CITY COUNCIL MEETING

NOVEMBER 18, 2025

PRESENTATIONS

Item #6

LB 25-040

City of Hayward Budget



Background: FY 2025-26 Budget Adoption

	May Budget Workshop	June Budget Adoption
Estimated beginning fund balance	31.6 million	31.6 million
Anticipated deficit	12.6 million	8.9 million
Anticipated ending fund balance	19.0 million	22.7 million

Actions taken between May and June:

- Corrections to salary and benefits projections
- Addition of vacancy savings
- Reductions to services and supplies
- Reduced transfers from General Fund
- Added one-time transfers Into General Fund



August Update: Identification of Significant Deficit in FY 2024-25

	FY 2024-25 Revised Budget	FY 2024-25 Unaudited Actuals	Difference
Revenue	227.1 million	217.1 million	-10.0 million
Expenditures	234.3 million	247.7 million	+13.4 million
Deficit	7.1 million	30.6 million	

Reduced starting fund balance for FY 2025-26 to \$1 million



Actions taken since July

- Holding positions vacant and implementing overtime controls
- Outside fiscal review concurrent with annual audit
- Preparing for fall budget revision
 - Reviewed actual payroll data biweekly
 - 10-year review of budget-to-actuals for the General Fund and Measure C for revenues and expenditures
 - First quarter analysis of budget-to-actuals
 - Review forecasts for major revenue sources



Updated Budget Deficit

FY 2025-26 Revenues & Transfers-In	219,852,108
FY 2025-26 Expenditures & Transfers-Out	246,299,603
Revenues Minus Expenses (Deficit)	(26,447,495)

REVENUES (in 1,000s)	Unaudited Actuals FY 2024-25	Adopted Budget FY 2025-26	Updated Projection FY 2025-26	Difference Adopted and Updated
Property Tax	75,907	77,459	77,459	0
Sales Tax	53,477	45,600	47,559	1,959
Utility Users Tax	23,101	27,000	25,000	-2,000
Franchise Fees	13,031	13,630	13,630	0
Real Property Transfer Tax	10,598	13,500	11,000	-2,500
Transient Occupancy Tax	2,341	3,500	2,427	-1,073
Cannabis Tax	741	1,100	807	-293
Other Taxes	6,088	5,775	6,000	225
Charges for Services	11,669	15,144	14,199	-945
Inter-Governmental	7,233	8,251	7,098	-1,153
Fines & Forfeitures	2,977	2,823	2,823	0
Other Revenues	1,189	863	863	0
Interest & Rents	31	650	0	-650
Total Revenues	208,383	215,295	208,865	-6,430
Transfers-In	8,700	4,419	10,987	6,568
Total Revenues & Transfers-In	217,083	219,714	219,852	138

EXPENDITURES (in 1,000s)	Unaudited Actuals FY 2024-25	Adopted Budget FY 2025-26	Updated Projection FY 2025-26	Difference Between Adopted and Updated
Salary and Benefits	198,580	181,179	194,730	13,551
Maintenance and Utilities	1,652	1,715	2,053	338
Supplies and Services	13,333	11,953	14,335	2,382
Capitalized Supplies	40		199	199
Total Expenditures	213,605	194,847	211,317	16,470
Internal Service Charges	18,785	22,094	22,094	0
Transfers Out	15,314	11,733	12,889	1,156
Total Expenditures, Internal Service Charges & Transfers-Out	247,704	228,674	246,300	17,626

Activity (in 1,000s)	Estimated Savings
Transfer/loan of funds from Measure C	9,750,000
One-time transfers in or reductions of transfers out from other funds, including reviewing staff allocations	1,900,000
Anticipated one-time revenue & recovery from taxes and deposits	1,500,000
Increase to the Transient Occupancy Tax	250,000
Additional vacancies and overtime reductions	2,900,000
Reductions in services and supplies	2,400,000
End assignments for temporary employees	1,000,000
TOTAL from activities listed above	\$19,700,000
Remaining gap, to be covered through personnel-related savings	\$6,747,495
TOTAL Activities	26,447,495

Long-term fiscal stability plan

Work Session in February:

- Review of financial policies and practices
- Five-year general fund model
- Revenue Options for Council Consideration
- Update on FY 25 audit and FY 26 monitoring of actuals
- Update on property disposition
- Long-term strategy for Measure C/K1

Recommending Council Adopt the Attached Resolution:

- 1. Amending the Adopted FY 2025-26 Operating Budget for the City to reflect the updated deficit and steps to eliminate the deficit
- 2. Authorizing the City Manager to reduce expenditure appropriations for general fund departments, and to increase appropriations and modify transfers to/from other funds, and
- 3. Affirming that the remaining cost-control measures are within the City Manager's existing administrative authority and are expected to be implemented by January 31, 2026



Item #7

LB 25-032

Introduction of Revised Electrification Reach Code Ordinance



City Council

Reach Code Ordinance Proposed Amendments to EV Charging Requirements

November 18, 2025



Background

- California Building Standards Code is updated every 3 years
- 2025 Code will take effect on January 1, 2026
- Proposed ordinance modifies requirements for EV charging in the California Green Building Standards Code.
- New ordinance references the 2025 California Code
- If adopted, Hayward's existing requirements for EV charging infrastructure will not change

Proposed Reach Code Ordinance

Land Use Type	CalGreen Requirements Effective January 1, 2026	Current and Proposed Reach Code Requirements
Single Family & Townhome	One L2 EV Capable space per dwelling unit	Two L2 EV Ready spaces per dwelling unit
Multi-Family Residential	Unassigned spaces: • 25% L2 Charger • 75% LP L2 EV Ready Assigned Spaces: • 100% LP L2 EV Ready	Same as CalGreen
Office and Retail	15% L2 Charger5% L2 EV Capable	20% L2 Charger30% L2 EV Capable
Other Non-Residential Uses	10% L2 Charger10% L2 EV Capable	Same as CalGreen
Hotel/Motel	25% L2 Charger40% LP L2 EV Ready	Same as CalGreen

New and Existing Buildings

- Hayward's current Reach Code requires:
 - electric readiness in new non-residential buildings
 - all-electric for new residential buildings no longer enforced
- No new Reach Code for new or existing buildings is recommended for 2026.

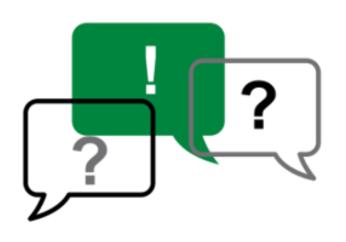
Staff Recommendation

That Council:

- Receives public comments;
- Reviews and comments on this report; and
- Adopts a Resolution Introducing a Revised Reach Code Ordinance with Amendments Related to EV Charging; and Finding that the Action is Exempt from CEQA

Next Steps:

 If the ordinance is adopted, staff will file a copy with the California Building Standards Commission.



Item #8

LB 25-038

Building and Fire Code Updates





California Building Codes Overview

- State of California Building Standards Commission adopted new State Building Codes, including the California Fire Code
- Commonly referred to as "2025 California Building Codes"
- Automatically effective on January 1, 2026
- Published in 11 binders and online at https://up.codes/codes/california?q=2025+

California Building Codes Overview

- Codes apply design and construction standards for all construction and occupancies in the State
- Requirements for the structural, plumbing, electrical and mechanical systems of buildings, and for fire and life safety, energy conservation, sustainability, and accessibility
- Cities are required to enforce the 2025 California
 Building Codes and may adopt local amendments that
 are more restrictive as reasonably necessary because
 of local climatic, geological, or topographical
 conditions



Major Code Changes



- Most changes in the 2025 Building Codes relate to code language restatements and minor refinements
- Examples of some noteworthy changes:
 - New Wildland-Urban Interface Code (Part 7)
 - This consolidates wildfire-risk provisions that used to be scattered across other parts of Title 24 e.g., building code (CBC), residential code, fire code into a single, unified section.
 - It sets minimum standards for construction, defensible space, water supply, and access in fire-hazard zones, tailored to California's very real wildfire risk.
 - Occupied Roofs Count Toward Building Height
 - One big shift: *usable / occupiable roofs* (e.g., rooftop amenity spaces) now count toward a building's height in the 2025 code.
 - Stricter EV Charging / EV-Ready Requirements
 - The 2025 *Green Building Code* (CALGreen, Part 11) ramps up EV-charging infrastructure requirements.
 - There are more required EV-ready / EV-capable parking spaces, and the 2025 code allows **low-power Level 2** receptacles (not just full chargers) for some EV-ready spots.
 - Raceways (i.e., the conduit capacity) must be sized *for future upgrades*. For example, branch circuits might be built for 20 A Level 2 receptacles now, but with capacity to grow to a 40 A circuit later.
 - Power allocation changed: in some cases, the allowed kVA for EV-capable spaces has shifted (for example, maximum allowed kVA portion for EV-capable is now more constrained).

Local Implementation of Codes



- All City of Hayward projects requiring building permits submitted on or after January 1, 2026, are required to comply with the new codes
- Building Division webpage has been updated with an announcement informing public
- City staff has received some training and will continue to be trained in all aspects related to this change

Questions

Item #9

LB 25-039

Adopt a Resolution
Amending the
Salary and Benefits
Resolution for
Unrepresented
Employees

Adopt a Resolution Amending the Unrepresented Salary and Benefits Resolution

Presenter: Ian Tecson, Director of Human Resources

Unrepresented Employee Furloughs

Additional Unrepresented Mandatory Furloughs

Group	% of Annual Salary	Furlough Hours Equivalent
Police Chief	4% equivalent	83.2 hour furlough
Unrepresented Non-Executive Classifications	3.5% equivalent	72.8 hour furlough

Total Additional Fiscal Impact: \$362,600 savings to the General Fund