

**CITY COUNCIL MEETING  
TUESDAY, JANUARY 22, 2019**

**PRESENTATIONS**

**ITEM 4 – WS 19-004**

**MISSION BOULEVARD CORRIDOR AND SOUTH  
HAYWARD BART/MISSION BOULEVARD  
FORM-BASED CODE UPDATES WORK SESSION**

# Form-Based Code Updates

City of Hayward, CA  
City Council Study Session | January 22, 2019



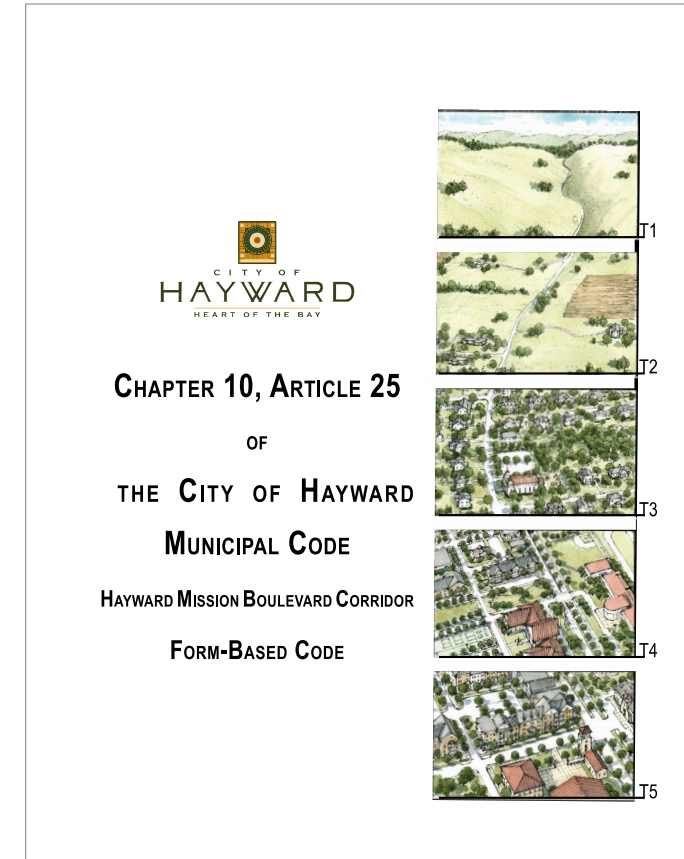
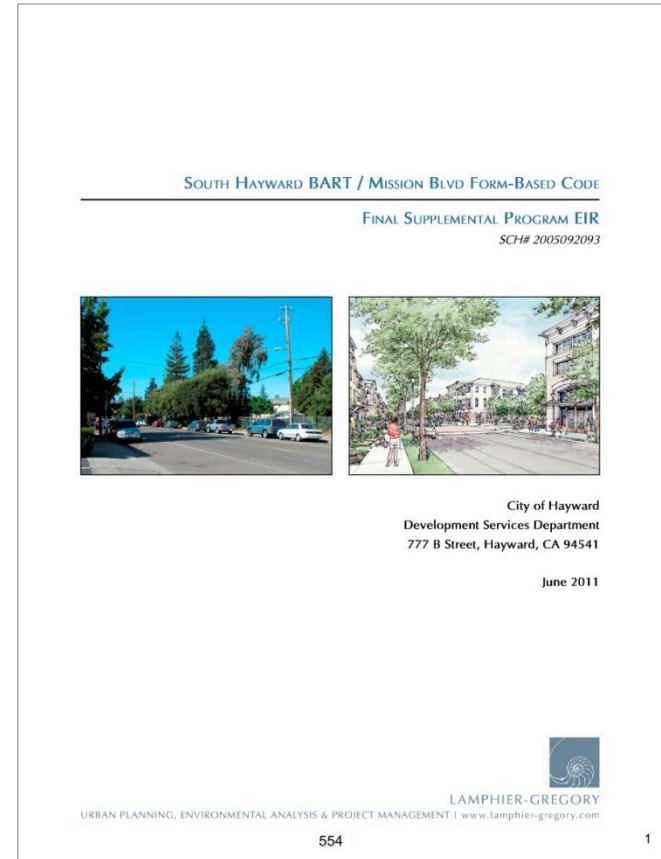
# AGENDA

- 1 PROJECT OVERVIEW**
- 2 INTRODUCTION TO FORM-BASED CODES**
- 3 ISSUES TO ADDRESS**
- 4 DISCUSSION**
- 5 SCHEDULE & NEXT STEPS**

# PROJECT OVERVIEW

# PROJECT OVERVIEW

- Update to the **Mission Boulevard Corridor** Form-Based Code and the **South Hayward BART/Mission Boulevard** Form-Based Code
- Create a concise and user-friendly set of regulations that will implement the City's vision for the Mission Boulevard Corridor as an attractive mixed-use boulevard with a variety of commercial functions and residential densities that support walking and transit



# PROJECT OVERVIEW



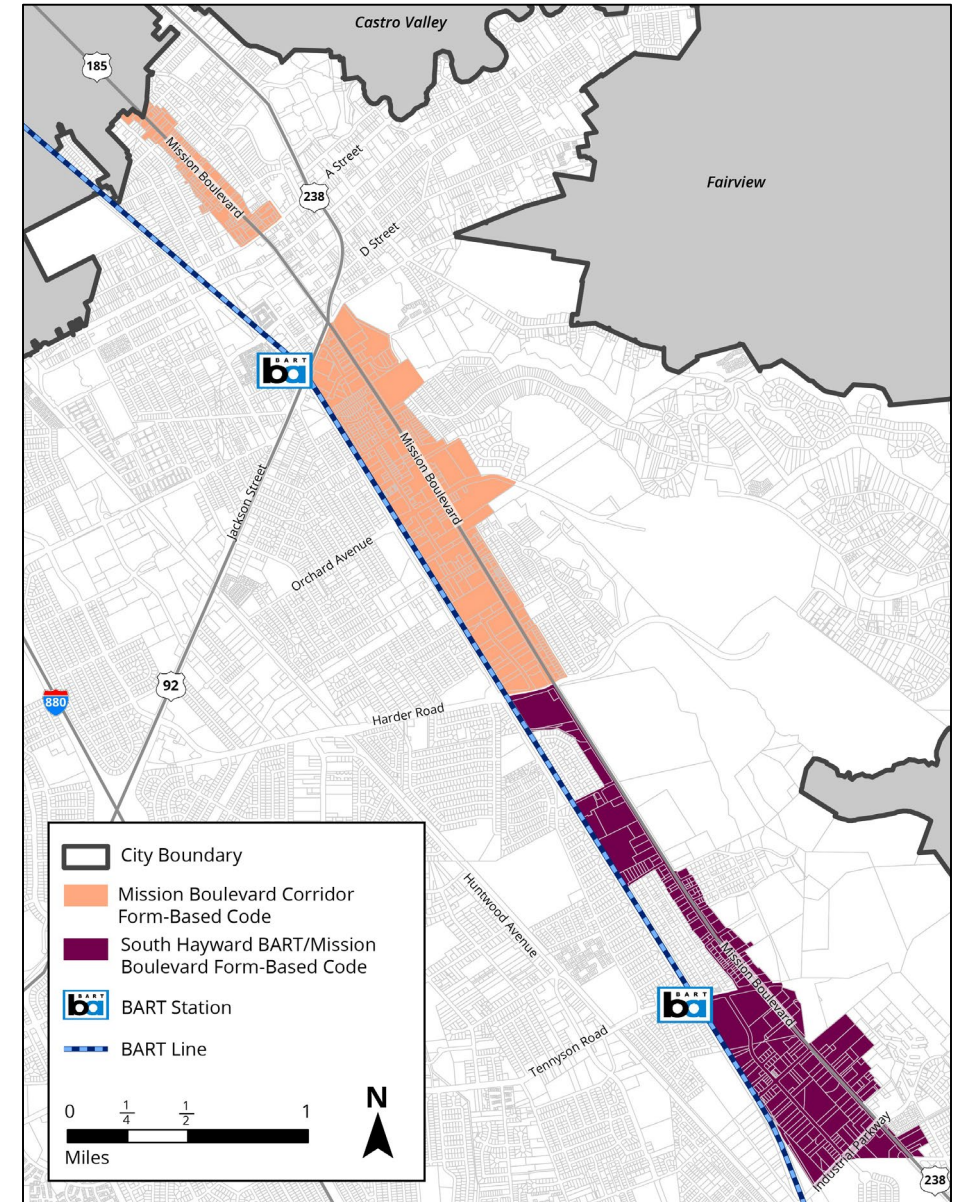
Mission Boulevard Corridor Form-Based Code, 2014

- Rose Street to A Street
- Jackson Street to Harder Road

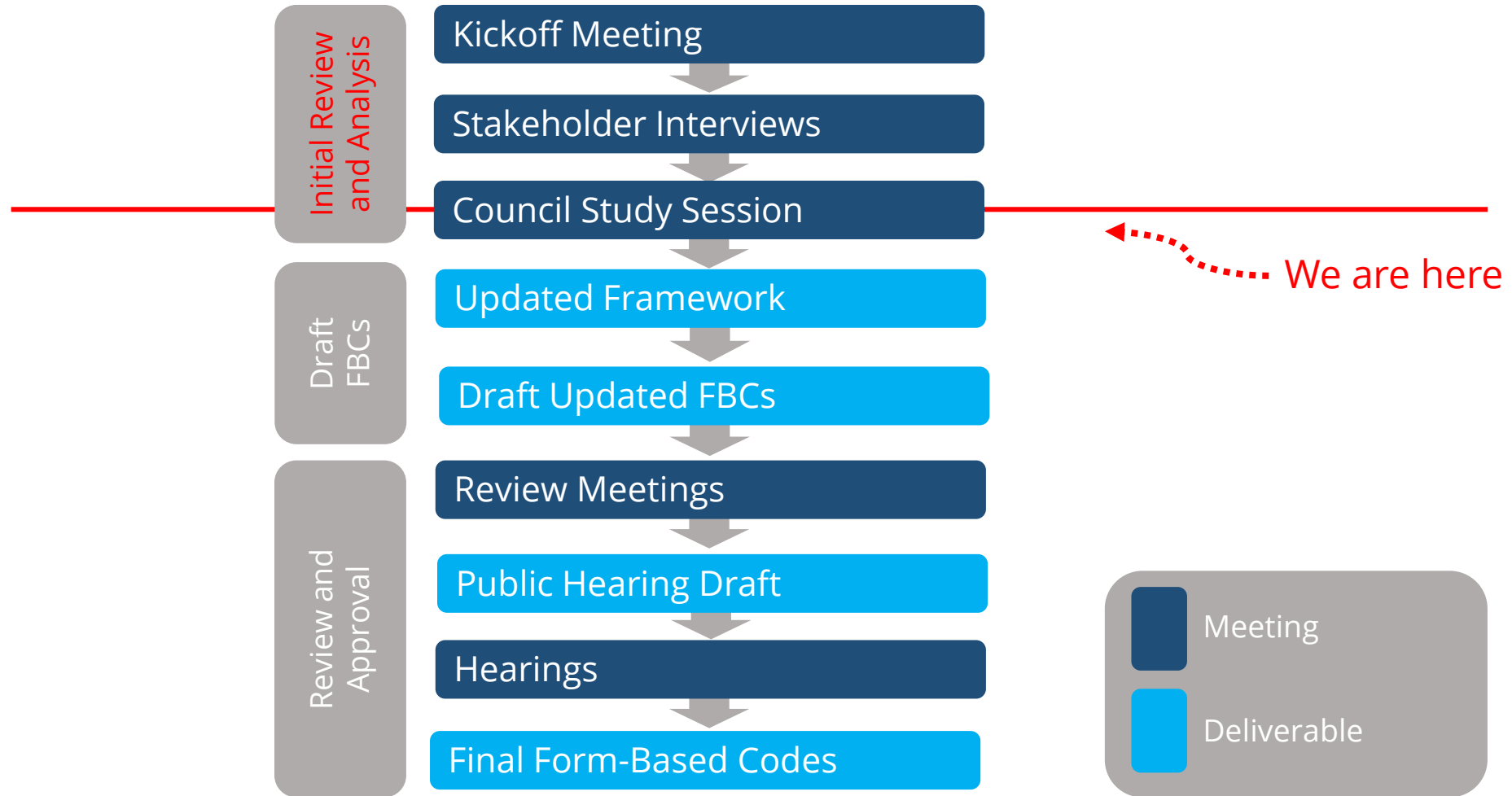


South Hayward BART/Mission Boulevard Form-Based Code, 2011

- Harder Road to Industrial Parkway



# PROJECT OVERVIEW





# INTRODUCTION TO FORM-BASED CODES

# FORM-BASED CODES

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- Intended to foster predictable, high-quality built environments
- Emphasis on **form** and the **public realm**

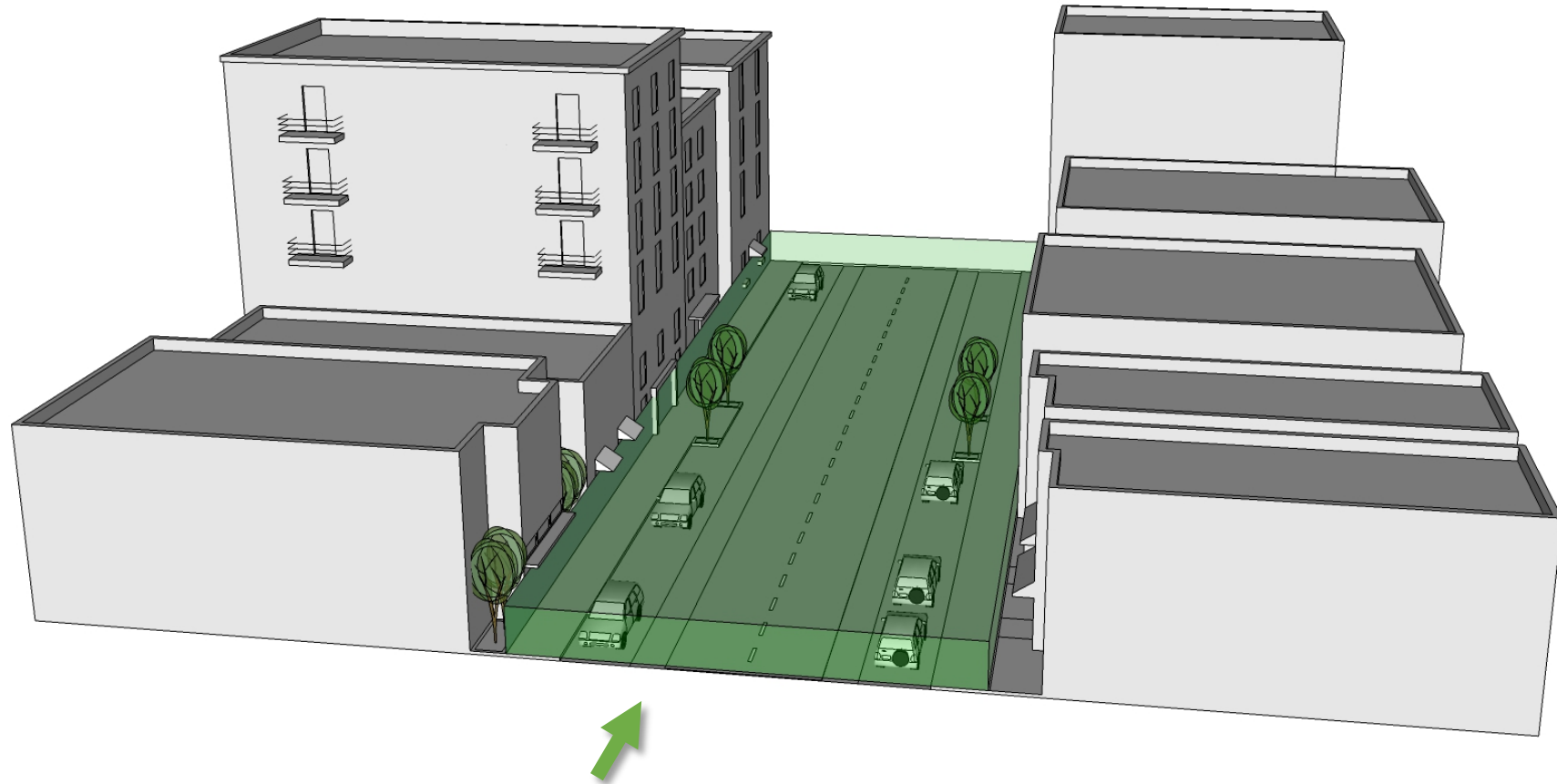


*Opticos Design, Inc.*

# FORM-BASED CODES

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Addresses how buildings relate to the “public” space in-between facades



# TYPES OF ZONING

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| Types                      | Description   |
|----------------------------|---|
| <i>Use-Based</i>           | Separates the city into districts/zones where certain uses and intensities are specified                              |
| <i>Incentive</i>           | Relaxes certain requirements in exchange for amenities (e.g. the proposed height/FAR bonus)                           |
| <i>Performance-Based</i>   | Applies of objective and quantifiable standards to reduce impacts and promote land use compatibility                  |
| <i>Physical Form-Based</i> | Prescribes design of buildings and street typologies (typically through prototypes/illustrations)                     |
| <i>Hybrid</i>              | Combines physical and performance regulations into conventional zoning to create a character-based or contextual code |

# FORM-BASED CODES OVERVIEW

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## USE-BASED CODE

Use

Management

Form

## FORM-BASED CODE

Form

Management

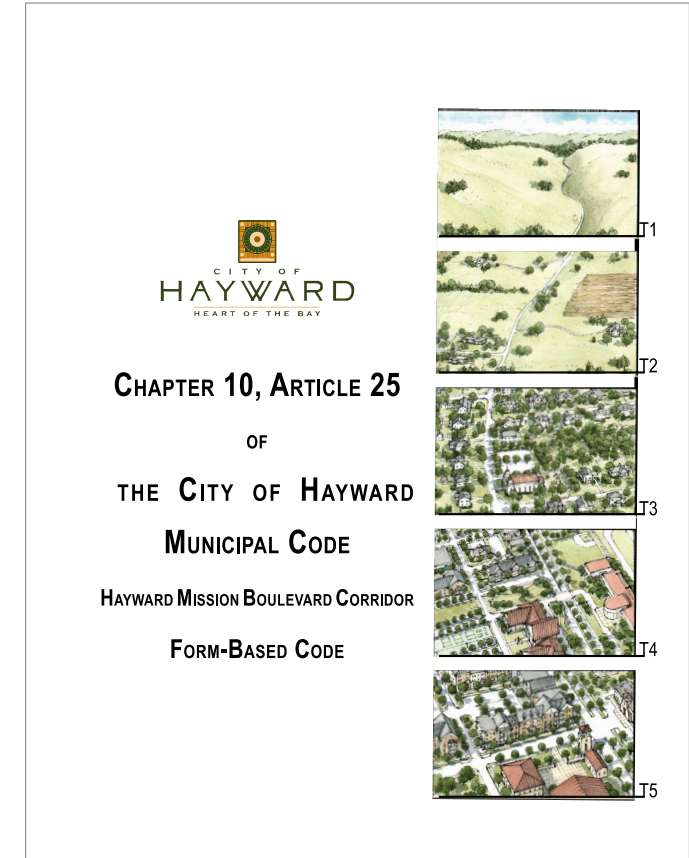
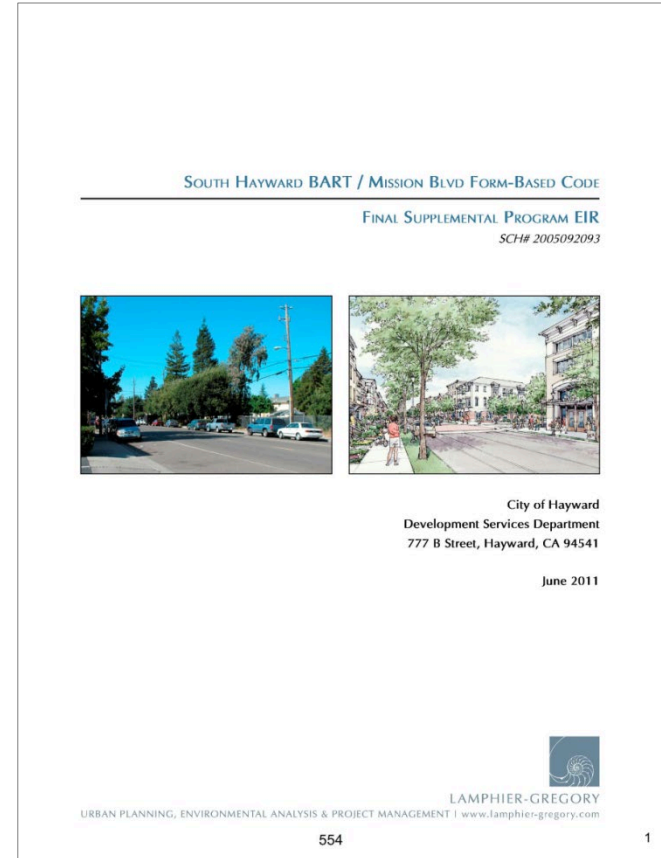
Use

# ISSUES TO ADDRESS

# PROJECT OBJECTIVES

Update the FBCs to:

- Be consistent with and implement the General Plan and City's Economic Development Strategy Plan
- Promote high quality design *through clear and effective regulations*
- Use clear, modern terms and definitions
- Establish a clear permitted process, *increasing efficiency and predictability*
- Be consistent with State and Federal law
- Be clear, concise, understandable, and easy to use



# STAKEHOLDER INTERVIEWS

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- Small group meetings with 20 representatives, including:
  - *City staff*
  - *Design professionals*
  - *Developers*
  - *Neighborhood representatives*
  - *Regional agencies*
  - *City Manager's office*
- Conducted December 10<sup>th</sup> and 11<sup>th</sup>, 2018
- Intended to gain an understanding of an “insider’s” or “user’s” perspective of issues and opportunities



# KEY ISSUES

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## **Complexity**

- Difficult to interpret and hard to navigate

## **Development Standards**

- Current standards are too prescriptive in some instances, too lax in others. Focus on key elements of form

## **Parking Supply**

- Strike balance to ensure accessibility and support transit and a vibrant, walkable, mixed-use area. Parking management and enforcement could help alleviate parking problems

## **Ground Floor Uses**

- Ensure activity at the ground floor along street frontages. A variety of active uses is appropriate

## **Thoroughfares**

- Connectivity is important but the current thoroughfare standards are overly prescriptive, outdated, and can render new development infeasible

## **Flexibility**

- Incorporate flexibility to respond to unique site conditions

# DISCUSSION

# DISCUSSION

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- What is effective in the current codes?
  - What ***should not*** change?
- What is not effective in the current codes?
  - What ***should*** change?
- Do the ***physical development standards*** promote appropriate development?
- Are the ***use regulations*** effective in keeping out undesirable uses, but also letting in desired ones?
- How well do the ***administrative procedures*** work?
  - Are there decisions that require a Planning Commission hearing action that could be made at the Staff level?
- ***Other*** thoughts and observations for the Form Based Codes update?

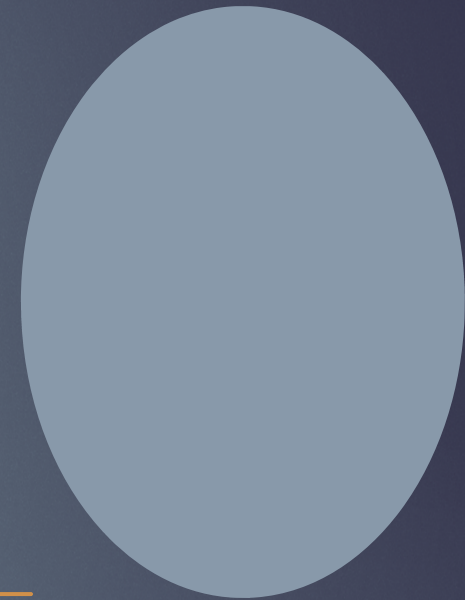
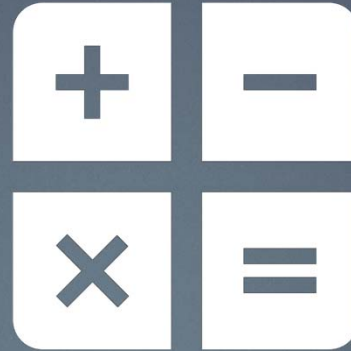
# SCHEDULE & NEXT STEPS

| Upcoming Events                           | Date               |
|---|--------------------|
| <b>Updated Form-Based Codes Framework</b> | February 2019      |
| <b>Draft Updated Form-Based Codes</b>     | Spring 2019        |
| <b>Review Meetings</b>                    | Spring/Summer 2019 |
| <b>Public Hearing Draft</b>               | Summer 2019        |



**ITEM 5 – WS 19-001**

**UPDATE TO GENERAL FUND  
LONG-TERM OUTLOOK**



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# Update to General Fund Long-Term Outlook

## January 2019

Dustin Claussen, Director of Finance

January 22, 2019

| <b>GENERAL FUND FORECAST - FY 2019 ADOPTED</b><br><i>in thousands</i> | <b>FY 2019</b><br><b>Year 1</b> | <b>FY 2020</b><br><b>Year 2</b> | <b>FY 2021</b><br><b>Year 3</b> | <b>FY 2022</b><br><b>Year 4</b> | <b>FY 2023</b><br><b>Year 5</b> |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Revenues  | \$159,748                       | \$162,798                       | \$166,525                       | \$172,813                       | \$179,454                       |
| Expenditures  | 162,790                         | 170,074                         | 179,193                         | 188,805                         | 194,780                         |
| <b>Net Change in Reserve - Surplus / (Shortfall)</b>                  | <b>(3,042)</b>                  | <b>(7,276)</b>                  | <b>(12,668)</b>                 | <b>(15,991)</b>                 | <b>(15,326)</b>                 |
| <b>Beginning Balance</b>  | <b>\$29,713</b>                 | <b>\$26,670</b>                 | <b>\$19,394</b>                 | <b>\$6,726</b>                  | <b>(\$9,265)</b>                |
| <b>Net Change in Reserve - Surplus / (Shortfall)</b>                  | <b>(3,042)</b>                  | <b>(7,276)</b>                  | <b>(12,668)</b>                 | <b>(15,991)</b>                 | <b>(15,326)</b>                 |
| <b>Ending Balance</b>   | <b>\$26,670</b>                 | <b>\$19,394</b>                 | <b>\$6,726</b>                  | <b>(\$9,265)</b>                | <b>(\$24,591)</b>               |
| Target to maintain 20% GF Reserves in Operating Expenses              | \$32,558                        | \$34,015                        | \$35,839                        | \$37,761                        | \$38,956                        |
| General Fund Reserve Level as % of Total Expenses                     | 16.4%                           | 11.4%                           | 3.8%                            | -4.9%                           | -12.6%                          |
| Amount Above or (Below) Target 20%                                    | <b>(\$5,888)</b>                | <b>(\$14,621)</b>               | <b>(\$29,113)</b>               | <b>(\$47,026)</b>               | <b>(\$63,547)</b>               |
| Percentage Above or (Below) Target 20%                                | <b>(18.1%)</b>                  | <b>(43.0%)</b>                  | <b>(81.2%)</b>                  | <b>(124.5%)</b>                 | <b>(163.1%)</b>                 |

5 Year General Fund Forecast as  
adopted with the FY 2019 Budget

# Fiscal Sustainability Efforts Timeline

- ▶ Focus began with Council re-establishing Fiscal Sustainability when City Manager McAdoo was appointed in **August 2016**
- ▶ Hayward voters approve Measure D extending City's Utility Users Tax **June 2016**
- ▶ Staff begins work on rebuilding City's General Fund Long Term Forecast & providing Council with options to consider for fiscal sustainability **Spring 2017**
- ▶ Council holds the City's first ever Fiscal Sustainability Workshop in **October 2017** selecting strategies to employ to build for a sustainable future
- ▶ Selected strategies further vetted and implemented beginning with the FY 2018 mid-year budget process



# Fiscal Sustainability Efforts Timeline Continued...

- ▶ Council reconfirms its commitment to developing and maintaining a sustainable strategy to reducing the City's Unfunded Actuarial Liabilities during FY 2019 Budget process **Spring 2018**
  - ▶ The budget process includes measures to reduce the use of reserves including temporary suspension of hiring for non-safety vacancies in General Fund & deferring non-essential equipment purchases
- ▶ Through negotiations the City's Labor groups combined to provide savings over previously projected amounts **Summer & Fall 2018**
- ▶ Hayward voters approve Measure T increasing the City's Real Property Transfer Tax **November 2018**

| <b>GENERAL FUND FORECAST</b>                             | <b>FY 2019</b>  | <b>FY 2020</b>  | <b>FY 2021</b>  | <b>FY 2022</b>  | <b>FY 2023</b>  |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| <i>in thousands</i>                                      | <b>Year 1</b>   | <b>Year 2</b>   | <b>Year 3</b>   | <b>Year 4</b>   | <b>Year 5</b>   |
| Revenues   | \$164,357       | \$169,796       | \$173,160       | \$179,325       | \$185,446       |
| Expenditures   | 163,805         | 168,098         | 178,634         | 188,298         | 194,336         |
| <b>Net Change in Reserve - Surplus / (Shortfall)</b>     | <b>552</b>      | <b>1,698</b>    | <b>(5,474)</b>  | <b>(8,974)</b>  | <b>(8,890)</b>  |
| <b>Beginning Balance</b>                                 | <b>\$32,385</b> | <b>\$32,937</b> | <b>\$34,635</b> | <b>\$29,161</b> | <b>\$20,187</b> |
| <i>Net Change in Reserve - Surplus / (Shortfall)</i>     | 552             | 1,698           | (5,474)         | (8,974)         | (8,890)         |
| <b>Ending Balance</b>                                    | <b>\$32,937</b> | <b>\$34,635</b> | <b>\$29,161</b> | <b>\$20,187</b> | <b>\$11,297</b> |
| Target to maintain 20% GF Reserves in Operating Expenses | \$32,761        | \$33,620        | \$35,727        | \$37,660        | \$38,867        |
| General Fund Reserve Level as % of Total Expenses        | 20.1%           | 20.6%           | 16.3%           | 10.7%           | 5.8%            |
| Amount Above or (Below) Target 20%                       | \$176           | \$1,015         | (\$6,566)       | (\$17,472)      | (\$27,570)      |
| Percentage Above or (Below) Target 20%                   | 0.5%            | 3.0%            | (18.4%)         | (46.4%)         | (70.9%)         |

## 5 Year General Fund Forecast Updated January 2019

# Unfunded Liabilities



| <i>(in millions)</i>                   | Actuarial<br>Valuation<br>Date | Accrued<br>Liability | Value of<br>Assets | Funded<br>Ratio | Unfunded<br>Liability<br>(1) | Unfunded<br>Ratio |
|--|--------------------------------|----------------------|--------------------|-----------------|------------------------------|-------------------|
| CalPERS Police Safety Plan             | 6/30/2017                      | \$ 374.86            | \$ 229.86          | 61.3%           | \$ 145.00                    | 38.7%             |
| CalPERS Fire Safety Plan               | 6/30/2017                      | \$ 288.16            | \$ 179.08          | 62.1%           | \$ 109.07                    | 37.9%             |
| CalPERS Miscellaneous Plan             | 6/30/2017                      | \$ 440.24            | \$ 290.12          | 65.9%           | \$ 149.95                    | 34.1%             |
| <b>Total Cal PERS</b>                  |                                | <b>\$ 1,103.26</b>   | <b>\$ 699.06</b>   | <b>63.1%</b>    | <b>\$ 404.02</b>             | <b>36.9%</b>      |
| OPEB - Retiree Medical Police Officers | 6/30/2017                      | \$ 33.64             | \$ 2.01            | 6.0%            | \$ 31.62                     | 94.0%             |
| OPEB - Retiree Medical Fightfighters   | 6/30/2017                      | \$ 15.24             | \$ 1.40            | 9.2%            | \$ 14.32                     | 90.8%             |
| OPEB - Retiree Medical Miscellaneous   | 6/30/2017                      | \$ 20.21             | \$ 2.05            | 10.1%           | \$ 19.00                     | 89.9%             |
| <b>Total OPEB-Retiree Medical</b>      |                                | <b>\$ 69.09</b>      | <b>\$ 5.46</b>     | <b>8.4%</b>     | <b>\$ 64.94</b>              | <b>91.6%</b>      |
| Workers' Compensation                  | 6/30/2017                      | \$ 16.64             | \$ 8.63            | 51.9%           | \$ 8.01                      | 48.1%             |
| Accrued Leave Payouts (1)              | 6/30/2017                      | 7.89                 | 0                  | 0.0%            | \$ 7.89                      | 100%              |
| <b>TOTAL</b>                           |                                | <b>\$ 1,196.87</b>   | <b>\$ 713.15</b>   | <b>59.6%</b>    | <b>\$ 484.85</b>             | <b>40.4%</b>      |

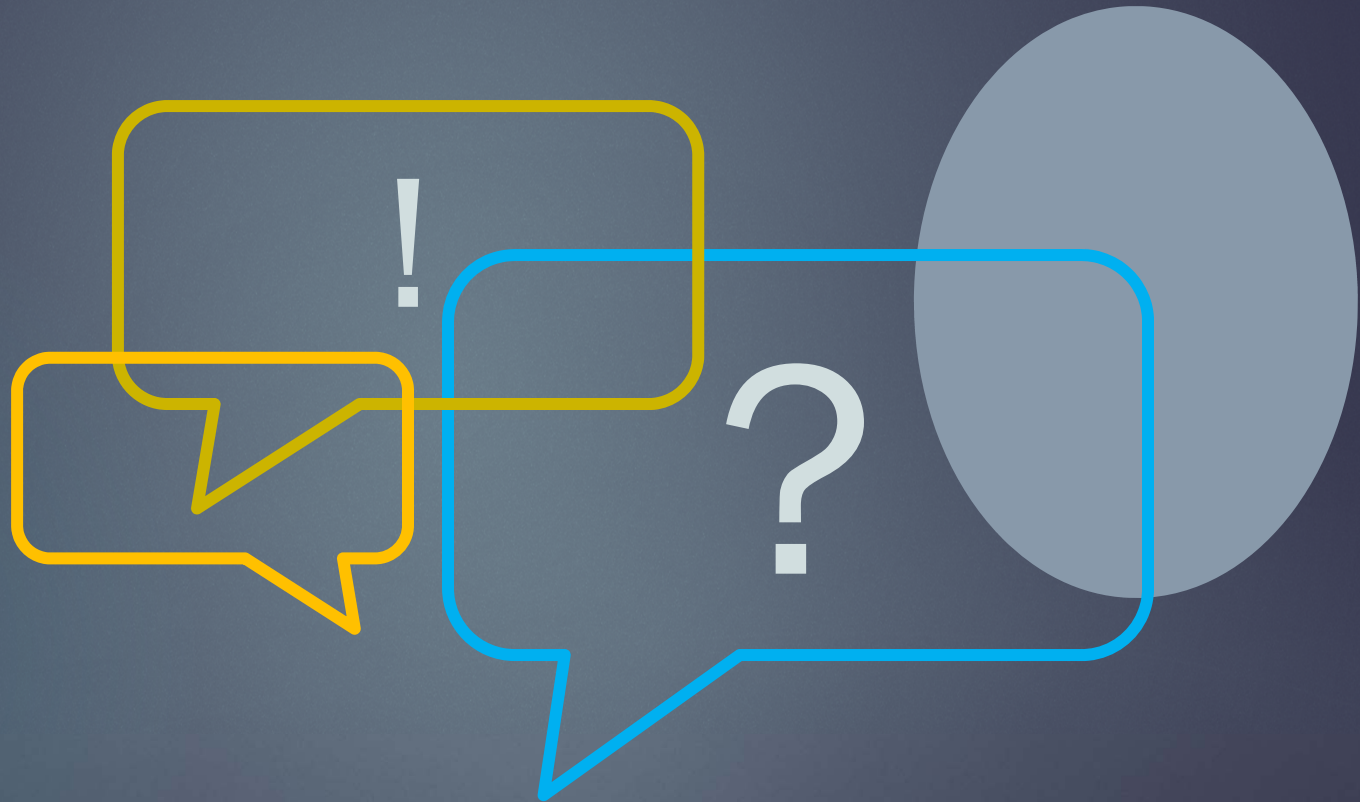
As of June 30, 2017 The City's Funded Ratio for its OPEB-Retiree Medical was 3.3%, at June 30, 2018 the same Funded Ratio had increased to 8.4%.

# Where are we headed?



- ▶ During the FY 2020 Budget process the City will:
  - ▶ Update its Reserve & One Time Revenue policies with a focus on reducing future liabilities with current resources
  - ▶ Work towards balancing the budget without the use of General Fund reserves
  - ▶ Continue to build towards fully funding the OPEB ARC in FY 2023
  - ▶ Consider ways to reduce future liabilities with strategic asset usage and potential “pre-funding”
  - ▶ Provide council with additional strategies to consider for creating a more sustainable model
  - ▶ Create conditions to allow the City to operate in a sustainable way now and into the City’s long-term future.

# Questions & Discussion



**ITEM 6 – LB 19-007**

**APPROVAL OF A RESOLUTION TO EXTEND RESOLUTION 18-027, DECLARING A SHELTER CRISIS IN THE CITY OF HAYWARD UNTIL JUNE 30, 2021, AND TO AUTHORIZE THE CITY MANAGER TO TAKE EMERGENCY ACTIONS TO IMPLEMENT A HAYWARD HOUSING NAVIGATION CENTER ON CITY-OWNED PROPERTY, AND APPROVAL OF A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO APPROPRIATE AND EXPEND UP TO \$3 MILLION IN STATE AND LOCAL FUNDING FOR THE HAYWARD NAVIGATION CENTER**

# Hayward Housing Navigation Center

**Approval of a Resolution to Extend Resolution 18-027, Declaring a Shelter Crisis in the City of Hayward Until June 30, 2021, and to Authorize the City Manager to Take Emergency Actions to Implement a Hayward Housing Navigation Center on City-Owned Property, and Approval of a Resolution to Authorize the City Manager to Appropriate and Expend up to \$3 Million in State and Local Funding for the Hayward Navigation Center**

# Hayward Navigation Center

**Hayward proposes a navigation center for the homeless, modeled after Berkeley's successful STAIR model, which provides service-rich transitional housing and graduates seven individuals a month into permanent housing.**

With only two shelters that are for families and women with children, Hayward, like many other Bay Area cities, is facing a shelter crisis.

Hayward's navigation center would serve as one intervention for Hayward's homeless population, which is 79% unsheltered (313 of 397 total).



# Hayward Navigation Center: Project Description

- One to two outreach social workers targeting the homeless encampments in Hayward;

## Outreach



- 45 beds in two ADA-accessible modular units for individuals to stay for up to six months;
- On-site ADA accessible showers, bathrooms, laundry facilities, storage containers, community room, office and kitchen;
- Outdoor gathering spaces and landscaping;
- One meal a day for all residents;
- 24-hour resident access and onsite management staff.

## Short-Term Housing Shelter



- Three case managers/housing placement specialists providing services during individuals' stay and up to 9 months after housing placement; and
- Flexible funds, including potential monthly housing subsidies for up to 9 months after placement.

## Housing Placement and Case Management



# Hayward Navigation Center

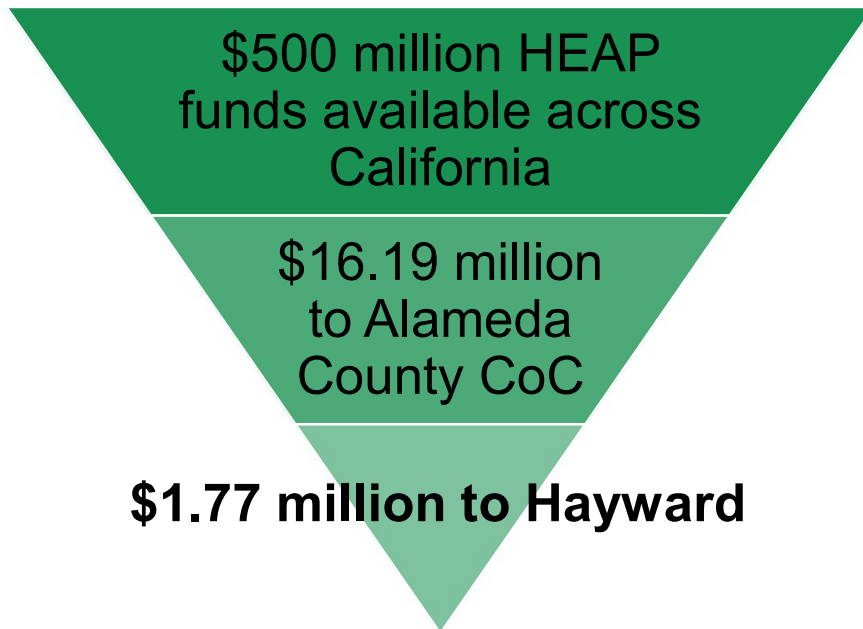
The proposed navigation center will include active outreach, short-term housing, case management, and housing placement services for the homeless living in the City's encampments.

Estimated cost is \$2.5 million annually and \$500,000 in one-time upfront costs.

The City intends to leverage existing and new funding streams for this site, including 238 property land sale proceeds, HOME, CDBG, and Prop 47.

# HEAP Funding Details

## HEAP Funding Stream



## Funding Requirements

- 50% of awarded funds must be contractually obligated by January 1, 2020
- 100% of funds must be expended by June 30, 2021
- Unexpended funds must be returned to the State

# Statewide Interest in Model

## San Francisco

Started in 2015, SF's Navigation Center Program has four sites, Mission, Civic Center, Central Waterfront, and South Van Ness (total capacity across centers = 358)

Since opening, the Navigation Centers have brought over 1,150 people off of the streets with 72% of individuals moving into permanent housing

## San Diego

San Diego approved its first Housing Navigation Center in November 2018

Run by nonprofit operator and focuses on housing placement, increased and improved outreach, and centralizes services

## State budget proposal

January 2019: Governor Newsom proposed \$500 million in state aid to cities to open Navigation Centers

# Berkeley STAIR Center



Berkeley partners with Bay Area Community Services (BACS) for program operations and supportive services.

# Photos of the Berkeley STAIR Center



Length of STAIR center (one city block long)



Left: Sleeping bungalow  
Right: Community center bungalow



Restroom



Sleeping bungalow from outside



Common area

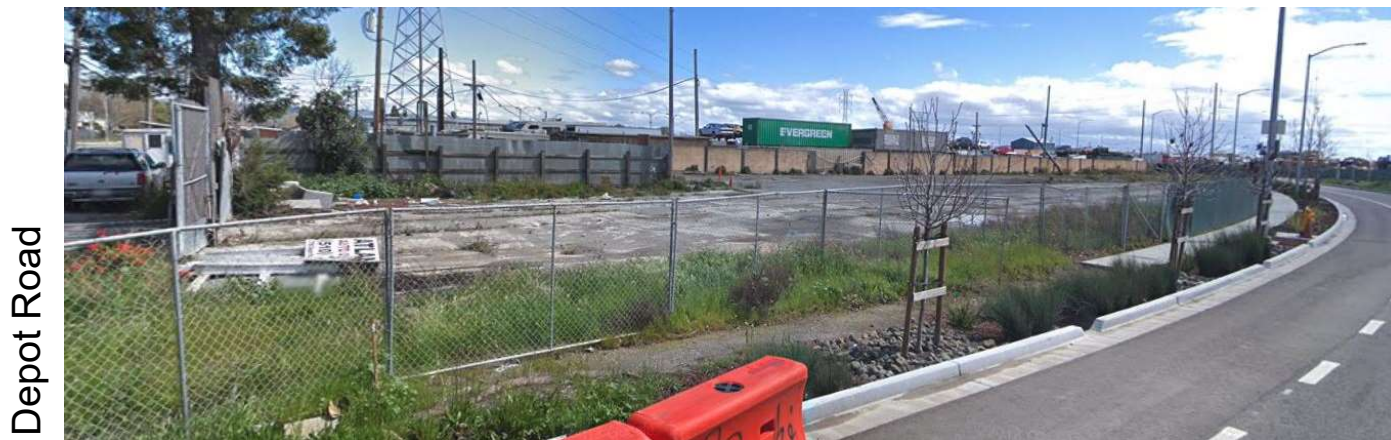


Above ground garden



# Hayward Navigation Center: Proposed Site

Proposed site is at the corner of Whitesell and Depot Road, a City-owned remnant transportation parcel in the industrial area



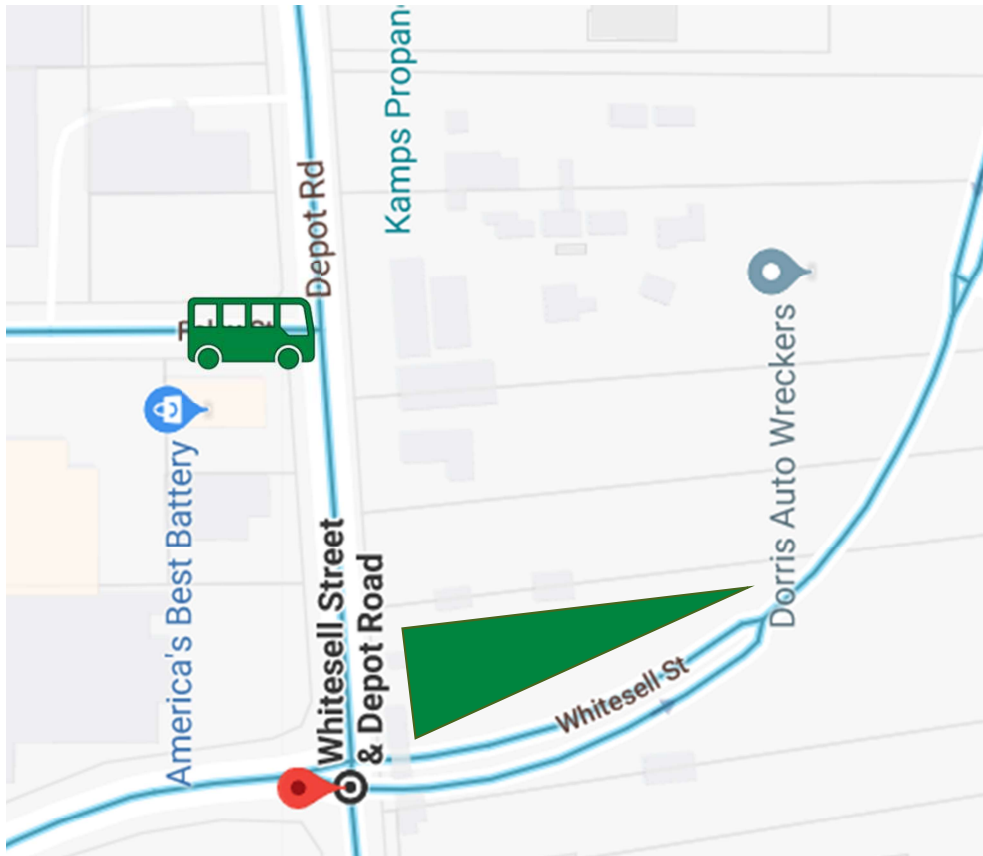
Depot Road

Whitesell Road

Proposed Site Criteria:

1. Vacant, City-owned property;
2. Distance from residential and new development areas;
3. Proximity to utilities; and
4. Proximity to transit and amenities.

# Hayward Navigation Center: Proximity to Transit



Proposed site is 276 feet (1 minute walking) from AC Transit bus line 86.

30-minute peak hour bus service to South Hayward BART Station.

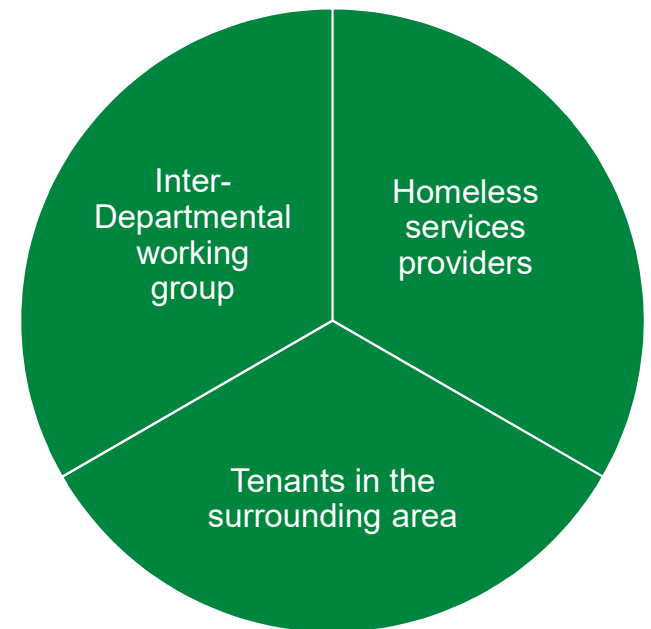
Location has side-walks, staff will explore if additional sidewalks/paving must be done.

# Coordination and Outreach

**Inter-departmental working group:** Maintenance Services, Police, Utility and Environmental Services, Public Works, Development Services, the City Attorney's Office, Information and Technology, Animal Services, Fire, and the City Manager's Office.

**Nonprofit homeless service providers:** supportive of this project in Hayward at the proposed location. Staff will continue conversations with service providers and will additionally explore conducting empathy work with individuals experiencing homelessness.

**Surrounding businesses:** All tenants within 500 feet of the proposed navigation center have been notified and given an opportunity to meet with staff to discuss the project further. Personal phone calls were made to the businesses operating directly adjacent to the Site.



# Sources and Uses of Funds

| Sources of Funds                              | Amount                    |
|---|---------------------------|
| Hayward's HEAP Award                          | \$1,776,339               |
| Sale Proceeds from 238 Parcels 1 & 10         | <u>\$1,300,000</u>        |
| <b>Total Sources of Funds – Not to Exceed</b> | <b><u>\$3,076,339</u></b> |

| Estimated Use of funds                    | Amount                    |
|---|---------------------------|
| Start up costs                            | \$500,000                 |
| Year one operations                       | <u>\$2,500,000</u>        |
| <b>Projected Uses of Funds (year one)</b> | <b><u>\$3,000,000</u></b> |

# Hayward Navigation Center Timeline

- **January 23 – February 6:** Release of Request for Information (RFI) for site-operator
- **February 2019:** State approves County HEAP allocations
- **Spring 2019:** Approve contract with selected nonprofit operator and all other contractors/vendors and conduct further community outreach and meetings
- **Spring/Summer 2019:** Commence all utility connections, site improvements and modular placement
- **Fall 2019/Winter 2019/2020:** Complete all utility connections, site improvements and delivery of modular units and open center
- **June 30, 2021:** Deadline for 100% all HEAP funds to be expended

# Recommendation

That the City Council approve:

1. A Resolution to extend Resolution No. 18-207, Declaring an Emergency Homeless Shelter Crisis in the City of Hayward and to authorize the City Manager to take emergency actions to implement a Hayward Navigation Center (i.e., sole source contracting and approval of contracts in excess of signing authority)
2. A Resolution authorizing the appropriation of up to \$3 Million in state and local funding for the Hayward Housing Navigation Center.

# Questions

