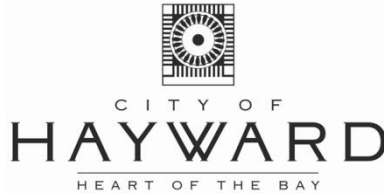


**CITY COUNCIL MEETING  
TUESDAY, JUNE 14, 2016**

**DOCUMENTS RECEIVED AFTER PUBLISHED AGENDA**


**Item #14 PH 16-057**


**Corrected Attachment II**



DATE: June 14, 2016

TO: Mayor and City Council

THROUGH: City Manager 

FROM: Director of Development Services 

SUBJECT: PH 16-057 – Corrected Attachment II for Item No.14

Please see attached the correct engineer's report (Attachment II) for Item #14 on tonight's agenda, involving the request to form new Benefit Zone No. 14 for the City's Landscape Lighting and Assessment District associated with the La Vista Development.

The published agenda had the engineer's report for the Spindrift development in Eden Shores (Item #16). I apologize for the oversight.



# **CITY OF HAYWARD**

## **FORMATION OF BENEFIT ZONE 14**

**TO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT No. 96-1  
FOR THE LA VISTA PROPERTY**

## **PRELIMINARY ENGINEER'S REPORT**

MAY 2016

PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972  
AND ARTICLE XIID OF THE CALIFORNIA CONSTITUTION

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## **CITY OF HAYWARD**

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### **CITY COUNCIL**

Barbara Halliday, Mayor  
Al Mendall, Mayor Pro Tempore  
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Marvin Peixoto, Council Member  
Greg Jones, Council Member  
Sara Lamnin, Council Member  
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### **CLERK OF THE COUNCIL**

Miriam Lens

### **CITY MANAGER**

Fran David

### **CITY ATTORNEY**

Michael Lawson

### **ENGINEER OF WORK**

SCI Consulting Group

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### **CITY OF HAYWARD**

LA VISTA, BENEFIT ZONE No. 14  
FORMATION OF BENEFIT ZONE 14 TO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT No. 96-1  
FOR THE LA VISTA PROPERTY  
ENGINEER'S REPORT, FY 2017



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## INTRODUCTION

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### OVERVIEW

On May 7, 1996, the City of Hayward ("City") formed the Consolidated Landscaping and Lighting Assessment District No. 96-1 ("District") by consolidating six separate Landscape and Lighting Assessment Districts into six separate zones of benefit within the new District. Since the formation, seven additional benefit zones (Benefit Zone No. 7 – No. 13) have been created and annexed into the District, creating thirteen separate zones of benefit.

The formation and annexation of the La Vista ("La Vista" or the "Assessment Area") properties as Benefit Zone No. 14 into the District is proposed to provide funding for the maintenance and improvements to the perimeter and setback landscaping, irrigation and lighting facilities ("Improvements") to specially benefit the properties in the La Vista subdivision. La Vista is a residential development that will consist of 179 single-family residences on a 162-acre site that is located northeast of Mission Boulevard, between the new extensions of Tennyson Road and Alquire Parkway.

This formation, described in this Engineer's Report, results from agreements or conditions of development approval between the City of Hayward and the property owner, La Vista, L.P. The City and property owner agreed on maintenance and Improvements of the perimeter setback landscaping in order to improve the utility of these properties through increased access and proximity to the amenities, improved views, extension of desirable outdoor space and other special benefits. Moreover, the City would not approve this development without these associated Improvements.

This Engineer's Report ("Report") was prepared to establish the budget for the services that would be funded by the proposed 2017 assessments and to determine the benefits received from the maintenance and Improvements by La Vista property within the Assessment Area and the method of assessment apportionment to lots and parcels. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and Article XIID of the California Constitution (the "Article").

Following submittal of this Report to the City of Hayward City Council (the "Council") for preliminary approval, the Council may, by Resolution, call for an assessment ballot proceeding and Public Hearing on the proposed establishment of assessments for the maintenance of Improvements.

If the Council approves such Resolution, a notice of assessment and assessment ballot will be mailed to property owners within the Assessment Area. Such notice would include a description of the proposed assessments as well as an explanation of the method of voting on the assessments. Each notice would also include a ballot on which the property owner



could mark his or her approval or disapproval of the proposed assessments, and a postage prepaid envelope in which to return the ballot.

After the ballots are mailed to property owners in the Assessment Area, a minimum 45-day time period must be provided for the return of the assessment ballots, unless a petition is signed to waive the balloting period. Following the ballot period, a public hearing must be held for the purpose of allowing public testimony regarding the proposed assessments. This hearing is scheduled for June 14, 2016 at 7:00 p.m. At this hearing, the public will have the opportunity to speak on this issue and the returned ballots will be tabulated.

If it is determined at the public hearing that the assessment ballots submitted in opposition to the proposed assessments do not exceed the assessment ballots submitted in favor of the assessments (weighted by the proportional financial obligation of the property for which ballots are submitted), the Council may take action to form the La Vista Assessment Area, authorize the formation, and approve the levy of the assessments for fiscal year 2017. If the assessments are so confirmed and approved, the levies would be submitted to the County Auditor/Controller in August 2016 for inclusion on the property tax roll for Fiscal Year 2017.

## **LEGISLATIVE ANALYSIS**

### **PROPOSITION 218**

Many of the Assessment Districts in the City of Hayward were formed prior to the passage of Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now Article XIIC and XIID of the California Constitution. (Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.) Although these assessments are consistent with Proposition 218, the California judiciary has generally referred to pre-Proposition 218 assessments as “grandfathered assessments” and held them to a lower standard than post Proposition 218 assessments.

Other Assessment Districts that were formed after Proposition 218, including those for Benefit Zone No. 14, are consistent with the approval procedures and requirements imposed by Proposition 218.

### **SILICON VALLEY TAXPAYERS ASSOCIATION, INC. v SANTA CLARA COUNTY OPEN SPACE**

#### **AUTHORITY**

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority (“SVTA vs. SCCOSA”). This ruling is the most significant legal document in further legally clarifying Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general, benefit

- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the Assessment Area

This Engineer's Report and the assessments are consistent with the SVTA vs. SCCOSA decision and with the requirements of Article XIIC and XIID of the California Constitution based on the following factors:

1. The assessment revenue derived from real property in the Assessment Area is extended only for specifically identified Improvements and/or maintenance and servicing of those Improvements in the Assessment Area that confer special benefits to property in that Assessment Area.
2. The use of the Assessment Area ensures that the Improvements constructed and maintained with assessment proceeds are located in close proximity to the real property subject to the assessment, and that such Improvements provide a direct advantage to the property in the Assessment Area.
3. Due to their proximity to the assessed parcels, the Improvements and maintenance thereof financed with assessment revenues in the Assessment Area benefit the properties in the Assessment Area in a manner different in kind from the benefit that other parcels of real property in the City derive from such Improvements, and the benefits conferred on such property in Assessment Area are more extensive and direct than a general increase in property values.
4. The assessments paid in the Assessment Area are proportional to the special benefit that each parcel within the Assessment Area receives from such Improvements and the maintenance thereof because of the following:
  - a. The Engineer's Report specifically identifies the permanent public Improvements that the assessments will finance;
  - b. The costs of such Improvements are estimated and calculated; and
  - c. Such improvement and maintenance costs in the Assessment Area are allocated to each property within the Assessment Area based upon the estimated special benefits received from the Improvements.

#### **DAHMS V. DOWNTOWN POMONA PROPERTY**

On June 8, 2009, the 4<sup>th</sup> District Court of Appeals amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. Hence Dahms is good law and binding precedent for assessments. In Dahms the Court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

#### **BONANDER V. TOWN OF TIBURON**

On December 31, 2009, the 1<sup>st</sup> District Court of Appeals overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

#### **BEUTZ V. COUNTY OF RIVERSIDE**

On May 26, 2010 the 4<sup>th</sup> District Court of Appeals issued a decision on the Steven Beutz v. County of Riverside (“Beutz”) appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

#### **GOLDEN HILL NEIGHBORHOOD ASSOCIATION V. CITY OF SAN DIEGO**

On September 22, 2011, the San Diego Court of Appeals issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in Beutz, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City of San Diego had failed to record the basis for the assessment on its own parcels.

#### **COMPLIANCE WITH CURRENT LAW**

This Engineer’s Report is consistent with the requirements of Article XIIC and XIID of the California Constitution and with the *SVTA* decision because the Improvements to be funded are clearly defined; the Improvements are directly available to and will directly benefit property in the Assessment Area; and the Improvements provide a direct advantage to property in the Assessment Area that would not be received in absence of the assessments.

This Engineer’s Report is consistent with *Beutz*, *Dahms* and *Greater Golden Hill* because the Improvements will directly benefit property in the Assessment Area and the general benefits have been explicitly calculated and quantified and excluded from the assessments. The Engineer’s Report is consistent with *Bonander* because the assessments have been apportioned based on the overall cost of the Improvements and proportional special benefit to each property.

## PLANS & SPECIFICATIONS

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### INTRODUCTION

The work and Improvements proposed to be undertaken by the City of Hayward and the formation and annexation of La Vista property to Benefit Zone No. 14 of the Landscaping and Lighting Assessment District No. 96-1 and the costs thereof paid from the levy of the annual assessments, will provide special benefit to Assessor Parcels within the Assessment Area as defined in the Method of Assessment herein. Consistent with the Landscaping and Lighting Act of 1972, (the "Act") the work and Improvements are generally described as follows:

Improvements within the Assessment Area include: ground cover, shrubs, and trees, irrigation systems, drainage systems, street lights, paved trails, bioswales and tree bio-treatment wells and all necessary appurtenances. Services provided include all necessary service, operations and maintenance of the Improvements.

Installation, maintenance and servicing of public Improvements, including but not limited to, street lights, paved trails, ground cover, shrubs, trees, irrigation systems, and soil retaining components, graffiti removal and painting, and all necessary appurtenances, and labor, materials, supplies, utilities and equipment, as applicable, for property within the Assessment Area that is owned or maintained by the City of Hayward (the "Improvements"). Any plans and specifications for these Improvements will be filed with the Park Superintendent of the City of Hayward and are incorporated herein by reference.

As applied herein, "maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any improvement, including repair, removal or replacement of all or any part of any improvement; providing for the life, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste; the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

"Servicing" means the furnishing of electric current, or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other Improvements; or water for the irrigation of any landscaping, or the maintenance of any other Improvements.

### DESCRIPTION OF IMPROVEMENTS

Improvements include all work associated to maintain Improvements, setback landscaping, irrigation and street lighting along the public right of ways of Tennyson Road, Vista Grande Drive, Cantera Drive, Mountain View Drive, Fortuna Way and Alquire Parkway, and firebreak landscaping along the perimeter of the backside of the development. Such landscaping consists of the care for groundcover, shrubs, trees, weed abatement in planted areas,

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#### CITY OF HAYWARD

LA VISTA, BENEFIT ZONE NO. 14

FORMATION OF BENEFIT ZONE 14 TO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 96-1

FOR THE LA VISTA PROPERTY

ENGINEER'S REPORT, FY 2017



upkeep and servicing of the irrigation system, and utility costs to service the landscaping. Additionally, to maintain offsite private paved trails east of Alquire Parkway. Maintenance also includes graffiti removal, renovations and replacements, as well as maintenance of bioswales and Fitera Tree Filters.

### **SUMMARY FIGURE OF COSTS**

The budget depicted in Figures 1, 2, 3 and 4, on the following pages reflects estimated costs for Fiscal Year 2017. As shown on Figure 4, total maintenance costs for the La Vista formation are anticipated to total **\$105,561**, equating to **\$589.73** per single family equivalent.

**FIGURE 1 – 2017 ANNUAL BUDGETED LANDSCAPING COSTS**

Task	Quantity	Units	Annual	Annual	Annual	Annual	Total Costs	Replacement	Unit
			Maintenance	Maintenance	Replacement	Replacement		Years	Replacement
			Rate	Costs	Rate	Costs			Costs
<b>Landscaping</b>									
Landscaped Area	114,645 sqft		\$0.35	\$40,125.75	\$0.05	\$5,732.25	\$45,858.00	15	\$0.75
Firebreak Landscaped Area	55,400 sqft		\$0.01	\$554.00	\$0.01	\$369.33	\$923.33	15	\$0.10
Trees	379 each		\$50.00	\$18,950.00	\$14.00	\$5,306.00	\$24,256.00	25	\$350.00
Irrigation System	1 ls		\$2,000.00	\$2,000.00	\$2,500.00	\$2,500.00	\$4,500.00	10	\$25,000.00
<b>Sub Totals:</b>				<b>\$61,629.75</b>		<b>\$13,907.58</b>	<b>\$75,537.33</b>		
<b>Total Annual Costs:</b>							<b>\$75,537.33</b>		

**FIGURE 2 – 2017 ANNUAL BUDGETED HARDSCAPE COSTS**

<b>Task</b>	<b>Quantity</b>	<b>Units</b>	<b>Annual Maintenance Rate</b>	<b>Annual Maintenance Costs</b>	<b>Annual Replacement Rate</b>	<b>Annual Replacement Costs</b>	<b>Total Costs</b>	<b>Replacement Years</b>	<b>Unit Replacement Costs</b>
<b>Sidewalks &amp; Paving</b>									
Paved Trails	40,613	sqft	\$0.05	\$2,030.63	\$0.02	\$812.25	\$2,842.88	50	\$1.00
Street Lights (includes power)	34	each	\$240.00	\$8,160.00	\$20.00	\$680.00	\$8,840.00	25	\$500.00

<b>Subtotals</b>	<b>\$10,190.63</b>	<b>\$1,492.25</b>	<b>\$11,682.88</b>
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<b>Total Annual Costs:</b>	<b>\$11,682.88</b>
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**FIGURE 3 – 2017 ANNUAL BUDGETED MANAGEMENT OTHER COSTS**

<b>Task</b>	<b>Quantity</b>	<b>Units</b>	<b>Annual Rate</b>	<b>Annual Costs</b>	<b>Total Costs</b>
<b>Utilities and Administration</b>					
Water	1615	HCF	\$5.00	\$8,076.17	\$8,076.17
District Management (portion)	1	ls	\$5,000.00	\$5,000.00	\$5,000.00
Engineer's Report (portion)	1	ls	\$3,500.00	\$3,500.00	\$3,500.00
<b>Subtotals</b>				<b>\$16,576.17</b>	<b>\$16,576.17</b>
<b>Total Annual Costs:</b>					<b>\$16,576.17</b>



**FISCAL YEAR 2017 ESTIMATE OF COST AND BUDGET**

**FIGURE 4 – 2017 COST ESTIMATE**

<b>City of Hayward - La Vista</b> <b>Landscaping and Lighting District No. 96-01, Benefit Zone No. 14</b> Estimate of cost Fiscal Year 2016-17				
				<i><b>Total Budget</b></i>
<b>Total Costs</b>				
Total Annual Landscaping Costs (From Table 1)				\$75,537
Total Annual Hardscape and Other Costs (From Table 2)				\$11,683
Total Annual Management Costs (From Table 3)				\$16,576
County Collection Fee (1.7%)				<u>\$1,765</u>
Total Maintenance and Servicing and Related Expenditures				<b>\$105,561</b>
<b>Total Maintenance and Servicing and Related Expenditures and Incidentals</b>				
(Net Amount to be Assessed: Annual Costs - Existing Funds)				\$105,561
<b>Budget Allocation to Property</b>				
	Number of Parcels	Total SFE Units	Assessment per SFE	Total Assessment
	179	179	\$589.73	\$105,561

## **METHOD OF ASSESSMENT APPORTIONMENT**

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### **METHOD OF APPORTIONMENT**

This section of the Engineer's Report includes an explanation of the benefits to be derived from the installation, maintenance and servicing of Improvements and landscaping for the Assessment Area and the methodology used to apportion the total assessment to the properties within the Assessment Area.

The method used for apportioning the assessment is based upon the relative special benefits to be derived by the properties in the Assessment Area over and above general benefits conferred on real property or to the public at large. The assessment is apportioned to lots and parcels in proportion to the relative cost of the special benefits from the Improvements. Special benefit is calculated for each parcel in the Assessment Area using the following process:

1. Identification of all benefit factors derived from the Improvements
2. Calculation of the proportion of these benefits that are general
3. Determination of the relative special benefit per property type
4. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes

The La Vista parcels proposed for annexation to Benefit Zone No. 14 of the Landscaping and Lighting Assessment District No. 96-1 consist of all Assessor Parcels within the boundaries as defined by the Assessment Diagram included within this Report and the Assessor Parcel Numbers listed within the included Assessment Roll. The method used for apportioning the assessments is based upon the proportional special benefits to be derived by the Assessment Area properties in Benefit Zone No. 14 of the Landscaping and Lighting Assessment District No. 96-1, over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two-step process: the first step is to identify the types of special benefit arising from the Improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

### **DISCUSSION OF BENEFIT**

In summary, the assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

*"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the Improvements."*

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

*"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."*

In this case, the recent the SVTA v. SCCOSA decision provides enhanced clarity to the definition of special benefits to properties from similar public improvements in three distinct areas:

- Proximity
- Expanded or improved access
- Views

The SVTA v. SCCOSA decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel, and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The SVTA v. SCCOSA decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

*The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).*

Proximity, improved access and views, in addition to the other special benefits listed herein further strengthen the basis of these assessments.

The following benefit categories summarize the types of special benefit to residential and other lots and parcels resulting from the installation, maintenance and servicing of setback landscaping, irrigation system, paved trails and street lights to be provided with the assessment proceeds. These categories of special benefit are derived from the statutes passed by the California Legislature and studies which describe the types of special benefit received by property from maintenance and improvements such as those proposed by the City of Hayward for the formation and annexation of Benefit Zone No. 14 of the Landscaping

and Lighting Assessment District No. 96-1. These types of special benefit are summarized as follows:

- A. Improved access to the La Vista frontage road setback landscaping and other permanent public improvements such as paved trails.
- B. Proximity to improved frontage road setback landscaped areas and other permanent public improvements such as paved trails.
- C. Improved Views.
- D. Extension of a property's outdoor areas and Landscaped Areas for properties within close proximity to the Improvements.
- E. Creation of individual lots for residential use that, in absence of the assessments, would not have been created.

The above benefit factors, when applied to property in the Assessment Area, specifically increase the utility and usefulness of the property within the Assessment Area. For example, the assessments will provide funding to improve and maintain the setback landscaping adjoining the properties in the Assessment Area. Such improved and well-maintained setback landscaping enhances the overall quality, desirability, utility and safety of the properties.

**GENERAL VERSUS SPECIAL BENEFIT**

Article XIID, Section 4(a) of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. Property may be assessed to fund improvements to the extent of the special benefits conferred by the Improvements; but general benefits are not assessable. Accordingly, a separate estimate of the special and general benefit is given in this section.

Article XIID never defines the term “general benefit.” The definition of special benefit in Section 2(i) includes the statement that general enhancement of property value does not constitute special benefit. General benefit may be described as “an indirect, derivative advantage” resulting from the improvements. One infers from Article XIID that all benefit is either general or special.

In other words:

<b>Total Benefit</b>	<b>=</b>	<b>General Benefit</b>	<b>+</b>	<b>Special Benefit</b>
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There is no widely-accepted or statutory formula for quantifying the amount of any general benefit that is identified.

In this Report, the general benefit is first identified, generously estimated, and then budgeted so that it is funded, as required by Proposition 218, by sources other than the La Vista Assessment.

The starting point for evaluating general and special benefits is the current, baseline level of service, which is funded primarily by the City. The proposed La Vista Assessment will fund Improvements “over and above” this general, baseline level and the general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

<b>General Benefit</b>	=	<b>Benefit to Real Property Outside the Assessment District</b>	+	<b>Benefit to Real Property Inside the Assessment District that is Indirect and Derivative</b>	+	<b>Benefit to the Public at Large</b>
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Special benefit, on the other hand, is defined in the California constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” A special benefit is conferred to a property if the property “receives a direct advantage from the improvement (e.g., proximity to setback landscaping).” In this proposed formation, as noted, properties in the Assessment Area have close and unique proximity, views of and access to the Improvements, and uniquely improved utility and desirability from the Improvements, and other properties and the public at large do not receive such benefits because they do not have proximity, access to or views of the Improvements. Therefore, the overwhelming proportion of the benefits conferred to property is special, and only minimal general benefit is conferred on property outside the Assessment Area or to the public at large.

In the 2010 *Beutz* case, the 4<sup>th</sup> Appellate Court rejected an assessment for parks in large part because the general benefits were not calculated and quantified. In its decision, the 4<sup>th</sup> Appellate Court suggests that the use of parks in an assessment district by people who live outside of the district likely is a general benefit. This Engineer’s Report includes a specific, quantified calculation of general benefits, as described below, that is based in part on such use by people outside of the Assessment Area. Moreover, the proportionality of the Assessments to the special benefits conferred on each parcel, based in large part on proximity, is established as well. Therefore, the Assessments and this Engineer’s Report are consistent with the *Beutz* decision.

## **CALCULATING GENERAL BENEFIT AND SPECIAL BENEFIT PAID FROM OTHER FUNDS**

In this section, the general benefit not paid from the assessment, which must be paid from other funds, are conservatively estimated and described, and then budgeted so that it is funded by sources other than this Assessment.

### **BENEFIT TO PROPERTY OUTSIDE THE PROPOSED ASSESSMENT AREA**

In summary, real property located within the boundaries of the Assessment Area distinctly and directly benefit from closer proximity, access and views of the Improvements funded by the Assessments, the creation of developable parcels, and from the extension of usable land area provided by the assessments. The Improvements are specifically designed to serve local properties in the Assessment Area, not other properties nor the public at large. The Assessment Area has been narrowly drawn to include those parcels that receive a direct advantage from the Improvements. The public at large and other properties outside the Assessment Area receive only limited benefits from the Improvements because they do not have proximity, good access or views of the Improvements. These are special benefits to property in the Assessment Area in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of specific proximate properties and make them more functional to use, safer and easier to access.

Properties within the proposed Assessment Area receive almost all of the special benefits from the Improvements, because properties in the Assessment Area enjoy unique and close proximity and access to the Improvements that are enjoyed less by other properties or the public at large. The landscaping Improvements are specifically designed to benefit the properties in the Assessment Area.

Nonetheless, some properties within immediate adjacent proximity of the Improvements, but outside of the boundaries of the District, may receive some benefit from the Improvements. These includes some of the properties at the end of Bodega Street, Overhill Drive and along Calhoun Street and at the intersection of Tennyson Rd and Mission Valley Boulevard. A total of no more than 13 proximate parcels have been identified that receive some special benefit from the proposed improvements including improved views, proximity and/or access, but do not receive extension of outdoor areas nor the special benefit of parcel creation. Since these adjacent properties only receive a 3 of the 5 major special benefits, a 60% factor is applied.

The general benefit to property outside of the District is calculated as follows with the parcel and data analysis performed by SCI Consulting Group.

**TOTAL GENERAL BENEFIT TO PROPERTIES OUTSIDE OF THE DISTRICT = 4%**

**Assumptions:**

13 parcels outside and adjacent to the District  
179 parcels in the Assessment District

**Calculation**

General Benefit to Property outside the Improvement District=  
 $(13/(13+179)) * 60\% = 4\%$

**BENEFIT TO PROPERTY INSIDE THE DISTRICT THAT IS INDIRECT AND DERIVATIVE**

The “indirect and derivative” benefit to property within the District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Improvements are clearly “over and above” and “particular and distinct” when compared with the baseline level of service and the unique proximity, access and views of the Improvements enjoyed by benefiting properties in the Districts.

Nevertheless, the SVTA decision indicates there may be general benefit “conferred on real property located in the district.” A measure of the general benefits to property within the District is the percentage of land area within the District that is publicly owned, open to the public, and used for regional purposes such as major roads, rail lines, hospitals, and other regional facilities because such properties, while physically within the District, are used for regional purposes and could provide indirect benefits to the public at large. In this case, essentially 0% of the land area is used for such regional purposes.

**BENEFIT TO THE PUBLIC AT LARGE**

The general benefit to the public at large can be estimated by the proportionate amount of time that the Assessment Area’s Improvements are used and enjoyed by individuals who are not residents, employees, customers or property owners in the Assessment Area. As part of the La Vista development, but outside the Assessment Area, a new 30-acre community park will be developed. This is likely to generate visitors from outside the Assessment Area. Visitors from public at large may receive some special benefit from the proposed improvements including improved views, proximity and/or access as they drive past the improvements to reach the park. Based on surveys and research conducted by SCI, in which visitors to similar parks; at various times of the day, evening, and week; were asked to look at a District map and to identify whether they lived or worked within the park’s District, less than 10% of the use of similar parks and recreation areas is by the public at large. Therefore, the general benefit to public at large is estimated at 10%.

**TOTAL GENERAL BENEFITS TO BE FINANCIALLY CONTRIBUTED FROM OTHER FUNDS IS 14%**

Using a sum of these three measures of general benefit, we find that approximately 14% of the benefits conferred by the Improvements may be general in nature and should be funded by sources other than the Assessments.

General Benefit Paid From Other Funds =

- 4.0% (Outside the district)
  - + 0.0% (Inside the district - indirect and derivative)
  - + 10.0% (Public at Large)
- = 14% (Total General Benefit and Special Benefit paid from other funds)

Although this analysis finds that 14% of the Assessment may provide general benefits and special benefit that would need to be paid from funds other than the assessment.

**SOURCE OF FINANCIAL CONTRIBUTIONS FROM OTHER FUNDS TO SATISFY THE 14% REQUIREMENT**

The general benefit contribution is paid in part from other “in-kind” contributions from the City in the form of infrastructure critical to the continued maintenance of the Assessment Area Improvements, as described below. Also, general benefit contributions come from the “annuity” value of the improvements that were constructed by the developer.

The City of Hayward owns, maintains, rehabilitates and replaces the curb and gutter along the border of the Assessment Area. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the Improvements. The contribution from the City of Hayward toward general benefit from the maintenance, rehabilitation, and replacement of the curb and gutter is conservatively estimated to be 10%, based upon the relative cost to construct and maintain this critical local infrastructure. In others words, if the Assessment Area were required to construct and maintain the local curb and gutter, the budget would increase by at least 10%.

The City of Hayward owns and maintains a storm drainage system along the border of the Assessment Area. This system serves to prevent flooding and associated damage to the Improvements, and manage urban runoff including local pollutants loading from the Improvements. The contribution from the City of Hayward toward general benefit from the maintenance, rehabilitation, and replacement of the local storm drainage system is conservatively estimated to be 10%, based upon the relative cost to construct and maintain this critical local infrastructure. In others words, if the Assessment Area were required to construct and maintain the local storm drainage system, the budget would increase by at least 10%.

The City of Hayward owns and maintains local public streets throughout the Assessment Area. These public streets provide access to the Improvements for its enjoyment as well as efficient maintenance. The contribution from the City of Hayward toward general benefit from the maintenance, rehabilitation, and replacement of the local public streets is conservatively estimated to be 10%, based upon the relative cost to construct and maintain this critical local



infrastructure. In others words, if the Assessment Area were required to construct and maintain the local public streets, the budget would increase by at least 10%.

The value of the initial Improvements constructed by the Developer can be quantified and monetized as an annuity to be amortized. Since the initial Improvements were performed and paid for by non-assessment funds, this “annuity” can be used to offset general benefit costs, and is conservatively estimated to contribute 20%. In others words, if the Assessment Area were required to construct all the Improvements, the annual budget would increase by at least 20%.

#### Source of Financial Contributions from Other Funds to Satisfy 14% Requirement

- 10.0% (Curb and gutter)
  - + 10.0% (Storm drainage system)
  - + 10.0% (Public roads)
  - + 20.0% (Amortized value of initial construction)
- = 50.0% (Total General Benefit paid from other funds)

In other words, the formation requires 14% contribution to offset the general benefits conferred by the Improvements, and there is a 50% contribution from City of Hayward supporting local infrastructure, along with the amortized value of initial construction. This 50% contribution more than satisfies the general benefit requirements.

### **ZONES OF BENEFIT**

The boundaries of the Assessment Area have been carefully drawn to only include the properties in Assessment Area that are proximate to the proposed Improvements and that would materially benefit from the Improvements. Certain other properties surrounding and outside the Assessment Area were excluded from the proposed Assessment Area because these properties are generally less proximate to the Improvements and/or they do not enjoy the same access.

Within the Assessment Area, zones of benefit are not justified or needed because the Improvements are provided relatively evenly across the entire area and for all parcels. Parcels of similar type in the District receive similar benefits on a per parcel and land area basis. Therefore, zones of benefit are not justified.

### **ASSESSMENT APPORTIONMENT**

The assessments are apportioned among all lots and parcels within the Assessment Area on the basis of Single Family Equivalent (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer’s Report, all properties are designated an SFE value, which is

each property's relative benefit in relation to a single family home on one parcel. The "benchmark" property is the single family detached dwelling which is equal to one Single Family Equivalent benefit factor.

La Vista is a residential development project consisting of 179 single family residences. Each residential property receives similar benefit from the proposed improvements. Therefore, the Engineer has determined that the appropriate method of apportionment of the benefits derived by all residential parcels is on an equivalent dwelling unit basis. Vacant parcels will also exist for a relatively short period of time prior to their development.

#### **RESIDENTIAL PROPERTIES**

All improved residential properties that represent a single residential dwelling units are assigned 1.0 SFE.

#### **VACANT RESIDENTIAL**

It is the Engineer's determination that approximately 30% of the benefit from the Improvements flows to the underlying land, and approximately 70% of the benefit flows to the improvements made to each parcel. Therefore, vacant residential land is assigned 0.30 SFE per parcel, until the parcel is improved.

#### **OTHER PROPERTIES**

There are no other property uses (other than vacant and residential) planned for the Assessment Area. If properties are developed in the future with other property uses, (i.e. commercial, agriculture, etc.), the engineer will individually calculate the associated special benefit for those properties at that time.

#### **INITIATION OF ASSESSMENT ON PARCELS**

Full benefit units will be assigned to all mapped and unmapped properties in the Assessment Area after the Improvements are installed, and costs are incurred by the Assessment Area.

**ASSESSMENT**

---

**WHEREAS**, the City Council of the City of Hayward, County of Alameda, California, pursuant to the provisions of the Landscaping and Lighting Act of 1972 and Article XIID of the California Constitution (collectively “the Act”), adopted its Resolution Initiating Proceedings for the formation and annexation of La Vista property to Benefit Zone No. 14 of the Landscaping and Lighting Assessment District No. 96-1;

**WHEREAS**, said Resolution directed the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs, a diagram for the Assessment Area and an assessment of the estimated costs of the improvements upon all assessable parcels within the Assessment Area, to which Resolution and the description of said proposed improvements therein contained, reference is hereby made for further particulars;

**NOW, THEREFORE**, the undersigned, by virtue of the power vested in me under said Act and the order of the City Council of the City of Hayward, hereby make the following assessments to cover the portion of the estimated cost of Improvements, and the costs and expenses incidental thereto to be paid by the Assessment Area.

**WHEREAS**, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the Assessment Area and an assessment of the estimated costs of the improvements upon all assessable parcels within the Assessment Area;

**NOW, THEREFORE**, the undersigned, by virtue of the power vested in me under said Act and the order of the City Council of the City of Hayward, County of Alameda, California, hereby make the following assessment to cover the portion of the estimated cost of the Improvements, and the costs and expenses incidental thereto to be paid by the Assessment Area.

The amount to be paid for Improvements and expenses incidental thereto, that are to be paid by the formation of Benefit Zone No. 14 of the Landscaping and Lighting Assessment District No. 96-1, for the Fiscal Year 2017, are detailed below.

**FIGURE 5 – SUMMARY COST ESTIMATE FOR BENEFIT ZONE NO. 14 FOR FISCAL YEAR 2017**

<b>Budget Item</b>	<b>Cost</b>
Total Annual Costs	\$103,796
Incidentals	\$1,765
<b>Total Budget</b>	<b>\$105,561</b>

As required by the Act, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said La Vista Assessment Area. The distinctive number of each parcel or lot of land in said property proposed for formation into existing Landscaping and Lighting Assessment District No. 96-1, is its Assessor Parcel Number appearing on the Assessment Roll.

And I do hereby assess and apportion said net amount of the cost and expenses of the Improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within said La Vista Assessment Area, in accordance with the special benefits to be received by each parcel or lot from the improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessments are made upon the parcels or lots of land within La Vista Assessment Area, in proportion to the special benefits to be received by the parcels or lots of land, from the Improvements.

The assessments are subject to an annual adjustment tied to the Consumer Price Index for the San Francisco Bay Area as of December of each succeeding year, with the maximum annual adjustment not to exceed 3%. In the event that the annual change in the CPI exceeds 3%, any percentage change in excess of 3% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 3%.


Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Alameda for the fiscal year 2017. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of the County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2017 for each parcel or lot of land within said Landscaping and Lighting Assessment District No. 96-1.

Dated: May 17, 2016



Engineer of Work

By   
John W. Bliss, License No. C52091

## **ASSESSMENT DIAGRAM**

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The boundaries of the La Vista Assessment Area proposed to be included in Benefit Zone No. 14 of Landscaping and Lighting Assessment District No. 96-01 is displayed on the following Assessment Diagram.



FILED IN THE OFFICE OF THE CLERK OF THE COUNCIL,  
CITY OF HAYWARD, COUNTY OF ALAMEDA, CALIFORNIA,  
THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2016.

\_\_\_\_\_  
CLERK OF THE COUNCIL, CITY OF HAYWARD

RECORDED IN THE OFFICE OF THE CLERK OF THE COUNCIL,  
CITY OF HAYWARD, COUNTY OF ALAMEDA, CALIFORNIA,  
THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2016.

\_\_\_\_\_  
CLERK OF THE COUNCIL, CITY OF HAYWARD

AN ASSESSMENT WAS CONFIRMED AND LEVIED BY THE  
CITY COUNCIL, CITY OF HAYWARD, COUNTY OF SOLANO,  
CALIFORNIA, ON THE LOTS, PIECES AND PARCELS OF  
LAND ON THIS ASSESSMENT DIAGRAM ON THE \_\_\_\_  
DAY OF \_\_\_\_\_, 2016 FOR FISCAL YEAR 2016-17 AND  
SAID ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL  
FOR SAID FISCAL YEAR WERE FILED IN THE OFFICE OF  
THE COUNTY AUDITOR OF THE COUNTY OF ALAMEDA ON  
THE \_\_\_\_ DAY OF \_\_\_\_\_, 2016.

REFERENCE IS HEREBY MADE TO SAID RECORDED  
ASSESSMENT ROLL FOR THE EXACT AMOUNT OF  
EACH ASSESSMENT LEVIED AGAINST EACH  
PARCEL OF LAND.

\_\_\_\_\_  
CLERK OF THE COUNCIL, CITY OF HAYWARD

 Zone14: La Vista

Note: REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS  
OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY  
OF ALAMEDA FOR A DETAILED DESCRIPTION OF THE LINES  
AND DIMENSIONS OF ANY PARCELS SHOWN HEREIN.

SCI Consulting Group  
4745 Mangels Boulevard  
Fairfield, CA 94534

**CITY OF HAYWARD**  
**LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT 96-01**  
**LA VISTA FORMATION TO BENEFIT ZONE NO. 14**  
**ASSESSMENT DIAGRAM**

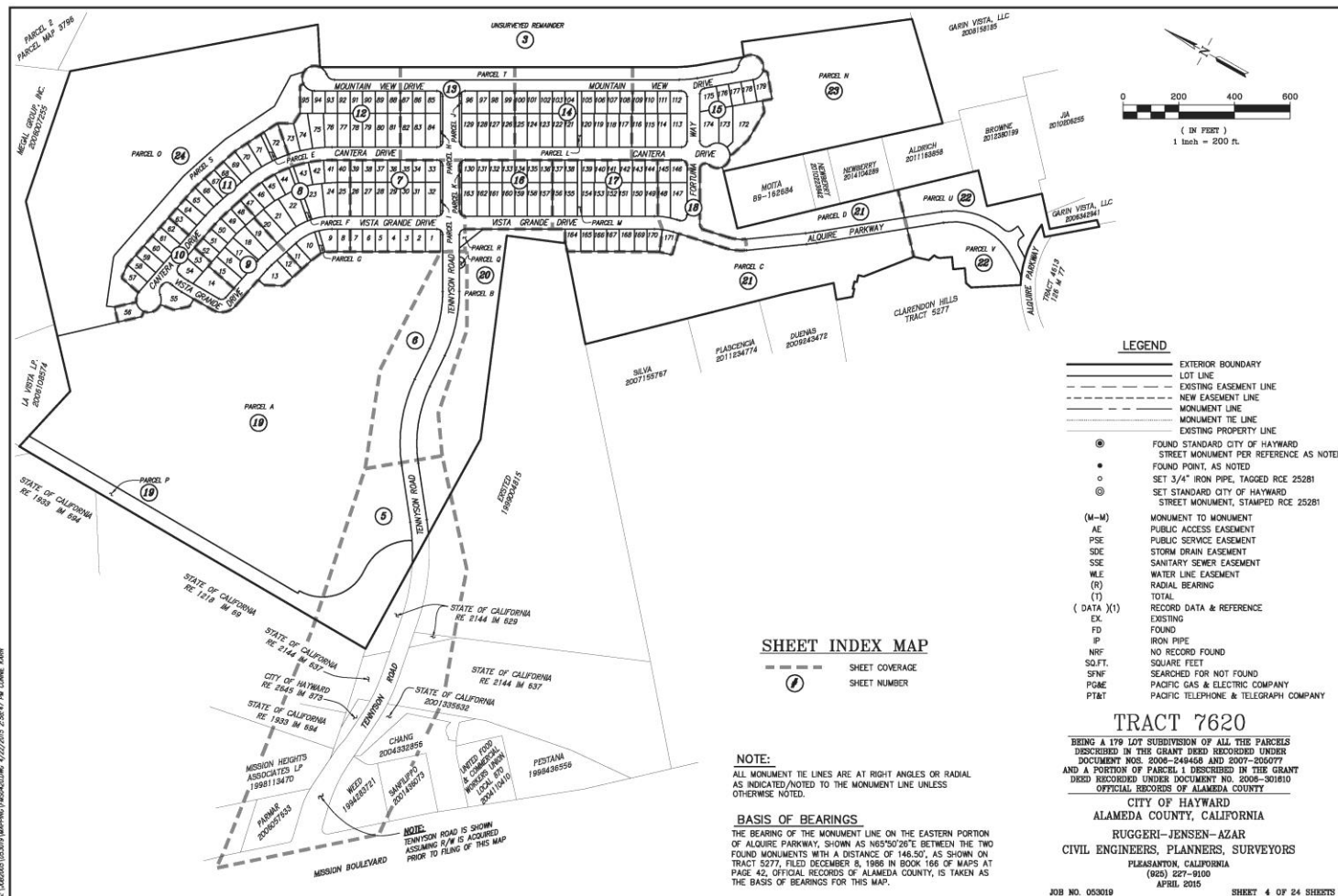
**CITY OF HAYWARD**

LA VISTA, BENEFIT ZONE No. 14  
FORMATION OF BENEFIT ZONE 14 TO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT No. 96-1  
FOR THE LA VISTA PROPERTY  
ENGINEER'S REPORT, FY 2017



# SHEET INDEX MAP

The Sheet Index Map below provides an illustration of the 179 residential parcels within the Assessment Area that are proposed for development and subject to the assessment.



**CITY OF HAYWARD**  
LA VISTA, BENEFIT ZONE No. 14  
FORMATION OF BENEFIT ZONE 14 TO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT No. 96-1  
FOR THE LA VISTA PROPERTY  
ENGINEER'S REPORT, FY 2017



## ASSESSMENT ROLL

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An Assessment Roll (a listing of all parcels assessed within the Assessment Area and the amount of the assessment) is shown below.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.

Parcel	Owner	Developed Property Assessment
083 -0075-002-07	La Vista LP	\$14,153.42
083 -0100-002-02	La Vista LP	\$41,870.53
083 -0125-001-14	La Vista LP	\$35,383.55
083 -0265-006-00	La Vista LP	\$14,153.42
	Totals	\$105,560.92

Note: The assessments listed above indicate amounts *at buildout* and are based on the developed property rate of \$589.73 per Single Family Equivalent (SFE).

This is the maximum, proposed rates that shall be levied for all proposed or actual dwelling units on improved and unimproved property in the Assessment District. Such assessments shall be levied for all proposed or actual dwelling units and unimproved property in the Assessment Districts, as increased annually by the CPI adjustment.



**Item # 15 PH 16-054**

**Comments from Alameda County Water District**



**DIRECTORS**

JAMES G. GUNTHER  
JUDY C. HUANG  
MARTIN L. KOLLER  
PAUL SETHY  
JOHN H. WEED

43885 SOUTH GRIMMER BOULEVARD • FREMONT, CALIFORNIA 94538  
(510) 668-4200 • FAX (510) 770-1793 • www.acwd.org

**MANAGEMENT**

ROBERT SHAVER  
General Manager  
SHELLEY BURGETT  
Finance  
STEVEN D. INN  
Water Resources  
STEVE PETERSON  
Operations and Maintenance  
ED STEVENSON  
Engineering and Technology Services

June 13, 2016

Ms. Fran David, City Manager  
City of Hayward  
777 B Street  
Hayward, CA 94541-5007

Dear Ms. David:

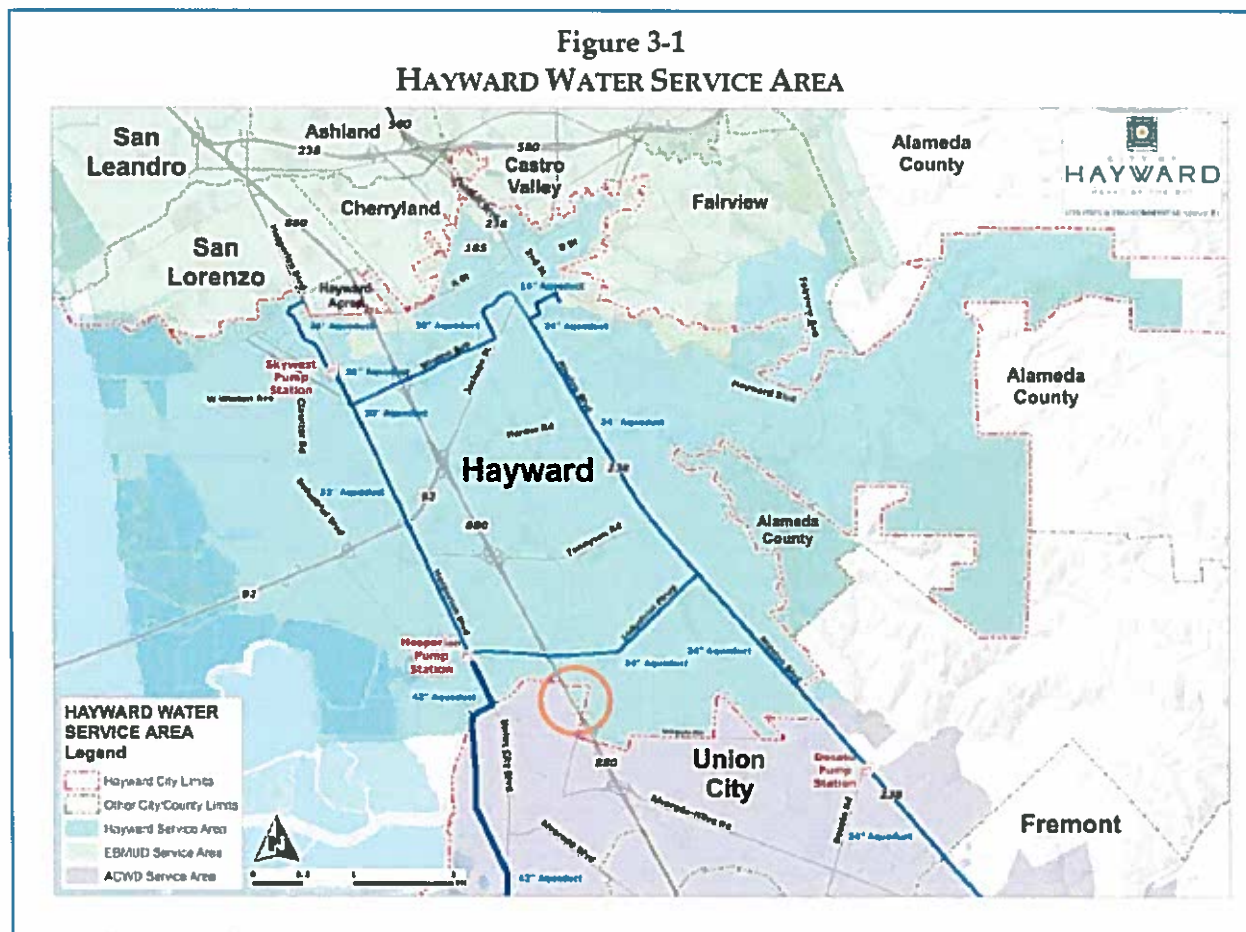
Subject: City of Hayward 2015 Urban Water Management Plan

The Alameda County Water District (ACWD) appreciates this opportunity to comment on the City of Hayward (Hayward) 2015 Draft Urban Water Management Plan (Plan).

ACWD received Hayward's June 2, 2016, letter regarding ACWD's 2015-2020 Urban Water Management Plan. In its letter, Hayward specifically calls into question ACWD's service area and the area of Niles Cone Groundwater Basin by stating that the "description of ACWD's jurisdictional authority and boundary does not conform with the City of Hayward's understanding." ACWD strongly disagrees with Hayward's position and offers the following comments to Hayward's Plan:

1. Hayward Water Service Area:

- a. Reference is made to Figure 3-1, page 3.2. Figure 3-1 shows the Hayward City Limits (red dashed line) extending into the City of Union City (see circled area in orange below). Figure 3-1 needs to be corrected to show the correct City of Union City boundary.



Source: <http://www.hayward-ca.gov/sites/default/files/Draft%202015%20Urban%20Water%20Management%20Plan.pdf>

- b. Reference is made to Figure 3-1 page 3-2. Figure 3-1 shows ACWD's service area in pink. Figure 3-1 needs to be corrected to show ACWD's service area as confirmed in the attached June 7, 2016, Alameda County LAFCo letter and attachments that correctly show the service area of ACWD extending into southern Hayward.
2. Groundwater: Reference is made to section 6.2, including 6.2.1 through 6.2.4 Groundwater Issues, on pages 6-1 and 6-2 of the Plan. This section states that "Hayward does not currently nor does it plan to utilize groundwater to meet any portion of its normal day-to-day water demand in the near term." Please note that two of the five Hayward emergency supply wells are located within the Niles Cone Groundwater Basin, and therefore, are subject to the Replenishment Assessment Act of the Alameda County Water District (Chapter 1942 of the Statutes of 1961, as amended in 1970 and 1974). Hayward's own acknowledgment of ACWD's water service and groundwater management authority in this overlap area is provided in Hayward's Municipal Code, specifically Chapter 5, Article 4, Well Standards and the annual Replenishment Assessment Act Registration and Statement of Operator of Water Producing Facility

Form completed by Hayward for its emergency water supply wells located in the detached areas and submitted to ACWD.

3. Appendix G Recycled Water Facility Plan: Reference is made to Appendix G. The City of Hayward Recycled Water Facility Plan prepared by RMC updated in September 2013, describes the study area as the City of Hayward in its entirety. As previously mentioned, ACWD manages the Niles Cone Groundwater Basin within ACWD's service area and the areas detached in 1973, 2000, and 2004. ACWD has not been listed in the Jurisdictional and Stakeholder Agency for Permitting or Review for the Tertiary Treatment Facilities and Recycled Water Use in Table 5-9. ACWD is currently working on a Salt and Nutrient Management Plan with the California Regional Water Quality Control Board for the Niles Cone Groundwater Basin; therefore, ACWD requests that it be listed on Table 5-9 and that the City of Hayward coordinate with ACWD on any proposed recycled water use within ACWD's service area and the areas detached through Alameda County LAFCo Resolutions in 1973, 2000, and 2004.

For additional context regarding the 101-year history of ACWD's jurisdictional authority to manage groundwater in the southern Hayward area within ACWD's boundary, reference is made to ACWD's June 10, 2016, letter to the California Department of Water Resources (DWR) responding to Hayward's objection to ACWD's request to correct the boundaries of the Niles Cone Groundwater Basin. Hayward was notified on June 10, 2016, of ACWD's response via e-mail through DWR's basin boundary modification request system; in addition, ACWD sent a hard copy of this letter on June 11, 2016, to Hayward.

Again, thank you for the opportunity to comment on the City of Hayward 2015 Draft Urban Water Management Plan. We respectfully request Hayward to make revisions to the Plan as outlined above. If you have any questions, I can be reached at (510) 668-4202.

Sincerely,



Robert Shaver  
General Manager

mm/tf

Enclosures

By E-mail

cc: Alex Ameri, City of Hayward  
Mona Palacios, Alameda County LAFCo

**Members**

**Ayn Wieskamp**, Vice Chair  
Special District Member

**Nate Miley**  
County Member

**John Marchand**, Chair  
City Member

**Sblend Sblendorio**  
Public Member

**Ralph Johnson**  
Special District Member

**Scott Haggerty**  
County Member

**Jerry Thorne**  
City Member

**Alternates**

**Georgean Vonheeder-Leopold**  
Special District Member

**Wilma Chan**  
County Member

**David Haubert**  
City Member

**Tom Pico**  
Public Member

**Executive Officer**

Mona Palacios

June 7, 2016

Robert Shaver, General Manager  
Alameda County Water District  
43885 South Grimmer Boulevard  
Fremont, CA 94538

**Subject: Alameda LAFCo information regarding the Alameda County Water District**

Dear Bob:

As requested, attached is information from the records of the Alameda Local Agency Formation Commission (LAFCo) regarding the Alameda County Water District (ACWD). The attachments are:

1. Alameda LAFCo Resolution 2006-03 approving an update to the sphere of influence (SOI) of the Alameda County Water District which includes a map depicting the District's SOI in relation to its jurisdictional boundary (see Exhibit A), and a determination of the nature, location, extent, functions and classes of services to be provided (see section 3.f.).
2. A list of all Alameda LAFCo actions taken in relation to the Alameda County Water District since LAFCos were established in 1963.

An updated sphere of influence and boundary map reflecting boundary and SOI changes approved by Alameda LAFCo for ACWD since 2006 will be provided under separate cover.

Please let me know if you have any questions about the attached information. I can be reached at (510) 272-3894 or [mona.palacios@acgov.org](mailto:mona.palacios@acgov.org).

Sincerely,



Mona Palacios  
Executive Officer

v:\laf\acwd\transmit list of lafco actions, 6.6.2016.doc

**Attachments**

1. Alameda LAFCo Resolution #2006-03
2. List of actions taken by Alameda LAFCo regarding ACWD

c: Andrew Massey, Alameda LAFCo Legal Counsel

**ALAMEDA LOCAL AGENCY FORMATION COMMISSION  
RESOLUTION NO. 2006-03**

**APPROVING AN UPDATE TO THE SPHERE OF INFLUENCE FOR THE  
ALAMEDA COUNTY WATER DISTRICT**

**WHEREAS**, Government Code Section 56425 et seq. requires the Local Agency Formation Commission (LAFCo) to develop and determine the sphere of influence (SOI) of each local governmental agency within the County; and

**WHEREAS**, Government Code Section 56425(f) requires that LAFCo review and update the adopted SOI boundaries, as necessary, not less than once every five years; and

**WHEREAS**, Government Code Section 56430 requires that a municipal services review be conducted prior to or in conjunction with a SOI update; and

**WHEREAS**, LAFCo conducted a municipal services review of the services provided by the Alameda County Water District and adopted written determinations as required by Government Code Section 56430 on November 10, 2005; and

**WHEREAS**, the Alameda County Water District's SOI is not coterminous with its boundary; and

**WHEREAS**, the District provides retail water service to the cities of Fremont, Newark and Union City and the Eden Shores area in Hayward within its boundaries; and

**WHEREAS**, the District also provides conservation and protection of the Niles Cone Groundwater Basin, one of its sources of water supply; and

**WHEREAS**, the District's SOI was adopted 1979, and since then, there have been over 80 annexations to the District boundary and numerous annexations in the surrounding cities; and

**WHEREAS**, the District's SOI currently includes 249 acres in the Eden Shores area in Hayward that were previously detached from the District's service area and are now primarily served by the City of Hayward; and

**WHEREAS**, it would be appropriate to remove this area from the District's SOI; and

**WHEREAS**, no change in regulation, land use or development will occur as a result of reducing the District's SOI; and

**WHEREAS**, in the form and manner prescribed by law, the Executive Officer has given notice of a public hearing by this Commission regarding the location of this SOI map;

**WHEREAS**, the SOI was duly considered at a public hearing held on January 12, 2006; and

**WHEREAS**, the Alameda LAFCo heard and received all oral and written protests, objections and evidence that were made, presented or filed, and all persons present were given an opportunity to appear and be heard with respect to any matter pertaining to said action.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** that the Alameda LAFCo hereby:

1. Update and reduce the SOI for the Alameda County Water District as generally depicted in Exhibit A attached hereto.
2. Adopt the following SOI policies:
  - Policy Recommendation #1: LAFCO to encourage the ACWD and Zone 7 boards to approve a service agreement relating to territory within both districts' boundaries.
3. Consider the criteria set forth in Government Code Section 56425(e) and determine as follows:
  - a. *The present and planned land uses in the area, including agricultural and open-space lands –* The recommended SOI does not conflict with the present and planned urban land uses. City and County policies support the provision of adequate water services. A reduction this SOI will not adversely affect agricultural or open space land or be growth inducing. No change to the present or planned uses will result from adoption of this SOI.
  - b. *The present and probable need for public facilities and services in the area –* Services are currently being provided and need to be continued. No changes in public facilities or services provided by the District will result from this SOI update.
  - c. *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide –* ACWD has diversified sources of water supply and projects its water supplies to be adequate to accommodate growth throughout buildout within its boundary. Water quality, drought preparedness, emergency preparedness, planning efforts, response times, and water pressure are adequate. Breaks and leaks in the District's distribution system are frequent, but ACWD meets industry standards for distribution system water loss rates. ACWD practices water conservation efforts. The District conducts benchmarking and performance evaluations to improve service efficiency. Adoption of the SOI update will not affect the present capacity of public facilities and adequacy of public services or the services provided by the District.
  - d. *The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency –* Residents and businesses located in Fremont, Newark and Union City rely on ACWD for water and groundwater management services. The SOI update will not affect the existence of any social or economic communities of interest in the area that are relevant to the District.
  - e. *The existence of agricultural preserves or other important agricultural or open space land in the area which could be considered within an agency's SOI, and the effect on maintaining the physical and economic integrity of such resources in the event that such resources are within a SOI of a local governmental agency –* The ACWD SOI extends into open space areas—Hayward marshlands, eastern hillside areas and regional parks. The cities of Fremont and Union City limit extension of water service into the hillside areas to low-density development.; and LAFCo should reflect this limitation. The SOI update will not adversely affect agricultural or open space land or be growth inducing. No Williamson Act contracts will be adversely affected.
  - f. *Nature, location, extent, functions & classes of services to be provided -* The District provides retail water delivery and distribution, desalination, groundwater extraction and recharge, recycled water, habitat restoration, water education, water conservation, and groundwater management services to the cities of Fremont, Union City, Newark and southwest portions of the City of Hayward, along with conservation/protection of the Niles Cone Groundwater Basin, one of its sources of water supply. The District shall not provide services to areas outside the existing growth limit boundaries of Fremont and Union City.

4. Determine, as lead agency for the purposes of the California Environmental Quality Act (CEQA), this SOI update which reduces the District's SOI is categorically exempt under Section 15061(b)(3) of the CEQA Guidelines.
5. Direct staff to file a Notice of Exemption as lead agency under Section 15062 of the CEQA Guidelines.

\* \* \* \* \*

This Resolution was approved and adopted by the Alameda Local Agency Formation Commission at a regular meeting held on January 12, 2006, at 7051 Dublin Boulevard in Dublin, California on the motion made by Commissioner Foulkes, seconded by Commissioner Hosterman, and duly carried.

Ayes: 6 (Commissioners Butler, Crowle, Foulkes, Hosterman, Lockhart and Miley)  
Noes: 0  
Excused: 3 (Commissioners Combs, Kamena and Steele)

                    /Robert Butler/                    

Robert Butler, Chair, Alameda LAFCo

Approved as to Form:

By:                     Brian Washington                      
Brian Washington, LAFCo Legal Counsel

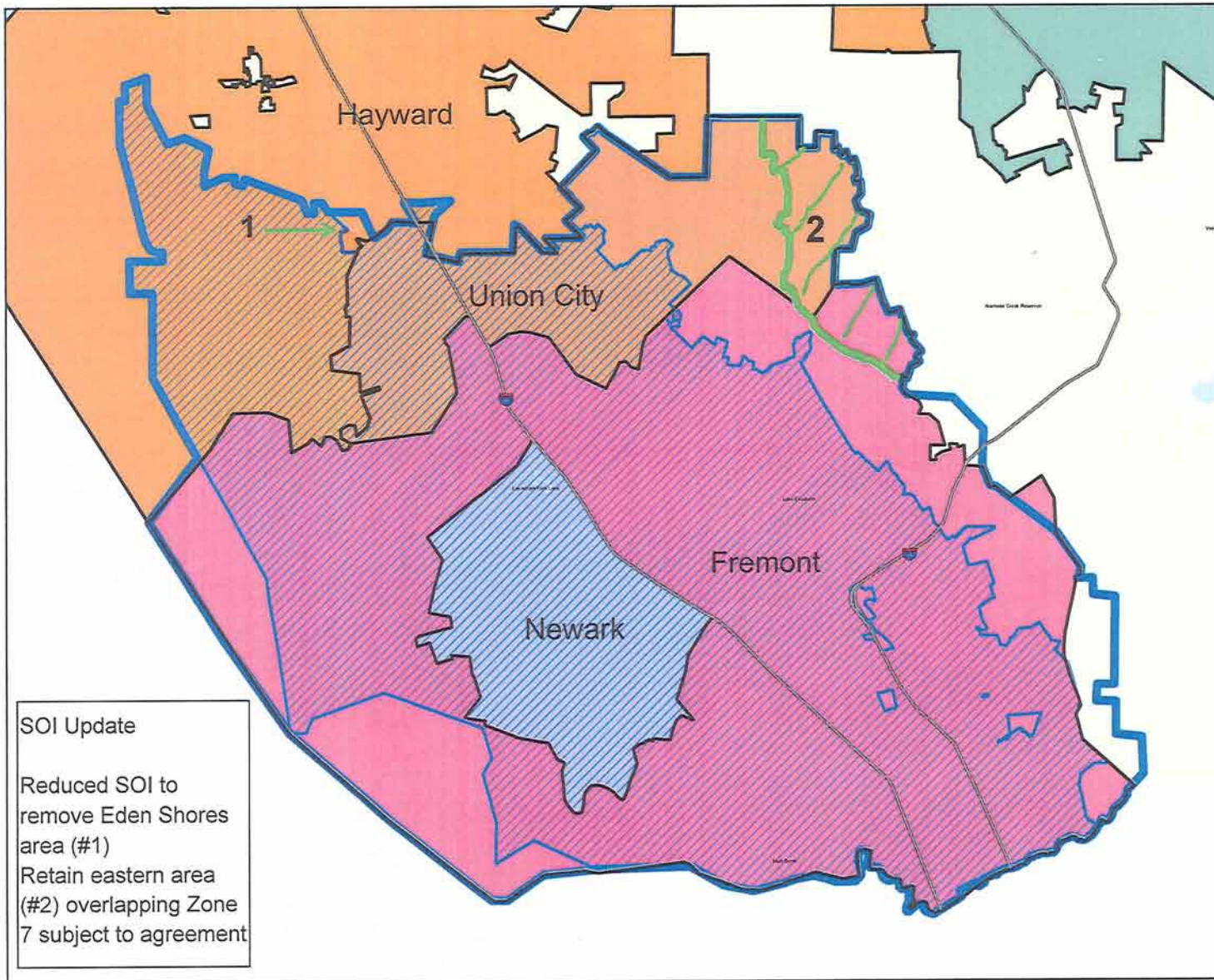
**CERTIFICATION:** I hereby certify that the foregoing is a correct copy of a resolution adopted by the Alameda Local Agency Formation Commission, Oakland, California.

Attest:                     Crystal Mishida Graff                      
Crystal Mishida Graff, LAFCo Executive Officer

Date:                     2/3/06



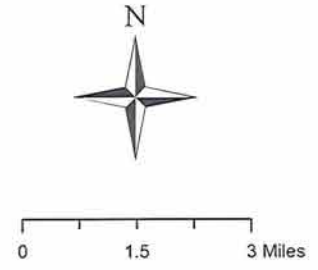
# ALAMEDA COUNTY WATER DISTRICT



**SOI Update**

Reduced SOI to remove Eden Shores area (#1)

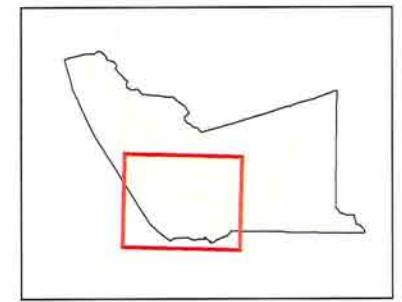
Retain eastern area (#2) overlapping Zone 7 subject to agreement



**Legend**

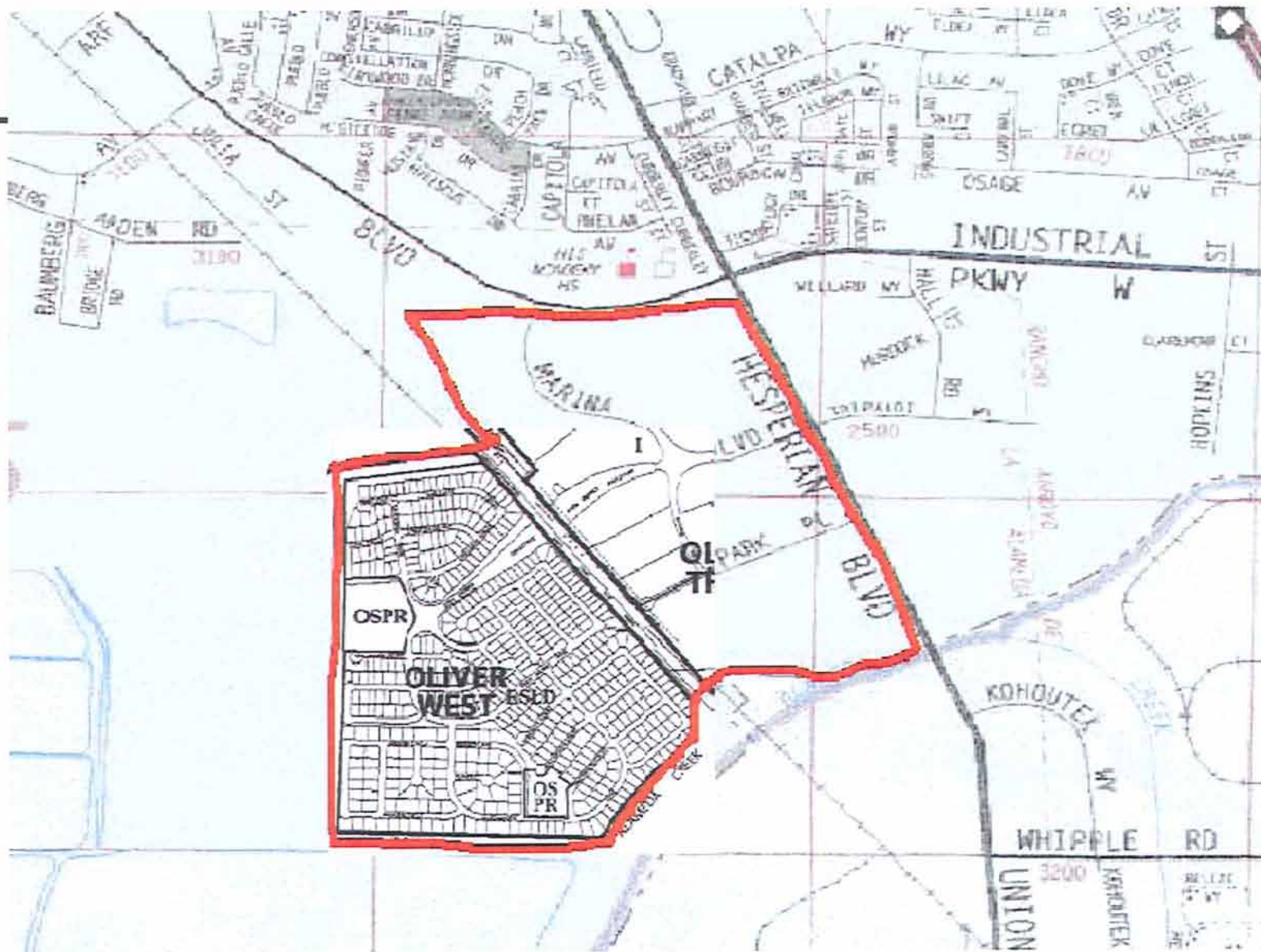
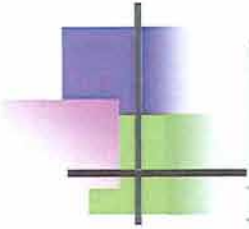
- Interstates
- ACWD\_Island\_Outline
- Alameda County Water District
- Alameda County Water SOI
- Hydrology
- Alameda Unincorporated

Alameda County Reference Map



# ACWD SOI Update

## Eden Shores SOI Reduction Area (#1) Detail



**Results of Search for All Actions Taken by Alameda LAFCo regarding the Alameda County Water District, 6/6/2016**

<b>Subject</b>	<b>Date</b>	<b>Category</b>	<b>Action</b>
Alameda County Water District Annexation 102-Tract 7409, Mayfield Housing	3/8/2012	Change of Organization or Reorganization	Approved
Alameda County Water District Annexation – BART Warm Springs Station (amended to include 4 additional parcels)	1/14/2010	Change of Organization or Reorganization	Approved
Alameda County Water District Request to Waive Indemnification Requirement for Annexation 102, Tract 7409 (Mayfield Housing Corp)	5/14/2009	Other	Approved
Union Sanitary District Annex. No. U-285 & AC Water District Annex. No. 103 Reorganization	5/10/2007	Change of Organization or Reorganization	Approved
Union Sanitary District Annex. #U-285 & Ala.County Water District Annex. #103 Reorganization	11/9/2006	Change of Organization or Reorganization	continued to 1/11/07
ACWD 79K/USD U-283	4/14/2005	Change of Organization or Reorganization	Approve
Detachment of Eden Shores (Oliver West) from the ACWD	11/4/2004	Change of Organization or Reorganization	Approve
OOSA - ACWD Tract 7409 (Mayfield Housing)	9/16/2004	Out of Area Service Agreement (water)	Approve
ACWD 94C/USD U-284 Annexation	3/11/2004	Change of Organization or Reorganization	Approve
ACWD 94B/USD U-280 Annexation	7/11/2002	Change of Organization or Reorganization	Approve
Alameda County Water District/Ceci	7/13/2000	Out of Area Service Agreement (Water)	Approve & Waive Conducting Authority Hearing
Alameda County Water District Annexation No. 79H and Union Sanitary District Annexation No. 279	7/13/2000	Reorganization	Approve & Waive Conducting Authority Hearing
Alameda County Water District Annexation No. 89H	11/12/1998	Change of Organization or Reorganization	Approve
Alameda County Water District Annexation No. 79J and Union Sanitary District Annexation No. 278	7/10/1997	Change of Organization or Reorganization	Approve
Alameda County Water District Annexation No. 85A and Union Sanitary District Annexation No. 274	5/8/1997	Change of Organization or Reorganization	Approve
Alameda County Water District Annexation No. 89-G	5/9/1996	Change of Organization or Reorganization	Approve
Alameda County Water District Annexation No. 101A, Kimber	1/11/1996	Change of Organization or Reorganization	Approve
Alameda County Water District Annexation No. 93D	11/9/1995	Change of Organization or Reorganization	Approve
Presentation of draft final report reorganization study of the Alameda County Water District and Union Sanitary District; and Status Report on Senate Bill 1232	9/14/1995	Special Districts	No Action taken

**Results of Search for All Actions Taken by Alameda LAFCo regarding the Alameda County Water District, 6/6/2016**

<b>Subject</b>	<b>Date</b>	<b>Category</b>	<b>Action</b>
Discussion and consideration of Senate Bill 1232 (Lockyer) to require Commission approval of reorganization of Alameda County Water District and Union Sanitary District into a single agency; and Alameda County Water/Union Sanitary joint reorganization study efforts	5/11/1995	Change of Organization or Reorganization	Motion approved to take no formal position on Senate Bill 1232
Alameda County Water District Annexation No. 99B and Union Sanitary District Annexation No. 266	3/9/1995	Change of Organization or Reorganization	Approve
Alameda County Water District Listing of Functions and Services	9/15/1994	Other	Approve
Alameda County Water District - Annexation No. 100A, Avalon	9/17/1992	Change of Organization or Reorganization	Approve
Alameda County Water District - Annexation No. 100B, DeSilva	9/17/1992	Change of Organization or Reorganization	Approve
Alameda County Water District Annexation No. 93C, Hidden Valley Ranch	3/17/1992	Change of Organization or Reorganization	Approve
Alameda County Water District Annexation No. 79G, Smith	5/16/1991	Change of Organization or Reorganization	Approve
Annexation No. 79F (Moody) to the Alameda County Water District	1/17/1991	Change of Organization or Reorganization	Approve
Annexation No. 85A, Dividend, to the Alameda County Water District	5/3/1990	Change of Organization or Reorganization	Approve
Annexation No. 89, Dry Creek, to the Alameda County Water District	10/19/1989	Change of Organization or Reorganization	Approve
Annexation No. 79E, (Starkweather/DiAngelo) to the Alameda County Water District	10/19/1989	Change of Organization or Reorganization	Approve
Annexation No. 79D, Linda Vista Subdivision, to the Alameda County Water District	8/17/1989	Change of Organization or Reorganization	Approve
Annexation No. 79C, Eagle Ridge, to the Alameda County Water District	8/17/1989	Change of Organization or Reorganization	Approve
Annexation No. 94A (Mission Peak Homes) to the Alameda County Water District	11/3/1988	Change of Organization or Reorganization	Approve
Annexation No. 93B (Vineyard Heights II) to the Alameda County Water District	11/3/1988	Change of Organization or Reorganization	Approve
Annexation No. 89-F to the Alameda County Water District	11/3/1988	Change of Organization or Reorganization	Approve
Annexation No. 89E (Lusk) to the Alameda County Water District	11/3/1988	Change of Organization or Reorganization	Approve
Annexation No. 95-C to the Alameda County Water District	8/18/1988	Change of Organization or Reorganization	Approve
Annexation No. 79B Mission Heights to the Alameda County Water District	8/18/1988	Change of Organization or Reorganization	Approve

**Results of Search for All Actions Taken by Alameda LAFCo regarding the Alameda County Water District, 6/6/2016**

<b>Subject</b>	<b>Date</b>	<b>Category</b>	<b>Action</b>
Annexation No. 95B, Rose, to the Alameda County Water District	4/21/1988	Change of Organization or Reorganization	Approve
Annexation No. 79A, Dyer, to the Alameda County Water District	4/21/1988	Change of Organization or Reorganization	Approve
Annexation No. 95A (Tracks 5516 and 5542) to the Alameda County Water District	10/1/1987	Change of Organization or Reorganization	Approve
Annexation No. 89D (Beretta-Houret) to the Alameda County Water District	7/17/1986	Change of Organization or Reorganization	Approve
Annexation No. 93A "Vineyard Heights" to the Alameda County Water District	3/20/1986	Change of Organization or Reorganization	Approve
Annexation No. 94 to the Alameda County Water District	11/21/1985	Change of Organization or Reorganization	Approve
Annexation No. 87 to the Alameda County Water District	9/19/1985	Change of Organization or Reorganization	Approve
Annexation No. 89C (Lemm) to the Alameda County Water District	7/18/1985	Change of Organization or Reorganization	Approve
Annexation No. 92B, Stearns Fremont 680 Associates, to the Alameda County Water District	4/18/1985	Change of Organization or Reorganization	Approve
Annexation No. 89B, Ponderosa, to the Alameda County Water District	1/17/1985	Change of Organization or Reorganization	Approve
Annexation No. 92A (Ashwill) to the Alameda County Water District	4/19/1984	Change of Organization or Reorganization	Approve
Annexation No. 89A (Goble) to the Alameda County Water District	4/19/1984	Change of Organization or Reorganization	Approve
Annexation No. 91 to the Alameda County Water District	7/15/1982	Change of Organization or Reorganization	Approve
Annexation No. 86 (Huddleson) to the Alameda County Water District	8/20/1981	Change of Organization or Reorganization	Approve
Annexation No. 82 (Warm Springs) to the Alameda County Water District	7/16/1981	Change of Organization or Reorganization	Approve
Annexation No. 88 (Saratoga) to the Alameda County Water District	6/18/1981	Change of Organization or Reorganization	Approve
Annexation No. 85 (Standard Pacific-Northern Calif.) to the Alameda County Water District	6/18/1981	Change of Organization or Reorganization	Approve
Annexation No. 83 (Eaton) to the Alameda County Water District	6/18/1981	Change of Organization or Reorganization	Approve
Annexation No. 84 (Marathon) to the Alameda County Water District	3/20/1980	Change of Organization or Reorganization	Approve
Annexation No. 81 to Alameda County Water and Union Sanitary Districts	10/18/1979	Change of Organization or Reorganization	Approve

**Results of Search for All Actions Taken by Alameda LAFCo regarding the Alameda County Water District, 6/6/2016**

<b>Subject</b>	<b>Date</b>	<b>Category</b>	<b>Action</b>
Annexation No. 181 to Alameda County Water and Union Sanitary Districts	10/18/1979	Change of Organization or Reorganization	Approve
Annexation No. 80 to Alameda County Water and Union Sanitary Districts (rescinding No. 79-11)	7/19/1979	Change of Organization or Reorganization	Approve
Annexation No. 80 to Alameda County Water and Union Sanitary Districts (rescinded)	6/21/1979	Change of Organization or Reorganization	Approve (rescinded)
Annexation No. 179 to Alameda County Water and Union Sanitary Districts	5/17/1979	Change of Organization or Reorganization	Approve
Adopting SOIs for cities of Fremont, Union City, Newark and Union Sanitary and Alameda County Water Districts	4/19/1979	SOI	Approve
Annexation No. 78 to Alameda County Water and Union Sanitary Districts	10/19/1978	Change of Organization or Reorganization	Approve
Annexation No. 77 (Masonic Home) to Alameda County Water District	9/21/1978	Change of Organization or Reorganization	Approve
Annexation No. 75 to Alameda County Water and Union Sanitary Districts	6/22/1978	Change of Organization or Reorganization	Approve
Annexation No. 164 to Union Sanitary and Alameda County Water Districts	6/22/1978	Change of Organization or Reorganization	Approve
Annexation No. 154 to Union Sanitary District and Annexation No. 73 to Alameda County Water District	4/27/1978	Change of Organization or Reorganization	Approve
Annexation No. 71 to Alameda County Water and Union Sanitary Districts	1/12/1978	Change of Organization or Reorganization	Approve
Annexation No. 74 "Johnson" to Alameda County Water District	8/25/1977	Change of Organization or Reorganization	Approve
Annexation No. 68 to Alameda County Water and Union Sanitary Districts	7/28/1977	Change of Organization or Reorganization	Approve
Annexation No. 144 to Alameda County Water and Union Sanitary Districts	7/28/1977	Change of Organization or Reorganization	Approve
Annexation No. 140 to Alameda County Water and Union Sanitary Districts	5/26/1977	Change of Organization or Reorganization	Approve
Annexation No. 55 (Rhodes) to Alameda County Water District	4/28/1977	Change of Organization or Reorganization	Approve
Annexation No. 67 to Alameda County Water District (rescinding Annexation No. 151 deleting Union Sanitary District from annexation)	4/28/1977	Change of Organization or Reorganization	Approve
Annexation No. 141 to Alameda County Water and Union Sanitary Districts	4/28/1977	Change of Organization or Reorganization	Approve
Annexation No. 64 to Alameda County Water and Union Sanitary Districts	4/28/1977	Change of Organization or Reorganization	Approve
Annexations No. 149 and No. 151 to Alameda County Water and Union Sanitary Districts	4/28/1977	Change of Organization or Reorganization	Approve (151 rescinded)

**Results of Search for All Actions Taken by Alameda LAFCo regarding the Alameda County Water District, 6/6/2016**

<b>Subject</b>	<b>Date</b>	<b>Category</b>	<b>Action</b>
Annexation No. 145 to Alameda County Water and Union Sanitary Districts	3/24/1977	Change of Organization or Reorganization	Approve
Annexation No. 66 to Alameda County Water and Union Sanitary Districts	3/24/1977	Change of Organization or Reorganization	Approve
Annexation No. 67 to Alameda County Water District (sphere change)	3/24/1977	Change of Organization or Reorganization	Approve (rescinded)
Annexation No. 69 to Alameda County Water and Union Sanitary Districts	2/24/1977	Change of Organization or Reorganization	Approve
Annexation No. 137 to Alameda County Water and Union Sanitary Districts	2/24/1977	Change of Organization or Reorganization	Approve
Annexation No. 139 to Alameda County Water and Union Sanitary Districts	2/24/1977	Change of Organization or Reorganization	Approve
Annexation No. 138 to Alameda County Water and Union Sanitary Districts	2/24/1977	Change of Organization or Reorganization	Approve
Annexation No. 138 to Alameda County Water and Union Sanitary Districts	2/24/1977	Change of Organization or Reorganization	Approve
Annexation No. 63 (Linton & Palia) to Alameda County Water District	1/27/1977	Change of Organization or Reorganization	Approve
Annexation No. 60 to Alameda County Water and Union Sanitary Districts	12/23/1976	Change of Organization or Reorganization	Approve
Annexation No. 134 to Union Sanitary and Alameda County Water Districts	12/23/1976	Change of Organization or Reorganization	Approve
Annexation No. 58 to Alameda County Water District	9/30/1976	Change of Organization or Reorganization	Approve
Annexation No. 59 Niles-Decoto to Alameda County Water District	6/24/1976	Change of Organization or Reorganization	Approve
Hayward Detachment from Alameda County Water District	9/27/1973	Change of Organization or Reorganization	Approve
Annexation No. 56 (Standard Pacific) to Alameda County Water District	2/27/1975	Change of Organization or Reorganization	Approve
Annexation No. 53 (Singer) to Alameda County Water District	3/22/1973	Change of Organization or Reorganization	Approve
Bay Area Assembly Hall Annexation No. 2 to Alameda County Water District	9/28/1972	Change of Organization or Reorganization	Approve
Annexation No. 51-Duke to Alameda County Water District	5/25/1972	Change of Organization or Reorganization	Approve
Annexation No. 50 - Loma Vista to Alameda County Water District	12/16/1971	Change of Organization or Reorganization	Approve
Annexation No. 49 Ohlone College to Alameda County Water District	10/28/1971	Change of Organization or Reorganization	Approve

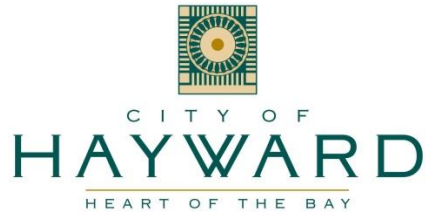
**Results of Search for All Actions Taken by Alameda LAFCo regarding the Alameda County Water District, 6/6/2016**

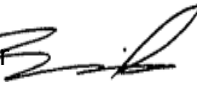
<b>Subject</b>	<b>Date</b>	<b>Category</b>	<b>Action</b>
Annexation No. 47 to Alameda County Water District	1/28/1971	Change of Organization or Reorganization	Approve
Annexation No. 46 to Alameda County Water District	10/22/1970	Change of Organization or Reorganization	Approve
Annexation No. 44 to Alameda County Water District	9/24/1970	Change of Organization or Reorganization	Approve
Annexation No. 41 to Alameda County Water District	12/18/1969	Change of Organization or Reorganization	Approve
Nichandros Annexation No. 35 to Alameda County Water District	11/16/1967	Change of Organization or Reorganization	Approve
Annexation No. 26 (Fremont Unified School District-Whitfield Junior High School Site) to Alameda County Water District	6/2/1966	Change of Organization or Reorganization	Approved
Annexation No. 34 Whipple Road to Alameda County Water District	6/2/1966	Change of Organization or Reorganization	Approved
Annexation No. 33 to Alameda County Water District	1/7/1966	Change of Organization or Reorganization	Approved
Annexation No. 31 (Cunningham) to Alameda County Water District	11/23/1965	Change of Organization or Reorganization	Approve
Annexation No. 30 (Beretta) to Alameda County Water District	11/23/1965	Change of Organization or Reorganization	Approve
Annexation No. 32 to Alameda County Water District	11/23/1965	Change of Organization or Reorganization	Approve
Beretta Annexation No. 30 to the Alameda County Water District	9/8/1965	Change of Organization or Reorganization	Approve
Annexation No. 29 to the Alameda County Water District	6/2/1965	Change of Organization or Reorganization	Approve
Annexation No. 28 to the Alameda County Water District	3/11/1965	Change of Organization or Reorganization	Disapprove
Annexation No. 26 to the Alameda County Water District	12/7/1964	Change of Organization or Reorganization	Approve
Annexation No. 27 to the Alameda County Water District	10/8/1964	Change of Organization or Reorganization	Approve
Annexation No. 25 to the Alameda County Water District	4/9/1964	Change of Organization or Reorganization	Approve
Annexation No. 24 to the Alameda County Water District	4/9/1964	Change of Organization or Reorganization	Approve



**Item #18 LB 16-070**

**Resolution**



**DATE:** June 13, 2016  
**TO:** Mayor and City Council  
**CC:** Michael Lawson, City Attorney  
Miriam Lens, City Clerk  
**FROM:** Fran David, City Manager   
**RE:** Resolution of Application for the Dissolution of the Eden Township Healthcare District/Eden Health District

---

Mayor and Council, in order for the petition to LAFCo to be effective, Council will have had to pass a Resolution. I apologize that said Resolution was not provided with the Council report (Item LEG 16-070 on the 6/14 Council Agenda) on Friday.

Please find attached said Resolution, which is available to Council should you choose to go forward with the request to LAFCo. As noted in the report, review by LAFCo presents a transparent and inclusive way to have a conversation to discuss and resolve the question of ETHD/EHD\* in a formal setting. It is the primary venue in which to have a community conversation regarding all of the available options for the future of the District.

If approved, City staff will work to complete and submit an application to the LAFCo asking for a discussion before LAFCo regarding the possible dissolution of the Eden Township Healthcare District/Eden Health District\*, with the intent of having a full and thorough review of the District's operations to determine whether or not it should remain in existence.

*(\*NOTE: The formal name of the District appears to have been changed to Eden Health District, and this name is reflected in the Resolution.)*

**Office of the City Manager**

777 B Street • Hayward • CA • 94541-5007  
Tel: 510-583-4300 • Fax: 510-583-3601 • Website: [www.hayward-ca.gov](http://www.hayward-ca.gov)

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

RESOLUTION OF APPLICATION BY THE CITY OF HAYWARD REQUESTING  
THE LOCAL AGENCY FORMATION COMMISSION TO BEGIN PROCEEDINGS  
FOR THE DISSOLUTION OF EDEN HEALTH DISTRICT

**WHEREAS**, the City of Hayward desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, to explore the possible dissolution of Eden Health District; and

**WHEREAS**, notice of intent to adopt this resolution of application has been given to many other agencies, it has not been given to each interested and each subject agency; and

**WHEREAS**, the territory that would be the subject of the dissolution conversation is inhabited, and a description of the boundaries of the territory is set forth in Attachment I attached hereto and by this release incorporated herein; and

**WHEREAS**, this proposal is consistent with the Sphere of Influence of the affected district; and

**WHEREAS**, the reasons for exploring the proposed dissolution are as follows: communities served by the District, particularly Unincorporated Alameda County, San Leandro, and Hayward, question the continued existence of the District since it no longer owns or operates a hospital and no longer collects taxes. The primary function of the District appears to be as a property owner/landlord and irregular grantor to hospitals and non-profit entities throughout its territory.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Hayward hereby adopts and approves this Resolution of Application, and the Local Agency Formation Commission of Alameda County is hereby requested to take proceedings to explore the possible dissolution of territory as described in Attachment I, according to the terms and conditions stated above and in the matter provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

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

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

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

APPROVED AS TO FORM:

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

**Item #18 LB 16-070**

**Communication from Dev Mahadevan  
Chief Executive Officer, Eden Health District**

**From:** Dev Mahadevan

**Sent:** Monday, June 13, 2016 2:36 PM

**To:** Al Mendall; Francisco Zermeno; Marvin Peixoto; Greg Jones; Sara Lamnin; Elisa Marquez; Barbara Halliday

**Cc:** Fran David; Richard Valle; Mona Palacios; Lex Reddy; LESTER FRIEDMAN; Ron Hull DPM; Roxann Lewis; Thomas E. Lorentzen; Vin Sawhney

**Subject:** Petition to LAFCo to Dissolve Eden Township Healthcare District

Dear Mayor Halliday and City Council Members,

I have some additional information regarding the agenda item on your meeting agenda tomorrow regarding the Eden Township Healthcare District and the petition to LAFCo to start a dissolution process of the District.

We have just had since yesterday to confer on this subject (since I did not get to the e-mail until Sunday noon) and was unaware that we need to present information about this. I understand that the information was not finalized until late last week, but we cannot possibly provide you with complete information about the value of the District to the City of Hayward and the community in the short time available. We are requesting that you give us an extension until July 19, 2016 to present additional information for you to consider.

We are working with St. Rose Hospital to provide them with information regarding their reimbursement as a district hospital, a question we examined and abandoned as not beneficial in 2012 (we also discussed potential organizational structures at that time). Clark and Associates, who are contracted to do the work, expect to complete the work by the end of June or early July. If there is substantial benefit to St. Rose Hospital under such a structure, the Hospital might want to consider using the existing district structure to take advantage of reimbursement benefits. It would be a significant expenditure of resources and time, which can be avoided if this decision were postponed until your meeting of July 19, 2016. The report should be on hand by then.

It is easier to maintain the District, which costs the taxpayers nothing and provides a community benefit rather than to create a new district after dissolving the existing one at considerable cost. This relatively short wait can forestall this use of resources. We hope we can address this issue at the meeting tomorrow.

Sincerely,

*Dev Mahadevan*

*Chief Executive Officer*



20400 Lake Chabot Road, Suite 303  
Castro Valley, CA 94546  
(510) 538-2031

**Item #18 LB 16-070**

**Communication from Pamela Russo  
Executive Director, Hayward Area Recreation & Park District Foundation**

**From:** Pam Russo

**Sent:** Tuesday, June 14, 2016 4:21 PM

**To:** Barbara Halliday; Francisco C Zermeno; Fran David; Sara Lamnin; Elisa Marquez; Greg Jones; Al Mendall; Marvin Peixoto

**Cc:** 'dev mahadevan'; Valle, Richard, Supv BOS Dist 2; DeMartini, Ginny, BOS Dist 2

**Subject:** ETHD

Dear Mayor Halliday, City Council and Ms. David,

I have concerns about how the City of Hayward and its health entities will benefit from the dissolution of the Eden Township Healthcare District. It is not clear who or how the District's assets will be administered if the District is dissolved by legislation or LAFCo. Unfortunately, once again, this process will involve attorneys, court fees, time, resources and money. Most importantly decisions will be made without our voice.

If the District can produce a plan of action as to how they will serve the health needs of the communities, it will keep decisions local. It is my hope that the ETHD will bring together key public leaders and healthcare entities and settle this locally, with a plan of action and accountability.

My concern is the City of Hayward and its healthcare entities. The residents of Hayward and its healthcare entities have not been the priority in previous healthcare decisions, nor has the needed support been there from the City or County.

I know you all value healthcare and collaboration. I believe you can make a difference in this decision...and keep the resources where they will best serve our City. I ask you delay going forward with the Petition for the Dissolution of the ETHD until such time a plan of action is produced by the District.

Thank you for your consideration,  
Pam Russo



Explore  
Play  
Learn

## Pamela Russo

Executive Director

Hayward Area Recreation & Park District Foundation

1099 "E" Street | Hayward, CA | 94541

510-888-0111 (p) | 510-888-5758 (f)

[farm@haywardrec.org](mailto:farm@haywardrec.org)

[WWW.HAYWARDREC.ORG](http://WWW.HAYWARDREC.ORG)

*Enjoy life with H.A.R.D.!*





**PUBLIC COMMENTS**

**Kim Huggett**

DOWNTOWN HAYWARD

*Third Thursday*  
**STREET PARTIES**

JUNE 16 · JULY 21  
 AUGUST 18

2016

**B STREET**

from **FOOTHILL BLVD.**  
 to **WATKINS ST.**

**FREE ENTRY!**

**5:30 -**

**8:30 PM**

**LIVE MUSIC**

**FAMILY FUN**

**ALAN THE AMAZING**

**GREAT FOOD**

**HOT RODS &  
 CLASSIC CARS**

**BEER & WINE  
 GARDEN**

THURSDAY

**JUNE 16**

FEATURING:  
 THE WEST COAST BLUES SOCIETY



THURSDAY

**JULY 21**

FEATURING: THIRD SOL



THURSDAY

**AUGUST 18**

FEATURING: PATRON



**EACH MONTH FEATURES:**

**THE DOWNTOWN CLASSIC CAR SHOW ON MAIN STREET  
 ADDITIONAL GREAT BANDS ON THE BUFFALO BILLS AND BISTRO STAGES**



Russell City Energy Center  
 CALPINE

HAYWARD

KAISER PERMANENTE

**PUBLIC COMMENTS**

**Citizen Sam – Tree Destroyed**

