals and policies related to Fire Protection and Emergency Medical Services.

Goal 4: Provide coordinated fire protection and emergency medical services to promote a safe and healthy community.

Policy CS-4.4 Timing of Services: The City shall ensure that growth and development does not outpace the expansion of Hayward Fire Department staffing and the development of strategically located and fully equipped fire stations.

Policy CS-4.5 Station Call Volumes and the Reallocation of Resources: The City shall monitor call volumes at individual fire stations to determine if certain areas of the City are in high demand of fire and emergency medical services. The City shall consider reallocating resources (fire units and/or equipment) or building new fire stations to serve high demand areas.

*Land Use Element*⁶

The CIP also focuses on beautification and improvement of landscaping along key thoroughfares, including the Jackson Corridor Landscape Beautification 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 & amenities.

*Hazard Goals*⁷

The CIP also 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 a new 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:

⁵ <https://www.hayward2040generalplan.com/community-safety>

⁶ <https://www.hayward2040generalplan.com/land-use>

⁷ <https://www.hayward2040generalplan.com/goal/HAZ3>

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 are 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 caused by global warming.

Community Health and Quality of Life Element⁸

The CIP also includes Landscape Material/Median Tree/Shrub Replacements project and a new Hazardous Tree Removal and Replacement project, which align with the Community Health and Quality of Life Goals as well as the new Environmental Justice Element Policy:

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.

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 2025 totals approximately \$161 million, with a total of approximately \$1 billion tentatively programmed for the entire ten-year period from FY 2025 through FY 2034. An additional \$690 million of 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 five funds when compared to FY 2024.

CIP Fund	FY 2024 GF Transfer	FY 2025 GF Transfer	Increase or (Decrease) from FY 2024
405/Capital Projects (General)	\$2,231,630	\$500,000	(\$1,731,630)
460/Transportation System Improvement	\$500,000	\$1,000,000	\$500,000
726/Facilities Management Capital	\$360,000	\$360,000	\$0

⁸ <https://www.hayward2040generalplan.com/community-health>

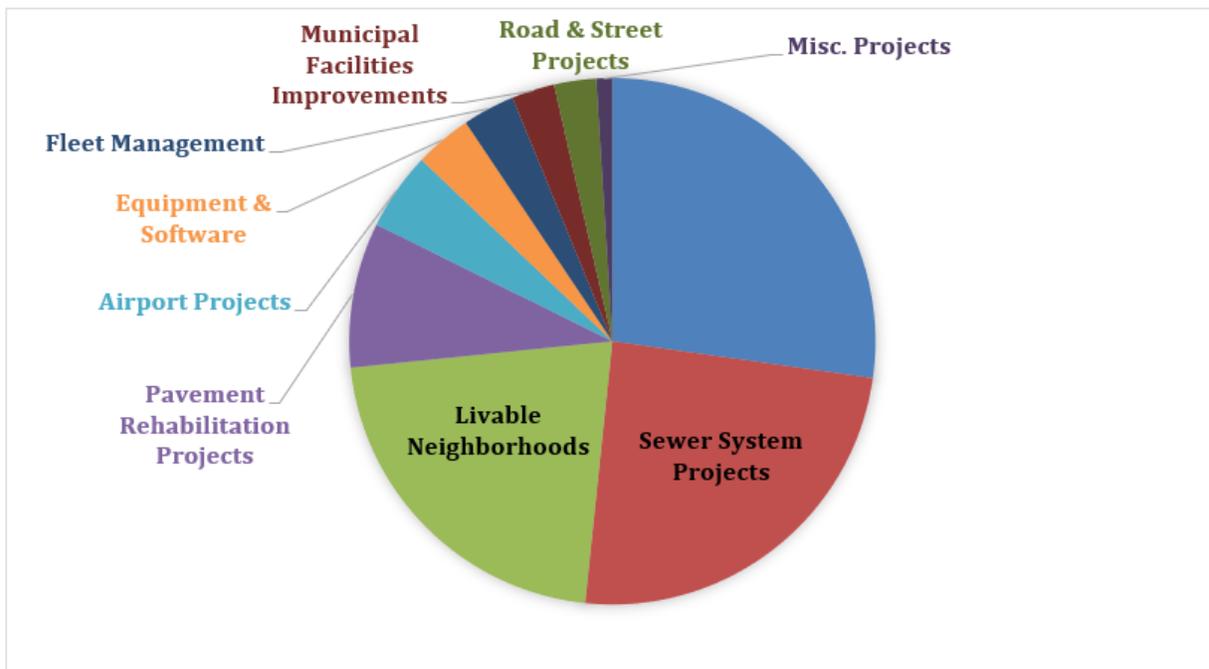
731/Information Technology Capital	\$300,000	\$1,248,000	\$948,000
Total Cost to General Fund	\$3,391,630	\$3,108,000	(\$283,630)

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 2025 are shown below.

CIP Fund	FY 2024 ISF	FY 2025 ISF	Increase or (Decrease) from FY 2024
726/Facilities Management Capital	\$350,000	\$450,000	\$100,000
731/Information Technology Capital	\$810,000	\$850,000	\$40,000
736/Fleet Management Capital (General Fund)	\$4,000,000	\$3,100,000	(\$900,000)
737/Fleet Replacement (Enterprise Funds)	\$156,000	\$156,000	\$0
Total ISF	\$5,316,000	\$4,556,000	(\$760,000)

As displayed in the tables above, there is an overall decrease of \$283,630 in proposed FY 2025 General Fund transfers when compared to FY 2024, and a decrease of \$1,260,000 in proposed FY 2025 ISF. The proposed project costs by CIP category are as follows:

Project Category	FY 2024 Adopted	FY 2025 Recommended	Increase or (Decrease) from FY 2024
Water System Projects	\$18,527,000	\$43,808,638	\$25,281,638
Sewer System Projects	\$28,135,390	\$39,262,508	\$11,127,118
Livable Neighborhoods	\$21,789,265	\$34,977,028	\$13,187,763
Pavement Rehabilitation Projects	\$16,539,000	\$14,328,000	(\$2,211,000)
Airport Projects	\$1,015,000	\$7,692,000	\$6,677,000
Equipment & Software	\$8,040,000	\$5,635,208	(\$2,404,792)
Fleet Management	\$1,286,000	\$5,165,000	\$3,879,000
Municipal Facilities Improvements	\$8,727,000	\$4,235,000	(\$4,492,000)
Road & Street Projects	\$6,789,000	\$4,167,000	(\$2,622,000)
Misc. Projects	\$4,742,000	\$1,563,000	(\$3,179,000)
Total Capital Improvement Projects	\$115,589,655	\$161,108,382	\$45,243,727



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

CIP Fund	FY 2025 Recommended
(210) Special Gas Tax	\$3,986,970
(211) RRAA (SB1)	\$4,000,000
(212) Measure BB - Local Transportation	\$9,267,000
(213) Measure BB - Ped & Bike	\$1,895,000
(215) Measure B - Local Transportation	\$39,000
(216) Measure B - Ped & Bike	\$53,000
(218) Vehicle Registration Fund	\$840,000
(219) Measure BB - Paratransit	\$1,000,000
(405) Capital Projects	\$24,524,726
(406) Measure C Capital	\$2,882,208
(410) Rte. 238 Corridor Improvement	\$4,157,000
(411) Rte. 238 Settlement Admin	\$1,038,000
(450) Street System Improvements	\$3,436,000
(460) Transportation System Improvements	\$4,560,332
(603) Water Replacement	\$27,203,765
(604) Water Improvement	\$15,994,873
(611) Sewer Replacement	\$12,391,500
(612) Sewer Improvement	\$28,481,008
(621) Airport Capital	\$7,692,000
(726) Facilities Capital	\$1,325,000

(731) Information Tech Capital	\$1,890,000
(736) Fleet Management Capital	\$3,276,000
(737) Fleet Management Enterprise	\$900,000
Total	\$160,833,382

STRATEGIC ROADMAP

The Strategic Roadmap adopted in 2023 are at the forefront of the City's capital project planning efforts, and each CIP project is evaluated for consistency with the City's Strategic Priorities.

The Recommended CIP Projects touch the Confront Climate Crisis & Champion Environmental Justice, Enhance Community Safety & Quality of Life, Grow the Economy, and Strengthen Organizational Health Priorities, but predominantly support the Invest in Infrastructure Priority.

SUSTAINABILITY FEATURES

While the proposed projects are aligned with and advance the Council's Sustainability goals and policies, the action taken for this agenda report will not result in any physical development, purchase or service, or a new policy or legislation. Any physical work will depend upon a future Council action. Sustainability features for individual CIP projects will be listed in each staff report.

PUBLIC CONTACT

On March 29, 2024, a Notice of this Public Hearing for the Planning Commission meeting was published in *The Daily Review* newspaper. A copy of the Recommended CIP is made available online at 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 both [Libraries](#)⁹. Individual projects receive Council approval and public input as appropriate.

NEXT STEPS

Once the Commission has completed the review of the Recommended CIP and found it in conformance with the General Plan, the project will be presented to Council Infrastructure and Airport Committee Meeting (CIAC), which has been tentatively scheduled for April 24, 2024.

The public will also have an additional opportunity to review and comment on the CIP at an upcoming City Council work session, which has been tentatively scheduled for May 7, 2024, and the Council Public Hearing, which has been tentatively scheduled for June 4, 2024. A notice advising residents about the Council Public Hearing on the CIP will be published in the *Daily Review* newspaper at least ten days in advance.

⁹ <https://www.hayward-ca.gov/public-library/using-library/locations-hours>

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