

**HAYWARD  
GEOLOGIC HAZARD ABATEMENT DISTRICT**

**TO: Hayward GHAD Board of Directors**

**FROM: GHAD Manager**

**BOARD MEETING DATE: June 24, 2025**

**SUBJECT: Resolution Approving the Geologic Hazard Abatement District (GHAD)  
Budget for the 2025/26 Fiscal Year and Updating the Annual Consumer  
Price Index (CPI) Reference Month to December**

**RECOMMENDATION(S):**

Staff recommends that the Hayward GHAD Board of Directors adopt Resolution 25-01 approving the GHAD budget for the 2025/26 fiscal year, and updating the annual Consumer Price Index reference month to December.

**SUMMARY:**

The GHAD Board of Directors (Board) has accepted monitoring, maintenance, and/or ownership of selected parcels within The Reserve (formerly La Vista) and Hideaway (formerly Ersted) developments within the Hayward GHAD. The proposed budget allows funding of accepted GHAD responsibilities for the 2025/26 fiscal year from July 1 to June 30. The proposed budget for the 2025/26 fiscal year is \$260,804.

**BACKGROUND AND DISCUSSION:**

Hayward City Council adopted Resolution 16-030 approving the formation of the Hayward GHAD and the Plan of Control for The Reserve (La Vista) development within the Hayward GHAD on March 1, 2016.

The GHAD Board accepted monitoring, maintenance, and/or ownership of selected parcels within The Reserve (La Vista) development within the GHAD with the approval of Resolution 20-01 on February 25, 2020, and Resolution 23-04 on November 14, 2023. Additionally, the Board accepted monitoring, maintenance, and/or ownership of all parcels within the Hideaway (formerly Ersted) development on November 19, 2024, with the approval of Resolution 24-02. The adopted Plans of Control for each development summarize the GHAD's responsibilities and the approved Engineer's Reports established a budget and assessment limit for residential properties for each development.

The following are improvements owned and/or maintained by the GHAD and activities funded through the proposed budget.

- General maintenance of the surface drainage improvements
- General maintenance of storm drain inlets and outlets in open space, subdrain outlets, and risers

- Maintenance of concrete-lined drainage ditches
- Maintenance of existing property line/boundary fencing
- Inspection and maintenance of surface water quality treatment, water quality pond, and detention basins
- Retaining wall east of Alquire Parkway at the northwest corner of the Moita property
- Maintenance roads associated with the water quality pond and the detention basins
- Maintenance roads/trails over public water mains on the GHAD-owned parcels
- Debris benches and walls
- Subdrains
- Storm drain inlets, outfalls, and pipelines within the GHAD-owned parcels
- Maintenance including trails (other than City-owned public trails) within the GHAD-owned parcels
- Slopes including Hayward Concentrated Fault Zone
- Vegetation control for fire suppression

The Hayward SoMi development is eligible to begin the transfer process for Plan of Control responsibilities during FY 2025/26 therefore, we have not included funding for the Hayward SoMi development in the FY 2025/26 budget.

The GHAD has been levying and collecting assessments since FY 2017/18. For the 2025/26 FY, all 179 residential units within The Reserve development, all 59 residential units within the Hideaway development, and all 189 residential units within the Hayward SoMi development, for a total of 427 units, are subject to the levy of a GHAD assessment. Parcels are subject to the levy starting the first fiscal year following issuance of a building permit.

In FY 2022/23, the GHAD was ahead of its target rate of reserve accumulation forecast estimate in the approved 2016 Engineer's Report for The Reserve Development, therefore GHAD Staff recommended, and the Board approved, suspension of the levy for residences within The Reserve development for FY 2023/24 only. Staff provided this recommendation based on the following conditions:

- Unencumbered reserve funds collected from within The Reserve Development exceed the target reserve amount estimated in the approved Engineer's Report
- Reserve funds collected from within The Reserve Development exceed the dollar amount estimated for a large-scale repair
- Plan of Control responsibilities have been transferred from the developer to the GHAD

While the GHAD is still ahead of its target rate of reserve accumulation, the projected reserve balance is still below the target reserve forecast in each development's Engineer's Report. For FY 2025/26, we recommend an assessment levy of \$1,217.50 to fund annual maintenance and operations and reserve accumulation towards the target reserve balance. For the Hideaway and Hayward SoMi developments, staff still recommends that the FY 2025/26 levy be imposed at the assessment limit, as the listed conditions above have not been met yet for these developments. The total assessment revenue for the Hayward GHAD for FY 2025/26 is estimated at \$402,807.

As provided in the approved Engineers' Reports, the assessment limits for each of the three developments (The Reserve, Hideaway, and Hayward SoMi) will continue to be adjusted for inflation annually. Any proposed levy suspension or annual levy below the allowed assessment limit in the future for any of the developments within the GHAD does not preclude the Board in the future from increasing or decreasing the levy of the assessment up to the inflation-adjusted assessment limit. This determination is made by the Board each year when approving the annual

budget for the GHAD. As long as the Board levies future assessments in accordance with the Engineer's Report, a vote of property owners is not required; a vote is only required if the assessment limit is increased beyond that allowed in the Engineer's Report.

The proposed program budget for fiscal year 2025/26 is \$260,804. The budget expenses break down into the following amounts:

Administration- GHAD Manager .....	\$ 35,600
Administration - Outside Professional Services .....	\$ 27,404
Preventive Maintenance and Operations .....	\$191,800
Special Projects .....	\$6,000
Major Repair .....	<u>\$0</u>
Total Expenses .....	\$ 260,804

Lastly, the Board of Directors approved the Engineer's Report for each development in the GHAD and set the initial assessment limits. The assessment limits have been adjusted annually on June 30 to reflect the percentage change in the San Francisco-Oakland-Hayward Consumers Price Index (CPI) for All Urban Consumers. GHAD Staff are proposing to update the annual CPI reference month to December to provide the Board of Directors with more precise budget and assessment figures during annual budget approval. The FY 2025/26 budget has been prepared referencing the December 2024 published CPI.

#### **FISCAL IMPACT:**

The Hayward GHAD is proposing a budget of \$260,804 for anticipated management and maintenance fees for the 2025/26 fiscal year. At the beginning of the 2025/26 fiscal year, the cumulative reserve is estimated at approximately \$1,350,000, and approximately \$1,530,00 at the end of the 2025/26 fiscal year.

The Hayward GHAD operates as a separate entity from the City of Hayward; therefore, there is no fiscal impact to the City of Hayward.

#### **NEXT STEPS:**

None.

*Prepared by:* The GHAD Manager, Raley Ralston

*Recommended by:* GHAD Manager, Raley Ralston

#### **ATTACHMENTS:**

A. Resolution No. 25-01