



## **SUBJECT**

Recommended FY 2024 – FY 2033 Capital Improvement Program

## **RECOMMENDATION**

That the Planning Commission finds that the Recommended FY 2024 – FY 2033 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 Council as part of the City's Strategic Roadmap.

The proposed CIP budget includes approximately \$115 million in FY 2024 and an estimated \$905 million 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 \$511 million.

The Recommended FY 2024 – FY 2033 CIP can be found [here](#)<sup>1</sup> on the City's website and is presented in a user-friendly online format. More information about navigating the online format can be found at the provided link.

## **BACKGROUND**

State law requires that the Planning Commission review the City's currently Recommended FY 2024 – FY 2033 CIP to ensure conformance with the City's General Plan. The Council will review the Recommended FY 2024 – FY 2033 CIP at a work session in May 2023.

## **DISCUSSION**

The following discussion lists some of the specific CIP projects which align with the various General Plan elements.

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<sup>1</sup> <https://www.hayward-ca.gov/your-government/documents/capital-improvement-program>

*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, 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-1.2: 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 Pollution Control Facility (WPCF) Switchgear Rehabilitation Project and WPCF 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*<sup>3</sup>

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

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

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

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, 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***<sup>4</sup>

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.

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

**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:

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 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**<sup>6</sup>

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

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

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

with street trees, pedestrian-scaled lighting, underground utilities, landscaping, and streetscape furniture and amenities.

## 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 2024 totals approximately \$115 million, with a total of approximately \$905 million tentatively programmed for the entire ten-year period from FY 2024 through FY 2033. An additional \$511 million of unfunded needs have been identified for the same period.

Only five 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 2023.

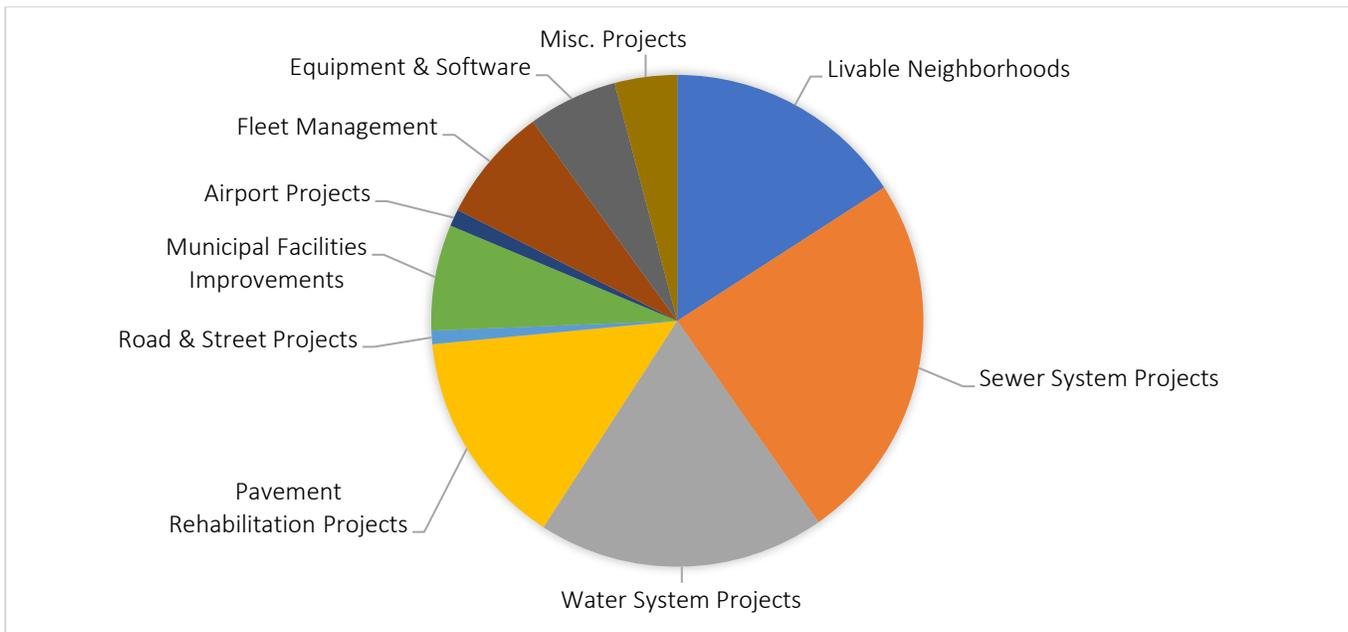
CIP Fund	FY 2023 GF Transfer	FY 2024 GF Transfer	Increase / (Decrease) from FY 2023
405/Capital Projects (General)	\$1,539,000	\$1,200,000	(\$339,000)
460/Transportation System Improvement	\$500,000	\$500,000	\$0
726/Facilities Management Capital	\$757,000	\$360,000	(\$397,000)
731/Information Technology Capital	\$1,125,000	\$300,000	(\$825,000)
736/Fleet Replacement	\$161,000	\$0	(\$161,000)
<b>Total Cost to General Fund</b>	<b>\$4,082,000</b>	<b>\$2,360,000</b>	<b>(\$1,722,000)</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 2024 are shown below.

CIP Fund	FY 2023 ISF	FY 2024 ISF	Increase / (Decrease) from FY 2023
726/Facilities Management Capital	\$350,000	\$350,000	\$0
731/Information Technology Capital	\$855,000	\$810,000	(\$45,000)
736/Fleet Management Capital (General Fund)	\$3,000,000	\$4,000,000	\$1,000,000
737/Fleet Replacement (Enterprise Funds)	\$606,000	\$156,000	(\$450,000)
<b>Total ISF</b>	<b>\$4,811,000</b>	<b>\$5,316,000</b>	<b>\$505,000</b>

As displayed in the tables above, there is an overall decrease of \$1,722,000 in proposed FY 2024 General Fund transfers when compared to FY 2023, and an increase of \$505,000 in proposed FY 2024 ISF. The proposed project costs by CIP category are as follows:

<b>Project Category</b>	<b>FY 2023 Adopted</b>	<b>FY 2024 Recommended</b>	<b>Increase/ (Decrease) from FY 2023 CIP</b>
Livable Neighborhoods	\$37,307,000	\$18,327,000	(\$18,980,000)
Sewer System Projects	\$21,124,000	\$28,135,390	\$7,011,390
Water System Projects	\$19,500,000	\$21,789,265	\$2,289,265
Pavement Rehabilitation Projects	\$10,888,000	\$16,539,000	\$5,651,000
Road & Street Projects	\$6,455,000	\$1,015,000	(\$5,440,000)
Municipal Facilities	\$6,000,000	\$8,040,000	\$2,040,000
Misc. Projects	\$912,000	\$1,286,000	\$374,000
Airport Projects	\$5,900,000	\$8,727,000	\$2,827,000
Fleet Management	\$5,380,000	\$6,789,000	\$1,409,000
Equipment & Software	\$4,656,302	\$4,742,000	\$85,698
<b>Total Capital Improvement Projects</b>	<b>\$118,122,302</b>	<b>\$115,389,655</b>	<b>(\$2,732,647)</b>



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

<b>CIP Fund</b>	<b>FY 2024 Recommended</b>
(210) Special Gas Tax	\$4,192,000
(211) RRAA (SB1)	\$4,000,000
(212) Measure BB - Local Transportation	\$6,455,000
(213) Measure BB - Ped & Bike	\$2,019,000

(215) Measure B - Local Transportation	\$226,000
(216) Measure B - Ped & Bike	\$15,000
(218) Vehicle Registration Fund	\$900,000
(219) Measure BB - Paratransit	\$750,000
(405) Capital Projects	\$13,228,000
(406) Measure C Capital	\$8,971,000
(410) Rte. 238 Corridor Improvement	\$1,010,000
(411) Rte. 238 Settlement Admin	\$771,000
(450) Street System Improvements	\$5,356,000
(460) Transportation System Improvements	\$615,000
(603) Water Replacement	\$10,551,265
(604) Water Improvement	\$9,902,000
(611) Sewer Replacement	\$9,953,390
(612) Sewer Improvement	\$19,318,000
(621) Airport Capital	\$8,727,000
(726) Facilities Capital	\$1,190,000
(731) Information Tech Capital	\$1,440,000
(736) Fleet Management Capital	\$5,270,000
(737) Fleet Management Enterprise	\$530,000
<b>Total</b>	<b>\$115,389,655</b>

## STRATEGIC ROADMAP

The 2024 Vision and Strategic Roadmap adopted in 2020 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.

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 31, 2023, a Notice of this Public Hearing for the Planning Commission meeting was published in *The Daily Review* newspaper. The public has the opportunity to review and comment on the CIP at this evening's Planning Commission meeting and will again at the Council Infrastructure Committee Meeting (CIC), which has been tentatively scheduled for April 26, 2023.

The public will also have an additional opportunity to review and comment on the CIP at the Council work session, which has been tentatively scheduled for May 16, 2023, and the Council Public Hearing, which has been tentatively scheduled for June 6, 2023.

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. A copy of the Recommended CIP is made 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 both [Libraries](#)<sup>7</sup>. Individual projects receive Council approval and public input as appropriate.

**NEXT STEPS**

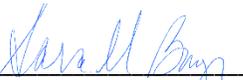
Once the Commission has completed the review of the Recommended CIP and found it in conformance with the General Plan, the CIP will be reviewed at a CIC, tentatively scheduled for April 26, 2023, at a Council work session, tentatively scheduled for May 16, 2023, and then again at a public adoption hearing tentatively scheduled for June 6, 2023.

*Prepared by:* Kaitlyn Byrne, Senior Management Analyst

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

*Approved by:*

  
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Jeremy Lochirco, Planning Manager

  
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Sara Buizer, AICP, Acting Development Services Director

<sup>7</sup> <https://www.hayward-ca.gov/public-library/using-library/locations-hours>