

CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov



CITY OF
HAYWARD
HEART OF THE BAY

Agenda - Final

Tuesday, May 17, 2016

7:00 PM

Council Chambers

City Council

Mayor Barbara Halliday
Mayor Pro Tempore Al Mendall
Council Member Francisco Zermeño
Council Member Marvin Peixoto
Council Member Greg Jones
Council Member Sara Lamnin
Council Member Elisa Márquez

CITY COUNCIL MEETING**CALL TO ORDER Pledge of Allegiance: Council Member Jones****ROLL CALL****CLOSED SESSION ANNOUNCEMENT****PRESENTATION**

Earth Day Poster and Writing Contest Awards

PUBLIC COMMENTS

The Public Comment section provides an opportunity to address the City Council on items not listed on the agenda or Work Session or Information Items. The Council welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Council is prohibited by State law from discussing items not listed on the agenda, your item will be taken under consideration and may be referred to staff.

ACTION ITEMS

The Council will permit comment as each item is called for the Consent Calendar, Public Hearings, and Legislative Business. In the case of the Consent Calendar, a specific item will need to be pulled by a Council Member in order for the Council to discuss the item or to permit public comment on the item. Please notify the City Clerk any time before the Consent Calendar is voted on by Council if you wish to speak on a Consent Item.

CONSENT

1. [MIN 16-040](#) Minutes of the City Council Meeting on April 26, 2016
Attachments: [Attachment I Draft Minutes of 04/26/2016](#)

2. [MIN 16-041](#) Minutes of the Special Joint City Council/Hayward Public
 Financing Authority/Redevelopment Successor Agency
 Meeting on May 3, 2016
Attachments: [Attachment I Draft Minutes of 05/03/2016](#)

3. [CONS 16-214](#) Authorize the City Manager to Execute an Amendment to the Agreement with ARC Document Services for Document Scanning Services for an Amount Not to Exceed \$96,000
- Attachments:** [Attachment I ARC Phase II](#)
 [Attachment II Estimate](#)
4. [CONS 16-218](#) Approval of Final Map Tract 7989 - Bridge Pointe Homes Development - associated with the previously approved vesting tentative map and proposed development of sixteen lots with attached residential units on a 0.98 acre site at 1450 North Lane; North Lane Ventures (Applicant/Owner)
- Attachments:** [Attachment I Resolution Approving FM 7989](#)
 [Attachment II Vicinity Map Tract 7989](#)
 [Attachment III Site Map Tract 7989](#)
5. [CONS 16-221](#) Authorization for the City Manager to Execute the Alameda CTC Master Programs Funding Agreement for Measure B, Measure BB, and Vehicle Registration Fee Direct Local Distribution Funds
- Attachments:** [Attachment I Resolution](#)
6. [CONS 16-228](#) Adoption of Ordinance Adding Article 27 to Chapter 10 of the Hayward Municipal Code Regarding the Mills Act Program
- Attachments:** [Attachment I Summary of Ordinance](#)
7. [CONS 16-229](#) Adoption of an Ordinance Amending Chapter 10, Article 25 of the Hayward Municipal Code by Amending the Hayward Mission Boulevard Corridor Specific Plan and Form-based Code Thoroughfare Plan, Application No. 201504436 Relating to Vesting Tentative Tract Map No. 8301 at 25891 and 25919 Dollar Street
- Attachments:** [Attachment I Summary of Ordinance](#)
 [Attachment II Revised Conditions of Approval 051716](#)

8. [CONS 16-233](#) Adoption of a Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with CSG Consultants, Inc., for Development Review Services in the Planning Division, and Revise the Compensation by an Additional \$170,000, for a Total Amount Not to Exceed \$300,000
- Attachments:** [Attachment I Resolution](#)
9. [CONS 16-234](#) Adoption of a Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with 4Leaf, Inc., to Provide Additional Building Official Services through end of July of 2016
- Attachments:** [Attachment I Resolution](#)
10. [CONS 16-235](#) Adoption of a Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with Willdan Engineering, Inc., for Development Review Services in the Planning Division, to Increase the Compensation Amount an Additional \$90,000 for a Total Amount not to Exceed \$180,000, and Extend the Term to August 31, 2016
- Attachments:** [Attachment I Resolution](#)
11. [CONS 16-243](#) Mission Boulevard and Blanche Street & Gading Road and Huntwood Way Intersections Safety Improvements: Approval of Plans and Specifications and Call for Bids
- Attachments:** [Attachment I Resolution](#)
 [Attachment II Project Location Map](#)
12. [CON 16-239](#) Annual Mitigation Fee Act Report (AB 1600)
- Attachments:** [Attachment I AB 1600 Resolution](#)
 [Attachment II AB 1600 Connection Fees](#)
13. [CONS 16-245](#) Resolution Designating the Communications and Marketing Officer as a City of Hayward Officer and Assigning the Position to the Unclassified Service
- Attachments:** [Attachment I Resolution](#)
 [Attachment II Draft Job Description](#)

15. [CONS 16-246](#) Adoption of a Resolution Authorizing Amendment of the Salary and Benefits Resolution for the Unrepresented Executives, Management, City Manager, Human Resources and City Attorney Employees

Attachments: [Attachment I Resolution](#)
 [Attachment II Exhibit 1 to Resolution](#)

WORK SESSION

Work Session items are non-action items. Although the Council may discuss or direct staff to follow up on these items, no formal action will be taken. Any formal action will be placed on the agenda at a subsequent meeting in the action sections of the agenda.

15. [WS 16-034](#) Review and Discussion of Proposed Alameda County-Wide General Obligation Bond Issuance (County-Wide Housing Bond) (Report from Library and Community Services Director Reinhart)

Attachments: [Attachment I Presentation Slides](#)
 [Attachment II Schedule of Supervisors' Town Hall Meetings](#)

PUBLIC HEARING

16. [PH 16-044](#) Public Hearing for the annexation of Blackstone at Cannery Place into Benefit Zone No. 13 of the City of Hayward Landscaping and Lighting Assessment District 96-1; and ordering the Levy of Assessments for fiscal year 2017 (Report from Director of Development Services Rizk)

Attachments: [Attachment I Resolution for Blackstone Annexation](#)
 [Attachment II Engineers Report for Blackstone Annexation](#)

LEGISLATIVE BUSINESS

17. [LB 16-025](#) Board Consideration of appointment of the Chairperson, Clerk, Treasurer, Manager and Legal Counsel of the Hayward Geologic Hazard Abatement District (GHAD)

Attachments: [Attachment I GHAD Resolution](#)
 [Attachment II Resolution 16-030](#)
 [Attachment III Public Resources Code Sections 26583-26586](#)
 [Attachment IV GHAD Firms Qualifications.pdf](#)

18. [LB 16-034](#) Zero Net Energy Policy for Municipal Buildings (Report from Director of Utilities & Environmental Services Ameri)

Attachments: [Attachment I Draft Resolution](#)
[Attachment II ZNE for Policymakers](#)
[Attachment III Diagram of a ZNE Home](#)

19. [LB 16-053](#) Authorization of Issuance of Multi-Family Housing Revenue Bonds (Acquisition and Rehabilitation of Glen Berry and Glen Eden Affordable Housing Developments) 2016 Series A and Execution of Related Documents (Report from Library and Community Services Director Reinhart)

Attachments: [Attachment I Resolution](#)

CITY MANAGER'S COMMENTS

An oral report from the City Manager on upcoming activities, events, or other items of general interest to Council and the Public.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Oral reports from Council Members on their activities, referrals to staff, and suggestions for future agenda items.

ADJOURNMENT

NEXT MEETING – Tuesday, May 24, 2016, 7:00 PM

PUBLIC COMMENT RULES

The Mayor may, at the beginning of the hearing, limit testimony to three (3) minutes per individual and five (5) minutes per an individual representing a group of citizens or organization. Speakers will be asked for their name before speaking and are expected to honor the allotted time. Speaker Cards are available from the City Clerk at the meeting.

PLEASE TAKE NOTICE

That if you file a lawsuit challenging any final decision on any public hearing or legislative business item listed in this agenda, the issues in the lawsuit may be limited to the issues that were raised at the City's public hearing or presented in writing to the City Clerk at or before the public hearing.

PLEASE TAKE FURTHER NOTICE

That the City Council has adopted Resolution No. 87-181 C.S., which imposes the 90 day deadline set forth in Code of Civil Procedure section 1094.6 for filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure section 1094.5.

****Materials related to an item on the agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, City Hall, 777 B Street, 4th Floor, Hayward, during normal business hours. An online version of this agenda and staff reports are available on the City's website. Written comments submitted to the Council in connection with agenda items will be posted on the City's website. All Council Meetings are broadcast simultaneously on the website and on Cable Channel 15, KHRT.****

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400 or TDD (510) 247-3340.



CITY OF HAYWARD

Hayward City Hall
777 B Street
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Staff Report

File #: MIN 16-040

DATE: May 17, 2016

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Minutes of the City Council Meeting on April 26, 2016

RECOMMENDATION

That the City Council approves the Minutes of the City Council Meeting on April 26, 2016.

ATTACHMENTS

Attachment I Draft Minutes of 04/26/2016



MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, April 26, 2016, 7:00 p.m.

The City Council meeting was called to order by Mayor Halliday at 7:00 p.m., followed by the Pledge of Allegiance led by Council Member Zermeño.

ROLL CALL

Present: COUNCIL MEMBERS Zermeño, Mendall, Jones, Peixoto, Lamnin, Márquez
MAYOR Halliday
Absent: None

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

There were none.

CLOSED SESSION ANNOUNCEMENT

The City Council did not convene in closed session; therefore, there were no announcements.

Mayor Halliday announced the City was seeking applicants for the Hayward Youth Commission and provided information.

PRESENTATION

Mayor Halliday recognized the outstanding poetry of nearly 200 Hayward students who submitted entries for the Third Annual Student Poetry Scholarship Awards sponsored by the Friends of the Hayward Public Library. Board Member for the Friends of the Hayward Public Library, Peter Bufete, announced the 2nd to 12th grade winners, who wrote poems about "What a New Library Means To Me" and Mayor Halliday presented them with certificates.

PUBLIC COMMENTS

Mr. Kim Huggett, President of the Hayward Chamber of Commerce, announced the Downtown Hayward Bike Festival on May 14, 2016; the "What Restaurants Need to Know in 2016" event on May 10, 2016; and noted that Annabelle Candy had accepted the Guinness World Records title for the "Largest Taffy" on April 15, 2016.

Ms. Wynn Grcich, Hayward resident and Hayward Council candidate, urged everyone to vote yes on the June 2016 Ballot Measure C and no on Measure D.

Mr. Eric Mills, Action For Animals Coordinator, advocated to protect the welfare of rodeo livestock and provided a document for the record.

Mr. Jim Drake, Hayward resident, spoke about an incident involving a burglary and shift schedules for patrol officers.

Citizen Sam, Hayward resident, spoke about unions spending funds for political campaigns; and also requested that a bus stop on Soto Road be relocated across the street.

Mr. Charlie Peters, with Clean Air Performance Professionals, provided documents related to car emission label information for smog check.

CONSENT

1. Approval of Minutes of the City Council Meeting on April 5, 2016 **MIN 16-031**
It was moved by Council Member Márquez, seconded by Council Member Lamnin, and carried unanimously, to approve the minutes of the City Council Meeting on April 5, 2016.

2. Runway 10R-28L Rehabilitation Project at Hayward Executive Airport: Approval of Plans and Specifications and Call for Bids **CONS 16-172**

Staff report submitted by Airport Manager McNeeley, dated April 26, 2016, was filed.

It was moved by Council Member Márquez, seconded by Council Member Lamnin, and carried unanimously, to adopt the following:

Resolution 16-058, “ Resolution Approving Plans and Specifications for the Runway 10R-28L Rehabilitation Project at Hayward Executive Airport, Project No. 06824 and Call for Bids”

3. Approval of Budget Appropriation for Hazardous Materials Program Settlement Funds **CONS 16-182**

Staff report submitted by Management Analyst II Strojny, dated April 26, 2016, was filed.

It was moved by Council Member Márquez, seconded by Council Member Lamnin, and carried unanimously, to adopt the following:

Resolution 16-059, “Resolution Approving a Budget Appropriation for Hazardous Materials Program Settlement Funds”



MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, April 26, 2016, 7:00 p.m.

PUBLIC HEARING

4. Adoption of a Resolution of Intention to Introduce an Ordinance Approving an Amendment to the Contract between the City of Hayward and the California Public Employees Retirement System (PERS) for Miscellaneous Members in HAME, Local 21, and the Unpresented Employee Group **PH 16-030**

Staff report submitted by Human Resources Analyst II Adams, dated April 26, 2016, was filed.

Human Resources Director Collins provided a synopsis of the report.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:07 p.m.

It was moved by Council Member Zermeño, seconded by Council Member Márquez, and carried unanimously, to adopt the following:

Resolution 16-060, "Adoption Authorizing Intention to Approve an Amendment to Contract Between the Board of Administration, California Public Employees Retirement System and the City of Hayward"

Introduction of Ordinance 16-_, "An Ordinance Authorizing the Amendment of the Contract Between the City of Hayward and the Board of Administration of the California Public Employees' Retirement System"

LEGISLATIVE BUSINESS

5. Police Administration Building Needs Assessment Progress and Amendment to Agreement with RossDrulisCusenberry for Additional Needs Assessment Work

Staff report submitted by Assistant City Engineer Owusu, dated April 26, 2016, was filed.

City Manager David announced the report and introduced Senior Civil Engineer Briggs who provided a synopsis of the report.

Discussion ensued among Council Members and City staff regarding possible locations for the new Police Administration building such as in South Hayward, BART property on A Street; former Kaiser Hospital at Hesperian and Tennyson, and Downtown. It was suggested that the

new site be accessible to transit and a landmark for Hayward and that the catalyst sites identified in the Economic Development Strategic Plan be reviewed when selecting a site. There was general agreement to approve the increase in funds to cover additional study costs.

Mayor Halliday opened the public hearing at 8:43 p.m.

Mr. Chris Haynes, Hayward resident, received confirmation that the Mervyn's site was no longer an option for the new Police Administration building.

Citizen Sam favored constructing a new Police Administration building near City Hall and keeping the current building.

Mayor Halliday closed the public hearing at 8:45 p.m.

Council Member Zermeño offered a motion per staff recommendation and Council Member Márquez seconded the item.

Council Member Lamnin supported the motion and urged staff to find a way for the project cost to not be \$100,000 and to look into public and private partnerships.

It was moved by Council Member Zermeño, seconded by Council Member Márquez, and carried unanimously, to authorize the City Manager to amend the agreement with RossDrulisCusenbery for an increase of \$75,000 to cover additional study costs.

CITY MANAGER COMMENTS

There were none.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Mayor Halliday reported that Council Member Márquez, Hayward Police Captain Matthews and she participated as judges at the "Made in Hayward Oratorical Festival" event sponsored by Made in Hayward at Chabot College on April 22, 2016.

ADJOURNMENT

Mayor Halliday adjourned the meeting at 8:58 p.m., in memory of Mr. Dave McKeown.

Mr. Dave McKeown was a longtime resident of Hayward; was a soccer coach for the Hayward Youth Soccer League; was a past member and chair of the former Hayward Human Services Commission; served as a program director of the Family Emergency Shelter Coalition Program Director; served as an executive director at the Eden Youth and Family Center; was a past volunteer tutor of the Hayward Literacy Plus Program; co-founded the Tools for Schools Backpack Donation Program; helped form the Hayward Community Action Network; and served as a board member at St. Joachim Church. Mayor Halliday asked staff to work with the McKeown's family to find a suitable place to plant a tree in memory of Dave McKeown.



MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, April 26, 2016, 7:00 p.m.

APPROVED:

Barbara Halliday
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward



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777 B Street
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Staff Report

File #: MIN 16-041

DATE: May 17, 2016

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Minutes of the Special Joint City Council/Hayward Public Financing Authority/Redevelopment Successor Agency Meeting on May 3, 2016

RECOMMENDATION

That the City Council approve the Minutes of the Special Joint City Council/Hayward Public Financing Authority/Redevelopment Successor Agency Meeting on May 3, 2016.

ATTACHMENTS:

Attachment I Draft Minutes of May 3, 2016



**MINUTES OF THE SPECIAL JOINT CITY COUNCIL/HAYWARD PUBLIC
FINANCING AUTHORITY/REDEVELOPMENT SUCCESSOR AGENCY
MEETING OF THE CITY OF HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, May 3, 2016, 7:00 p.m.**

The Special Joint City Council/Hayward Public Financing Authority/Redevelopment Successor Agency meeting was called to order by Mayor/Chair Halliday at 7:00 p.m., followed by the Pledge of Allegiance led by Council/Chair Member Mendall.

ROLL CALL

Present: COUNCIL/HPFA/RSA MEMBERS Zermeño, Mendall, Jones, Peixoto,
Lamnin, Márquez
MAYOR/CHAIR Halliday
Absent: None

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Zermeño asked for an update on chain-link fences.

Mayor Halliday shared that she would be attending a meeting in Sacramento concerning the dissolution of health care districts.

CLOSED SESSION ANNOUNCEMENT

City Attorney Lawson announced that the Council convened in closed session concerning a conference with legal counsel pursuant to Government Code 54956.9 regarding S.E.I.U., Local 1021/City of Hayward, P.E.R.B., Case Nos. SF-CE-1075-M, SF-CE-1117-M, SF-CE-1118-M, SF-CE-1174-M, SF-CO-320-M, SF-CE-321-M; and noted there was no reportable action.

PRESENTATION

Mayor Halliday read a certificate presented to the East Bay Housing Organizations proclaiming May 13 through May 21, 2016 as Affordable Housing Week. Mr. Jason Blair, Director of Alameda County Housing Programs at Abode Services, accepted the proclamation on behalf of East Bay Housing Organizations.

PUBLIC COMMENTS

Ms. Wynn Grich, Hayward resident, spoke about the proposed FY 2017 operating budget and the "March Against Monsanto" in San Francisco on May 21, 2016.

Ms. Dianne McDermott, Hayward resident, spoke about the "East Bay Gives" event and solicited donations for the Hayward Education Foundation.

Mr. Jim Drake, Hayward resident, spoke about the way the water bill format is presented and offered comments about the operating budget.

CONSENT

1. Approval of Minutes of the City Council Meeting on April 19, 2016 [MIN 16-036](#)
It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the City Council Meeting on April 19, 2016.
2. Resolution Authorizing the Communications and Marketing Officer as an Unclassified Position in the City of Hayward [CONS 16-171](#)

Report continued to May 17, 2016.

3. CalRecycle Payment Programs: Authorization to Submit Applications [CONS 16-181](#)

Staff report submitted by Management Analyst Thomas, dated May 3, 2016, was filed.

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to adopt the following:

Resolution 16-061, “ Resolution Authorizing Submittal of Application for CalRecycle Payment Programs and Related Authorizations”

4. Approval of FY 2016-17 Measure B/BB Annual Paratransit Program Plan [CONS 16-185](#)

Staff report submitted by Community Services Manager Jaeger and Senior Property Rehabilitation Specialist Bailey, dated May 3, 2016, was filed.

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to adopt the following:

Resolution 16-062, “ Resolution Authorizing the City Manager to Implement an Annual Paratransit Plan and Negotiate and Execute All Documents Related to and in Support of Paratransit Activities Including the Administration of the Hayward Operated Paratransit (The Hop) Program”

5. Water Main Replacement at Mission Boulevard, Fairway Street to Lexington Avenue: Approval of Plans and Specifications, and Call for Bids [CONS 16-186](#)

Staff report submitted by Associate Civil Engineer Schurman, dated May 3, 2016, was filed.



**MINUTES OF THE SPECIAL JOINT CITY COUNCIL/HAYWARD PUBLIC
FINANCING AUTHORITY/REDEVELOPMENT SUCCESSOR AGENCY
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Tuesday, May 3, 2016, 7:00 p.m.**

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to adopt the following:

Resolution 16-063, “Resolution Approving Plans and Specifications for the Water Main Replacement at Mission Boulevard, Fairway Street to Lexington Avenue Project, Project No. 07011, and Call for Bids”

6. Water Pollution Control Facility (WPCF) Headworks Rehabilitation Project: Approval of Plans and Specifications, and Call for Bids [CONS 16-192](#)

Staff report submitted by Senior Utilities Engineer England, dated May 3, 2016, was filed.

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to adopt the following:

Resolution 16-064, “Resolution Approving Plans and Specifications for the Water Pollution Control Facility (WPCF) Headworks Rehabilitation Project, Project NO. 07660 and Call for Bids”

7. Approval to Annex “Blackstone at the Cannery” to Benefit Zone No. 13 of the Consolidated Landscaping and Lighting District 96-1, Setting of the Date for the Associated Public Hearing, and Ordering the Mailing of Ballots and Associated Waiver [CONS 16-199](#)

Staff report submitted by Contract Development Review Engineer Rei, dated May 3, 2016, was filed.

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to adopt the following:

Resolution 16-065, “Resolution of the City Council of the City of Hayward Initiating Proceedings for the Annexation of Blackstone at Cannery Place Property to Benefit Zone No. 13 of the City of Hayward Landscaping and Lighting Assessment District No. 96-1”

Resolution 16-066, “Resolution Initiating Proceedings, Providing Intention to Levy Assessments, Preliminarily Approving Engineer’s Report, and Providing for Notice of Hearing for the

Annexation of Blackstone at Cannery Place Property to Benefit Zone No. 13 of the City of Hayward Landscaping and Lighting Assessment District No. 96-1”

8. Resolution Accepting the Written Resignation of Florine Banks from the Keep Hayward Clean and Green Task Force [CONS 16-209](#)

Staff report submitted by City Clerk Lens, dated May 3, 2016, was filed.

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to adopt the following:

Resolution 16-067, “Resolution Accepting the Resignation of Florine Banks from the Keep Hayward Clean and Green Task Force”

9. Adoption of Resolution Approving an Amendment to the City of Hayward Salary Plan for Fiscal Year 2016 [CONS 16-216](#)

Staff report submitted by Director of Human Resources Collins, dated May 3, 2016, was filed.

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, to adopt the following:

Resolution 16-068, “Resolution Approving the Amended Fiscal Year 2016 Salary Plan Designating Positions of Employment in the City Government of the City of Hayward and Salary Range; and Superseding Resolution No. 16-040 and All Amendments Thereto”

WORK SESSION

10. Presentation of Proposed FY 2017 Operating Budget [WS 16-028](#)

Staff report submitted by Director of Finance Vesely, dated May 3, 2016, was filed.

Director of Finance Vesely provided a synopsis of the staff report and City Manager David presented the proposed FY 2017 Operating Budget.

Discussion ensued among Council Members and City staff regarding: the City’s Other Post-Employment Benefits (OPEB) Retiree Medical unfunded liability and Ten-Year Plan projection; the cost and revenue related to residential development; and the logistics for the May 21, 2016 special budget work session.



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Tuesday, May 3, 2016, 7:00 p.m.**

Mayor Halliday announced that Finance Director Vesely was separating from the City effective May 13, 2016 and presented her with a certificate of commendation upon her separation and in honor of her dedication and commitment to the City of Hayward.

PUBLIC HEARING

11. Recommendation to approve a proposed subdivision and construction of forty-two Townhomes at 25891 and 25915 Dollar Street: Donald Babbitt/Warmington Residential (Applicant); Lakhbir Singh, Dubba, LLC (Owner) [PH 16-039](#)

Staff report submitted by Associate Planner Camire, dated May 3, 2016, was filed.

Planning Manager Buizer announced the item and introduced Associate Planner Camire who provided a synopsis of the staff report. Associate Planner Camire noted that there was a revision to Condition of Approval No. 58.

Discussion ensued among Council Members and City staff regarding: the Form-Based Code and challenges with new development projects; the sprinkler system; sound requirements due to the proximity of the proposed development to BART; the Thoroughfare Plan; warrants for roof pitch; and parking.

Council Members Lamnin, Zermeño, Mendall, Márquez, and Mayor Halliday disclosed having individually met with the applicant and/or his representatives.

Council Member Mendall requested that a condition requiring locking mailboxes be added to the Conditions of Approval.

Mayor Halliday opened the public hearing at 8:21 p.m.

Mr. Donald Babbitt, applicant for Warmington Residential, noted he continued to pursue connectivity between the proposed project and the adjacent KB Homes project, and he was agreeable to adding a condition of approval that would provide connectivity for future projects to the north of the proposed project to allow for more walkability.

Mayor Halliday closed the public hearing at 8:28 p.m.

Council Member Mendall offered a motion per staff recommendation with two additional modifications: 1) that locking mailboxes be required; and 2) that connectivity with future properties to the north of the proposed property be required.

Council Member Zermeño seconded the motion.

It was moved by Council Member Mendall, seconded by Council Member Zermeño, and carried unanimously, to adopt the following:

Resolution 16-069, “Resolution Determining California Environmental Quality Act Categorical Exemption and Approving Application 201504436 Pertaining to a Site Plan Review, a Text Amendment to the Mission Boulevard Corridor Specific Plan and Form-Based Code Thoroughfare Plan, a Warrant Allowing a Roof Pitch Less Than 5:12, a Warrant Allowing Eleven Parking Spaces Above the Maximum Eighty-Four Spaces Allowed, and a Vesting Tentative Tract Map No. 8301 for Forty-Two Residential Units Proposed at 25891 and 25915 Dollar Street”

Introduction of Ordinance 16-, “An Ordinance Amending Chapter 10, Article 25 of the Hayward Municipal Code by Amending the Hayward Mission Boulevard Corridor Specific Plan and Form-Based Code Thoroughfare Plan, Application No. 201504436 Relating to Vesting Tentative Tract Map No. 8301 at 25891 and 25919 Dollar Street”

12. Authorization for the City Council and the Hayward Public Financing Authority to Issue Certificates of Participation in an Amount Not to Exceed \$23 Million to Refinance the Outstanding 2007 Refunding Certificates of Participation [LB 16-044](#)

Staff report submitted by Director of Finance Vesely, dated May 3, 2016, was filed.

Finance Director Vesely provided a synopsis of the staff report.

There being no public comments Mayor/Chair Halliday opened and closed the public hearing at 8:35 p.m.

It was moved by Council/HPFA Member Zermeño, seconded by Council/HPFA Member Mendall, and carried unanimously, to adopt the following:

Resolution 16-070, “Resolution of the City Council of the City of Hayward Authorizing Delivery and Sale of Refunding Certificates of Participation to Refinance Outstanding 2007 Certificates of Participation, and Approving Related Documents and Actions”

HPFA Resolution 16-01, “Resolution of the Board of Directors of the Hayward Public Financing Authority Authorizing Delivery and Sale of Certificates of Participation to Refinance 2007 Refunding Certificates of Participation, and Approving Related Documents and Actions”



**MINUTES OF THE SPECIAL JOINT CITY COUNCIL/HAYWARD PUBLIC
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Tuesday, May 3, 2016, 7:00 p.m.**

13. Authorization for the Redevelopment Successor Agency Board to Issue Tax Allocation Refunding Bonds in an Amount Not to Exceed \$45 Million to Refinance the Outstanding 2004 and 2006 Tax Allocation Bonds [LB 16-046](#)

Staff report submitted by Director of Finance Vesely, dated May 3, 2016, was filed.

Finance Director Vesely provided a synopsis of the staff report.

There being no public comments Mayor/Chair Halliday opened and closed the public hearing at 8:40 p.m.

It was moved by Council/RSA Member Zermeño, seconded by Council/RSA Member Mendall, and carried unanimously, to adopt the following:

RSA Resolution 16-02, "A Resolution of the City Council of the City of Hayward, Acting as the Governing Board of the Redevelopment Successor Agency of the City of Hayward, A Separate Legal Entity, Approving the Issuance of Refunding Bonds in Order to Refund Certain Outstanding Bonds of the Former Redevelopment Agency of the City of Hayward, Approving the Execution and Delivery of an Indenture of Trust and Refunding Instructions, Approving the Sale of the Refunding Bonds to an Underwriter, and Providing for Other Matters Properly Relating Thereto"

14. Adoption of Ordinance Establishing the Hayward Mills Act Historical Property Contract Program [LB 16-052](#)

Staff report submitted by Management Analyst Stefanski, dated May 3, 2016, was filed.

Assistant City Manager McAdoo provided a synopsis of the staff report.

Discussion ensued among Council Members and City staff regarding: the City register of historical or significant sites; properties on the National Register of Historic Places; and potential for a registered historic district.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:51 p.m.

There was general consensus to introduce an Ordinance establishing the Hayward Mills Act Historical Property Contract Program.

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to adopt the following:

Resolution 16-071, “Resolution Finding that the Proposed Hayward Mills Act Program is Categorically Exempt Under CEQA; Approving Mills Act Program Fees; and Finding that Such Fees are Compliant with California Proposition 26”

Introduction of Ordinance 16-_, “An Ordinance Adding Article 27 to Chapter 10 of the Hayward Municipal Code Regarding the Mills Act Program”

15. Overview of ABAG/MTC Proposed Merger and Potential Adoption of Council Position on the Issue [LB 16-048](#)

Staff report submitted by City Manager David, dated May 3, 2016, was filed.

City Manager David provided a synopsis of the staff report and Mayor Halliday offered background related to the proposed merger of the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC).

Mayor Halliday, who also serves as the ABAG Alternate to Fremont Mayor Bill Harrison representing the Alameda County Mayors’ Conference, concurred with staff in supporting Option Analysis and Recommendation Report 4 (Create a New Regional Agency and Governance Model) as recommended by Management Partners for the ABAG/MTC Merger Study. City Manager David noted that two guiding principles for the recommendation of Option 4 were local control and efficient government and added that a letter was distributed to Council from former ABAG executive directors in support of Option 4.

Council Member Zermeño, who also serves as the City’s Delegate to ABAG, concurred with Option 4 and added that a funding mechanism for ABAG was needed and suggested pursuing funding directly from the State.

Discussion ensued among Council Members and City staff regarding: the proposed merger and the Council position on the issue; communicating to ABAG, MTC and interested parties the Council’s position on the matter, and educating the public about the proposed merger.

There being no public comments, Mayor Halliday opened and closed the public hearing at 9:11 p.m.

Council Member Zermeño offered a motion recommending that the Council support Option 4 (Create a New Regional Agency and Governance Model); rescind MTC Resolution 4210 and ABAG Resolution 1215; and pursue funding for ABAG.



**MINUTES OF THE SPECIAL JOINT CITY COUNCIL/HAYWARD PUBLIC
FINANCING AUTHORITY/REDEVELOPMENT SUCCESSOR AGENCY
MEETING OF THE CITY OF HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, May 3, 2016, 7:00 p.m.**

Council Member Lamnin seconded the motion supporting Option 4 as the option that the City's ABAG representatives carry forward. Ms. Lamnin supported sending a letter to MTC, ABAG, and interested parties; and holding MTC accountable for ABAG's funding. Ms. Lamnin further suggested having a small committee comprised of three representatives from ABAG and three from MTC to update the Plan Bay Area and then focus on the regional consolidation.

Council Member Mendall concurred with the two guiding principles of local control and efficient government, and offered that a third principle be a fair representation for Hayward. Mr. Mendall also suggested that the language for Option 4 be amended to include a stable funding source.

It was moved by Council Member Zermeño, seconded by Council Member Lamnin, and carried unanimously, to direct the City's ABAG representatives and City staff to send a letter to ABAG and MTC communicating the City Council's support for Option 4 (Create a New Regional Agency and Governance Model) and adhering to four principles: local control, efficient government, fair representation for Hayward on regional bodies, and stable funding source; to rescind MTC Resolution 4210 and ABAG Resolution 1215; and to send the letter to all interested parties including but not limited to legislators, League of California Cities, local media, and surrounding municipalities.

CITY MANAGER COMMENTS

There were none.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Lamnin noted two items: 1) highlighted that Consent Item No. 5 (CONS 16-186) approved the plans and specifications for pipe replacements, and 2) suggested a work session to review the priorities for development applications.

Council Member Zermeño announced there was a "Cinco de Mayo" celebration presented by La Alianza de Hayward on May 7, 2016 at Hayward City Hall Plaza.

ADJOURNMENT

Mayor Halliday adjourned the meeting at 9:30 p.m.

APPROVED:

Barbara Halliday
Mayor, City of Hayward
Chair, Hayward Public Financing Authority
Chair, Redevelopment Successor Agency

ATTEST:

Miriam Lens
City Clerk, City of Hayward
Secretary, Hayward Public Financing Authority
Secretary, Redevelopment Successor Agency



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-214

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Director of Development Services

SUBJECT

Authorize the City Manager to Execute an Amendment to the Agreement with ARC Document Services for Document Scanning Services for an Amount Not to Exceed \$96,000

RECOMMENDATION

That Council approves the attached resolution (Attachment I) authorizing the City Manager to execute Amendment No. 1 to the Agreement with ARC Document Services for scanning services for an amount not to exceed \$96,000, and extend the agreement term to June 30, 2017.

BACKGROUND

The Planning Division has been working with ARC Document Services (ARC) to perform document scanning services on a trial basis (Phase I). After a comprehensive process described below, on June 1, 2015, the City entered into an agreement with ARC Document Services to provide document scanning services for the Planning Division for an amount not to exceed \$15,000 (Phase I). ARC has provided satisfactory service for Phase I of this project, and has submitted an estimate for Phase II in the amount of \$80,821 as reflected in Attachment II.

DISCUSSION

As part of the FY 2015 approved budget, Council authorized the appropriation of \$250,000 to be earmarked for scanning of documents within the Planning Division. A Request for Proposals (RFP) was released in October 2014, and sent to thirteen document management firms for consideration. Fourteen representatives from ten firms attended the mandatory pre-bid meeting. Six firms submitted proposals in response to the RFP. After review of the proposals, the top-ranked firms, including ARC, were invited to interview with staff and conduct a more detailed review of the Planning Division's files. Each firm was then asked to present/elaborate on its approach via a telephone interview. After careful review and conducting interviews of the top-ranked firms, a negotiated agreement between the City and ARC was executed on June 1, 2015, for an amount not to exceed \$15,000, to complete Phase I of this project. Since staff had not worked with this document management firm before, Phase I functioned as a "test" phase to ensure the quality and timeliness of ARC's work and process. Documents that were included in Phase I were Planning files dated 2010 to present.

File #: CONS 16-214

ARC is nearing the end of Phase I of this project, and was asked to provide an estimate for Phase II, which will include Planning Division files prior to 2010. The phase I cost was approximately \$15,000. The estimated amount to complete Phase II of this project is \$80,821. Therefore, staff is requesting approval of the attached resolution to execute an amendment to the original agreement with ARC Document Services, to continue providing document scanning services with a revised contract amount not to exceed \$96,000 for both phases of work.

ARC will start Phase II as soon as Phase I has been completed, which is estimated to be by the end of June 2016. Phase II is estimated to be completed no later than June 30, 2017.

FISCAL IMPACT

Funds were approved in the FY 15 budget and carried over to FY 16. There will be no additional impact to the General Fund as a result of approving this action.

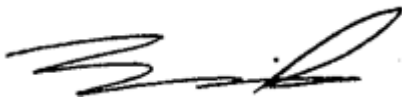
NEXT STEPS

If Council adopts the attached resolution, staff will prepare Amendment No. 1 to the agreement between the City of Hayward and ARC Document Services, which will be executed and work for Phase II can begin.

Prepared by: Jade Kim, Management Analyst I

Recommended by: David Rizk, Director of Development Services

Approved by:



Fran David, City Manager

Attachments:

- | | |
|---------------|---|
| Attachment I | Resolution |
| Attachment II | Estimate for Remaining Collection at Hayward Planning |

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH ARC DOCUMENT SOLUTIONS, FOR PLANNING DOCUMENT SCANNING SERVICES, IN A TOTAL AMOUNT NOT TO EXCEED \$96,000.

WHEREAS, the City Council of the City of Hayward approved an appropriation in the FY15 budget to be earmarked for Planning Division document scanning, which was carried over to FY 16 budget; and

WHEREAS, on June 1, 2015 the City entered into an agreement with ARC Document Services (ARC) to provide Planning document scanning service for an amount not to exceed \$15,000 for Phase I; and

WHEREAS, ARC performed Phase I satisfactorily; and

WHEREAS, ARC has provided an estimate for Phase II of the project in an amount of \$80,820.36.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Hayward, hereby authorizes the City Manager to execute an amendment to the City’s Agreement with ARC Document Solutions, increasing the budget amount by \$81,000 for a total contract amount not to exceed \$96,000, and extend the term of the agreement to no later than June 30, 2017.

IN COUNCIL, HAYWARD, CALIFORNIA, _____

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



Estimate for:
Remaining Collection at Hayward Planning

Prepared by Anthony Duran

March 23, 2016

821 Martin Ave Santa Clara CA 95050 | 408-707-4782

Setup		
Configuration of Document Type, Database Lookup & Barcode Sheets	Waived	0
Pickup		
	each box	
Box Pick-up from Planning Division 777 B Street Hayward, CA	\$3.00	
20 Box Minimum/Trip	boxes: 223	\$669.00
Digitization		
Small Format Paper Documents		
	each	
300 DPI, Auto-Color Multi-Page TIF	\$0.09	
	pages: 682,080	\$62,751
Large Format Paper Documents		
	each	
300 DPI, Black & White Multi-Page TIF	\$0.86	
300 DPI, Color Multi-Page TIF	\$1.38	
	black & white pages: 3480	\$2,993
	color pages: 10,440	\$14,407
Field/Index Entry		
No field entry is expected to be performed. The City of Hayward will supply a complete database that allows an immediate and automatic lookup.		
The control number barcode sheets shall be generated by the AIM center based on an advanced copy of the manifest for the next lot to be scanned. A PDF will be sent to Hayward containing all of the header sheets for every box prior to pick-up. Hayward will print and insert each barcode header sheet in the appropriate folder. Database lookup will be conducted as scanned. No AIM user intervention will be necessary to enter or verify the database/field values.		
Delivery Medium		
Digital delivery of batches will be sent through iShipdocs following each production lot. Delivery on USB Hard Drive or DVD may be arranged on completion of the project		
		TBD
Delivery		
	20 Box Minimum/Trip	Included
Out of Scope		
A standard labor rate of \$40/hour will be applied to items that fall out of the scope of work outlined above. This may include: document exploration, document reassembly, document research, document repair, removal of duplicates, document inventory, and similar out of scope tasks		
Sub Total		
		\$80,820.36

All estimated numbers are based on visible counts and historical knowledge.
 Actual invoiced/charged amounts will be based on the actual number of completed scans.



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-218

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT

Approval of Final Map Tract 7989 - Bridge Pointe Homes Development - associated with the previously approved vesting tentative map and proposed development of sixteen lots with attached residential units on a 0.98 acre site at 1450 North Lane; North Lane Ventures (Applicant/Owner)

RECOMMENDATION

That the City Council adopts the attached resolution (Attachment I) that approves Final Map 7989 - Bridge Pointe Homes Development, finding that it is in substantial conformance with the approved Vesting Tentative Tract Map 7989 and the conditions of approval thereof; and authorizes the City Manager to take other administrative actions and execute a Subdivision Agreement and such other documents as are appropriate to effectuate the required improvements for the Bridge Pointe Homes Development at 1450 North Lane between Saklan Road and Eden Avenue.

BACKGROUND

Per State law, Tentative and Final maps are required for all subdivisions creating five or more parcels. A Tentative Tract Map is required to ensure that any proposed development complies with the Subdivision Map Act, the California Environmental Quality Act, Planned Development guidelines, the City Subdivision Ordinance, Zoning Ordinance, Building Code regulations, the Hayward General Plan and Neighborhood Plans, and the site specific requirements of the Planning, Public Works, Fire, and Police Departments.

After the Tentative Map and Precise Plan are approved, the developer submits the Final Subdivision Map and Improvement Plans for review and approval by the City Engineer (and subsequent recordation of the Final Map after Council review and approval) before proceeding with obtaining building permits for the construction of improvements. The developer is required to file a Tentative Map and Final Map so that the sixteen single-family dwelling units can be sold individually.

DISCUSSION

Tract 7989 is generally located at 1450 North Lane. This tract development is a proposed medium-density residential project and is bordered by Saklan Road to the west and Eden Avenue to the east (see Attachment II - Location Map).

This proposed infill project includes eight, three-story duet buildings. There will be three building types and four floor plans. The walls will be faced with a combination of horizontal and vertical wood siding and rock veneer, which will provide variation and visually reduce the height of the duets. The duets will be painted in warm tones to complement the rock veneer. The roof design has a combination of hips and gables with varied ridge levels. Each home will have a two-car garage and larger than typical private open space. The project will include a centrally located group open space with four visitor parking spaces. Decorative paving will accent the entry driveways and water conserving landscaping will enhance the site.

Final Map

The subdivision improvement plans and Final Map were reviewed by the City Engineer and found to be in substantial compliance with the approved Vesting Tentative Map 7989, and in conformance with the Subdivision Map Act and Hayward's regulations. There have not been significant changes to the final map, compared to the Vesting Tentative Tract Map the Planning Commission approved in July of 2009.

The City Council's approval of the Final Map shall not become effective until and unless the Developer enters into a Subdivision Agreement and posts bonds with the City for the construction of improvements and other obligations required per conditions of approval of the tentative tract map. The developer has submitted the subdivision improvement plans and subdivision bonds for the required tract improvements.

Environmental Review

The development of Tract 7989 was previously approved and found to be Categorical Exempt from the California Environmental Quality Act by the Planning Commission on July 23, 2009.

ECONOMIC AND FISCAL IMPACTS

The Final Map approval is consistent with the approved project and the Final Map by itself, will not have a fiscal or economic impact.

PUBLIC CONTACT

A public hearing is not required for the filing of Final Map Tract 7989. Public hearings were already conducted as part of the approval of Vesting Tentative Map Tract 7989 application.

NEXT STEPS

Assuming the City Council approves the Final Map, the applicant will have the Final Map recorded, obtain construction permits and commence the construction of improvements shown on the approved Improvement Plans.

Prepared by: Peter Rei, P.E., P.L.S., Contract Development Review Services Engineer

Reviewed by: Sara Buizer, AICP, Planning Manager

Recommended by: David Rizk, AICP, Development Services Director

Approved by:



Fran David, City Manager

Attachments:

Attachment I
Attachment II
Attachment III

Resolution for Tract 7989
Location Map
Site Map for Tract 7989

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

Introduced by Council Member _____

RESOLUTION APPROVING FINAL MAP FOR TRACT 7989 AND
AUTHORIZING THE CITY MANAGER TO EXECUTE A
SUBDIVISION AGREEMENT

WHEREAS, Vesting Tentative Tract Map No. 7989, Bridge Pointe Homes Development, was approved by the Planning Commission on July 23, 2009, and the Final Map for Tract 799 has been presented to the City Council of the City of Hayward for development of 16 attached single family dwelling units, located on a parcel totaling 0.98 acres generally located at 1450 North Lane in the Mount Eden area; and

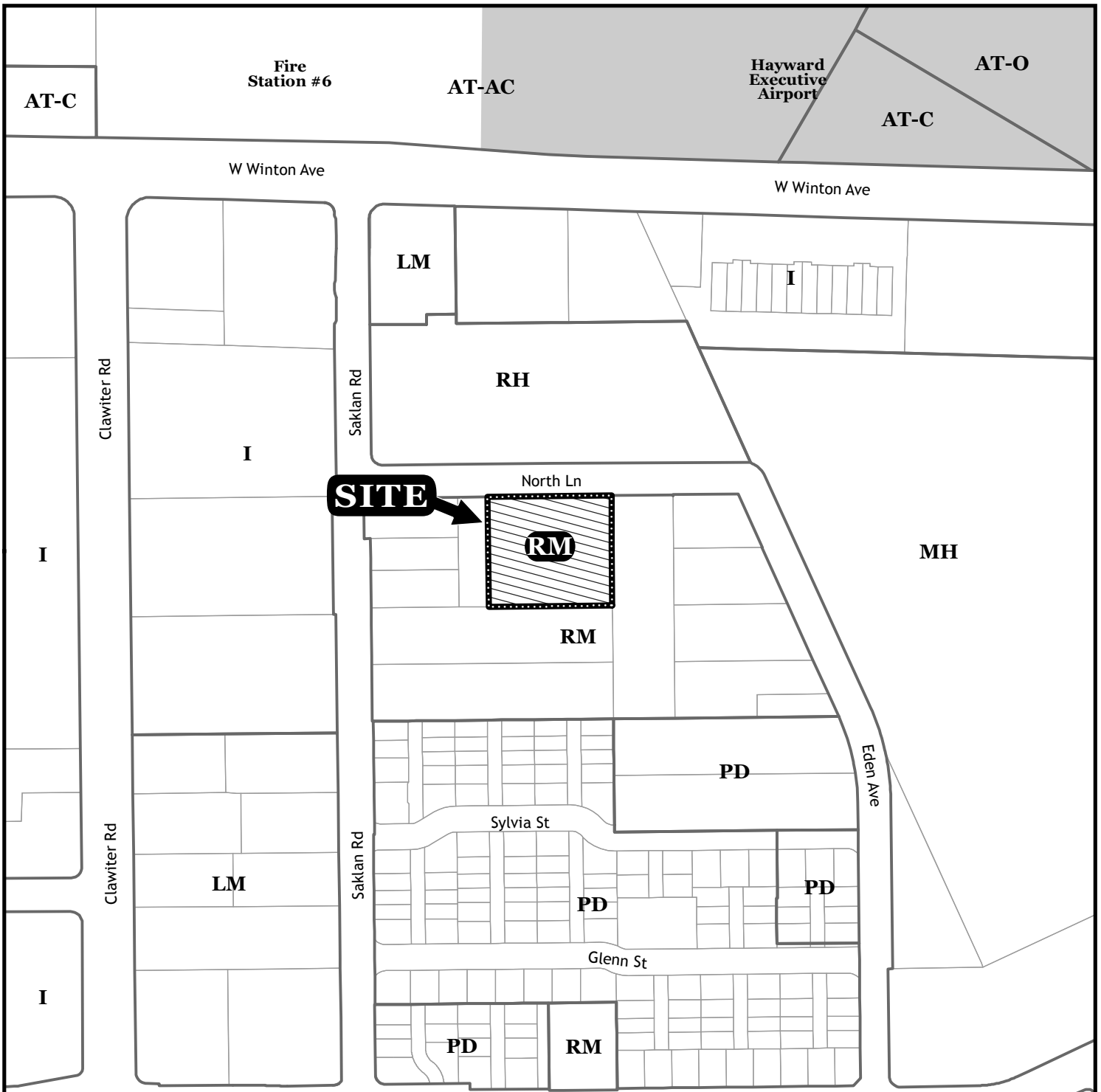
WHEREAS, the Director of Public Works reviewed the Final Map and found it to be in substantial compliance with the approved vesting tentative tract map, the Subdivision Map Act and the City of Hayward regulations.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward does hereby find that the Final Map for Tract 7989 is in substantial compliance with the approved Vesting Tentative Tract Map and does hereby approve Final Map 7989, subject to the subdivider entering into an agreement for the construction of improvements and other obligations as required by the conditions of approval of the Vesting Tentative Tract Map for Tract 7989, and that the approval of the Final Map for Tract 7989 shall not be effective until and unless such agreement is entered into.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized for and on behalf of the City of Hayward to negotiate and execute a subdivision agreement in a form approved by the City Attorney.



Area & Zoning Map



201400708

Address:
1450 North Ln

Applicant:
HAYWARD NORTH LANE LP

Owner:
HAYWARD NORTH LANE LP

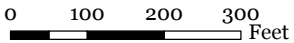
Zoning Classifications

- RESIDENTIAL**
 MH Mobile Home Park
 RH High Density Residential, min lot size 1250 sqft
 RM Medium Density Residential, min lot size 2500 sqft
 RS Single Family Residential, min lot size 5000 sqft

- INDUSTRIAL**
 I Industrial
 LM Light Manufacturing

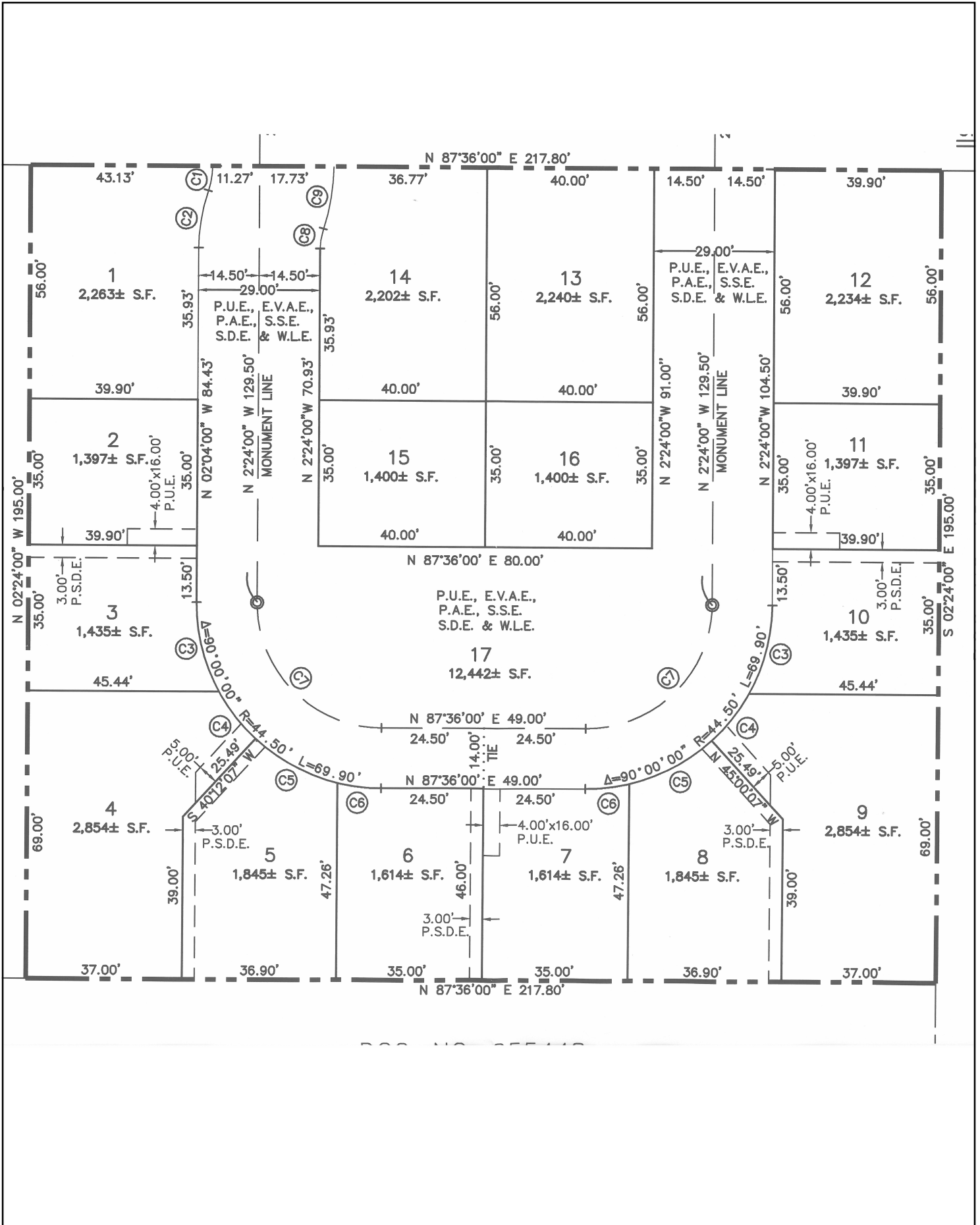
- AIR TERMINAL**
 AT-AC Air Terminal - Airport Commercial
 AT-C Air Terminal - Commercial
 AT-O Air Terminal - Operations

- OTHER**
 PD Planned Development





Site Map





CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-221

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

Authorization for the City Manager to Execute the Alameda CTC Master Programs Funding Agreement for Measure B, Measure BB, and Vehicle Registration Fee Direct Local Distribution Funds

RECOMMENDATION

That Council approves the attached resolution authorizing the City Manager to execute the Master Programs Funding Agreement (MPFA) with the Alameda County Transportation Commission (Alameda CTC) for the pass through funding from Measure B, Measure BB and the Vehicle Registration Fee (VRF).

BACKGROUND

Alameda County voters approved Measure B funds in November 2000, and collection of the sales tax began on April 1, 2002. Agreements were executed with transit agencies, Alameda County, and local jurisdictions to receive Measure B pass through funds for four types of programs: bicycle and pedestrian; local streets and roads; mass transit; and paratransit.

Voters also approved the Measure F Alameda County Vehicle Registration Fee (VRF) program on November 2, 2010. The additional annual \$10 per vehicle fee generates about \$11 million per year countywide.

Voters approved Measure BB funds on November 4, 2014. Measure BB renewed the 0.5% Measure B transportation sales tax approved in 2000 and increased the tax by an additional 0.5%, resulting in a 1% sales tax throughout Alameda County dedicated to transportation expenses. The thirty-year plan proposed \$7.8 billion in spending to improve and maintain transportation infrastructure and systems in the county.

Annually, these distributions provide support to locally identified transportation improvements among the City's local transportation, bicycle and pedestrian, mass transit and paratransit programs.

Alameda CTC is responsible for the distribution of revenues generated through the Measure B, Measure BB and the Vehicle Registration Fee (VRF) programs. Over half of these revenues are distributed by formula directly to twenty local jurisdictions, including the City of Hayward, to support locally managed transportation, bicycle and pedestrian, transit, and paratransit programs. In order to receive Measure B/BB/VRF Direct Local Distribution (DLD) funds, the City is required to maintain a Master Programs Funding Agreement (MPFA) with the Alameda CTC. The MPFAs identify the roles and responsibilities related to the DLD expenditures.

Alameda CTC currently maintains two active MPFAs with the City to facilitate the distribution of funds. The first, executed in 2012, is applicable to Measure B/VRF funds and expires on June 30, 2022. The second, executed in 2015, is applicable to Measure BB funds and expires on June 30, 2016. The 2015 Measure BB MPFA was an initial one-year agreement to allow for immediate flow of new Measure BB distributions to recipients, and to provide additional time to develop policies and performance measures for all DLD funds.

To address the upcoming expiration of the MPFA for Measure BB, and to provide consistent implementation across all three DLD funds, Alameda CTC is modifying and combining the two current MPFAs into one, ten-year agreement. The combined MPFA will make changes to, and replace, the current agreements. It will enable continued disbursement of Measure B/BB/VRF DLD funds effective July 1, 2016, continuing through June 30, 2026, unless otherwise amended or replaced in the future.

DISCUSSION

While the combined MPFA will enable continued disbursement of Measure BB funds, it is based primarily on the 2012 MPFA covering Measure B and VRF funds. The primary changes in the new MPFA include:

- Removal of timely use of funds and reserve policies. These policies are replaced in the Measure B/BB/VRF MPFA policy provisions with reference to the Commission approved Timely Use of Funds Policies for DLD funds (December 2015). The Timely Use of Funds Policy requires all Measure B, Measure BB, and VRF recipients to spend funds expeditiously or establish a reserve fund.
- Incorporation of Measure BB references and policies specific to the Measure such as 15% of local streets and roads funds must be expended on bicycle and pedestrian related improvements.
- Incorporation of performance measures and reporting requirements.

FISCAL IMPACT

Execution of the MPFA prior to June 1, 2016 will allow an uninterrupted flow of transportation funds to the City from Measure B/BB/VRF. The table below illustrates the estimated funds provided by each program for FY17.

Funding Source	Local Streets & Roads	Bicycle & Pedestrian Projects	Paratransit
Measure B	\$2.2 million	\$457,000	\$845,000
Measure BB	\$2.0 million	\$370,000	\$526,000
VRF	\$750,000	-	-

PUBLIC CONTACT

The Alameda CTC presented the Implementation Guidelines before appropriate Alameda CTC Committees, which provide oversight on funds. On February 25, 2016, the Alameda CTC adopted the final MPFA and Implementation Guidelines.

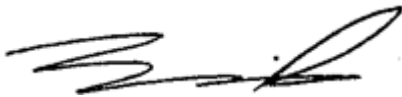
NEXT STEPS

If Council approves staff recommendations, the MPFA will be fully executed by the City Manager prior to June 1, 2016 to ensure that Measure B/BB/VRF funds continue to flow to the City.

Prepared by: Fred Kelley, Transportation Manager

Recommended by: Morad Fakhrai, Director of Public Works

Approved by:



Fran David, City Manager

Attachments:

Attachment I

Resolution

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE THE
ALAMEDA CTC MASTER PROGRAMS FUNDING AGREEMENT FOR
MEASURE B, MEASURE BB, AND VEHICLE REGISTRATION FEE
DIRECT LOCAL DISTRIBUTION FUNDS

BE IT RESOLVED by the City Council of the City of Hayward as follows:

WHEREAS, voters approved the 20-year Measure B half-cent transportation sales tax in 2000; and

WHEREAS, voters approved Measure F, which authorizes a \$10 Vehicle Registration Fee (VRF) in 2010;

WHEREAS, voters approved the 2014 Transportation Expenditure Plan (Measure BB), a half-cent transportation sales tax on November 4, 2014 that extends the existing 2000 Measure B transportation sales tax, and augments it by a one-half percent to fund projects and programs in Alameda County; and

WHEREAS, the Alameda CTC is responsible for dispersing Measure B, Measure BB, and VRF funds, known as Direct Local Distributions (DLD), to local jurisdictions by established formulas to support bicycle and pedestrian, local transportation (local streets and roads), transit and paratransit programs; and

WHEREAS, the Alameda CTC developed a combined ten-year Measure B, Measure BB, and VRF Master Programs Funding Agreement (MPFA) that specifies the requirements for the DLD funds, Alameda CTC's responsibilities, and the recipient's responsibilities for revenues collected from July 1, 2016 through June 30, 2026; and

WHEREAS, the combined ten-year MPFA supersedes the prior master agreements related to Measure B, Measure BB, and VRF DLD funds as of the effective date, July 1, 2016, of the combined MPFA.

WHEREAS, implementation guidelines for each program are referenced in the MPFA to guide fund eligibility and expenditures; and

NOW THEREFORE BE IT RESOLVED, that the City Council of Hayward authorizes the City Manager to execute the MPFA attached to this resolution; and be it further

RESOLVED, that City of Hayward and its agents shall comply with the Alameda CTC MPFA; and be it further

RESOLVED, that City of Hayward shall use Measure B, Measure BB, and Vehicle Registration Fee DLD funds for local transportation programs.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-228

DATE: May 17, 2016

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Adoption of Ordinance Adding Article 27 to Chapter 10 of the Hayward Municipal Code Regarding the Mills Act Program

RECOMMENDATION

That the Council adopts the Ordinance introduced on May 3, 2016.

BACKGROUND

The Ordinance was introduced by Council Member Márquez at the May 3, 2016 meeting of the City Council with the following vote:

AYES: Council Members: Zermeño, Jones, Mendall, Peixoto, Lamnin, Márquez
Mayor Halliday
NOES: None
ABSENT: None
ABSTAIN: None

The summary of the Ordinance was published in the Hayward Daily Review on Friday, May 13, 2016.

Adoption at this time is therefore appropriate.

Prepared and Recommended by: Miriam Lens, City Clerk

Approved by:

Fran David, City Manager

Attachments: Attachment I Summary of Ordinance Published on 5/13/2016

PUBLIC NOTICE OF AN INTRODUCTION OF ORDINANCE
BY THE CITY COUNCIL OF THE CITY OF HAYWARD

AN ORDINANCE ADDING ARTICLE 27 TO CHAPTER 10 OF THE HAYWARD MUNICIPAL
CODE REGARDING THE MILLS ACT PROGRAM

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Provisions.

Upon the effective date of this ordinance, Article 27 is added to Chapter 10 of the Hayward Municipal Code and is hereby enacted to read as follows:

HAYWARD MUNICIPAL CODE
CHAPTER 10, ARTICLE 27
MILLS ACT PROGRAM

Section	Subject Matter
10-27.010	PURPOSE
10-27.020	DEFINITIONS
10-27.030	PROGRAM ELIGIBILITY REQUIREMENTS
10-27.040	CONTRACTUAL REQUIREMENTS
10-27.050	PROCEDURAL REQUIREMENTS
10-27.060	DUTY TO KEEP IN GOOD REPAIR

Section 2. Severance.

Should any part of this ordinance be declared by a final decision of a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of the City, such decision shall not affect the validity of the remainder of this ordinance, which shall continue in full force and effect, provided that the remainder of the ordinance, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the City Council.

Section 3. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective 30 days from and after the date of its adoption.

Introduced at the meeting of the Hayward City Council held May 3, 2016, the above-entitled Ordinance was introduced by Council Member Márquez.

This Ordinance will be considered for adoption at the regular meeting of the Hayward City Council, to be held on May 17, 2016, at 7:00 p.m., in the Council Chambers, 777 B Street, Hayward, California. The full text of this Ordinance is available for examination by the public in the Office of the City Clerk.

Dated: May 13, 2016
Miriam Lens, City Clerk
City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-229

DATE: May 17, 2016

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Adoption of an Ordinance Amending Chapter 10, Article 25 of the Hayward Municipal Code by Amending the Hayward Mission Boulevard Corridor Specific Plan and Form-based Code Thoroughfare Plan, Application No. 201504436 Relating to Vesting Tentative Tract Map No. 8301 at 25891 and 25919 Dollar Street

RECOMMENDATION

That the Council adopts the Ordinance introduced on May 3, 2016.

BACKGROUND

The Ordinance was introduced by Council Member Mendall at the May 3, 2016 meeting of the City Council with the following vote:

AYES:	Council Members: Zermeño, Jones, Mendall, Peixoto, Lamnin, Márquez Mayor Halliday
NOES:	None
ABSENT:	None
ABSTAIN:	None

The motion carried with a revised Condition of Approval No. 57, a revised Condition of Approval No. 125 (g), and the addition of a condition to be added as Condition of Approval No. 144 (u).

The Conditions of Approval would read as follows:

Condition of Approval No. 57:

Each townhome shall have an individual domestic water meter. The Facilities Fee will be based on the water meter size required to meet the indoor water demand (excluding fire service demand) and outdoor demand of the residence as determined by the City. Currently, the Facilities Fee for a 3/4" meter is \$9,730. In addition to the Facilities Fee, each water connection will require an installation fee of \$3,500 for the actual field installation of the service line and the water meter if the work is performed by City personal, and a fee of \$200 for radio-read equipped water meters. If the actual field installation is performed by the developer as part of installing new water mains within the development, then the City charges for providing and installing the water meters will be \$310 per meter, instead of \$3,500, plus the \$200 radio-read fee.

Condition of Approval No. 125(g):

Proposed mailbox design and locations, subject to Post Office approval. Locking mail and parcel boxes are required.

Condition of Approval No. 144(u):

Connectivity with properties to the north is required.

It is worth noting that Condition of Approval No. 14 (presented to Council on May 3, 2016) was removed because it was a duplicate of Condition of Approval No. 11; thus, conditions of approval succeeding No. 14 were renumbered for consistency.

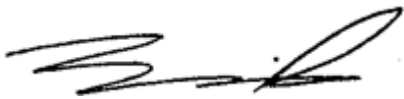
Attachment II provides the Revised Conditions of Approval.

The summary of the Ordinance was published in the Hayward Daily Review on Friday, May 13, 2016.

Adoption at this time is therefore appropriate.

Prepared and Recommended by: Miriam Lens, City Clerk

Approved by:



Fran David, City Manager

Attachments:

Attachment I
Attachment II

Summary of Ordinance Published on 5/13/2016
Revised Conditions of Approval

PUBLIC NOTICE OF AN INTRODUCTION OF ORDINANCE
BY THE CITY COUNCIL OF THE CITY OF HAYWARD

AN ORDINANCE AMENDING CHAPTER 10, ARTICLE 25 OF THE HAYWARD MUNICIPAL CODE BY AMENDING THE HAYWARD MISSION BOULEVARD CORRIDOR SPECIFIC PLAN AND FORM-BASED CODE THOROUGHFARE PLAN, APPLICATION NO. 201504436 RELATING TO VESTING TENTATIVE TRACT MAP NO. 8301 AT 25891 AND 25919 DOLLAR STREET

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Hayward Mission Boulevard Specific Plan

Hayward Mission Boulevard Specific Plan Chapter 3, Regulating Plan (Figure 3-1, Figure 3-2, and Figure 3-3), and Chapter 5, Infrastructure Plan, and Chapter 6, Implementation Plan is hereby amended to modify the Thoroughfare Plan Maps and Illustrations for the property located at 25891 Dollar Street (APN: 444-0078-007-07) to remove a planned fifty-six-foot wide, three hundred and sixty-five-foot long public right-of-way, including a bicycle route, to have been located beginning at the west side of Dollar Street terminating at the Union Pacific Railroad/Bay Area Rapid Transit tracks to the west of Dollar Street.

Section 2. Hayward Mission Boulevard Form-Based Code

Article 25 of Chapter 10 of the Hayward Municipal Code is hereby amended to modify the Thoroughfare Plan Maps (Figure 4-1, Figure 4-2, and Figure 4-3) for the property located at 25891 Dollar Street (APN: 444-0078-007-07) to remove a fifty-six-foot wide, three hundred and sixty-five-foot long proposed public right-of-way, including street and bicycle route, to have been located beginning at the west side of Dollar Street terminating at the Union Pacific Railroad/Bay Area Rapid Transit tracks to the west of Dollar Street.

Section 3. Severance.

Should any part of this ordinance be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid or beyond authority of the City, such decision shall not affect the validity of the remainder of this ordinance, which shall continue in full force and effect, provided the remainder of the ordinance, absent the excised portion, can be reasonable interpreted to give effect to intentions of the City Council.

Section 4. Effective Date.

This ordinance shall become effective immediately upon adoption.

Introduced at the meeting of the Hayward City Council held May 3, 2016, the above-entitled Ordinance was introduced by Council Member Mendall.

This Ordinance will be considered for adoption at the regular meeting of the Hayward City Council, to be held on May 17, 2016, at 7:00 p.m., in the Council Chambers, 777 B Street,

Hayward, California. The full text of this Ordinance is available for examination by the public in the Office of the City Clerk.

Dated: May 13, 2016
Miriam Lens, City Clerk
City of Hayward

CONDITIONS OF APPROVAL
Revised by the City Council on May 3, 2016

May 3, 2016

**25891 and 25915 Dollar Street, Tract 8301 – Donald Babbitt/Warmington
Residential (Applicant)/
Lakhbir Singh, Dubba, LCC (Owner)**

Application No. 201504436

**Site Plan Review, Warrants for Parking and Roof Pitch, and Text Amendment to the
Hayward Mission Boulevard Corridor Specific Plan/Form-Based Code
Thoroughfare Plan, and
Vesting Tentative Tract Map Tract 8301
associated with the subdivision and construction of
Forty-two townhome-style condominiums and
two common parcels on a 2.31-acre site at 25891 and 25915 Dollar Street**

GENERAL

1. Site Plan Review Application No. 201504436 is a request to construct forty-two townhome-style condominiums at 25915 and 25915 Dollar Street. The project shall be built and the site shall be maintained in accordance with these Conditions of Approval and the approved plans, labeled **Exhibit A**. The Site Plan Review, Warrants approvals shall coincide with the approval period for the Vesting Tentative Tract Map. If a building permit is issued for construction of improvements authorized by the Site Plan Review and Warrants approval, said approval shall be void two years after issuance of the building permits, unless the construction authorized by the building permits has been substantially completed or substantial sums have been expended in reliance upon the Project approval.

Exhibit A –Site Plan Review and Vesting Tentative Tract Map 8301 dated November 30, 2015.

2. The subdivider/developer shall assume the defense of and shall pay on behalf of and hold harmless the City, its officers, employees, volunteers and agents from and against any or all loss, liability, expense, claim costs, suits and damages of every kind, nature and description directly or indirectly arising from the performance and action of this permit.
3. Conduit and fiber is required to be installed in the private streets from Dollar Street to serve the residents of the residents of the forty-two condominiums.
4. The development shall be solar ready.

5. The developer shall provide bicycle parking which meets CalGreen requirements.
6. Per CalGreen standards, each garage t shall be equipped with the infrastructure for an electrical vehicle charging station.
7. Any proposal for alterations to the proposed site plan and/or design which does not require a variance to any zoning ordinance standard must be approved by the Development Services Director or his/her designee, prior to implementation.
8. All improvements shall be designed and constructed in accordance with the State Subdivision Map Act, City of Hayward Subdivision Ordinance (Municipal Code – Chapter 10, Article 3), and Standard Specifications and Details – unless otherwise indicated hereinafter.
9. All final exterior building finishes, paint colors and other architectural details shall be reviewed and approved by the Planning Division in accordance with the City of Hayward’s Design Guidelines prior to issuance of a building permit for the project.

Planning Division

10. The Project shall adhere to the following Bay Area Air Quality Management District (BAAQMD) “Basic Construction Mitigation Measures”.
 - i. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
 - ii. All haul trucks transporting soil, sand, or other loose material off-site shall be covered.
 - iii. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
 - iv. All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
 - v. All diesel powered equipment (\geq 100 horsepower) shall be California Air Resources Board (CARB) Tier 3 Certified or better.
 - vi. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to five minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.
 - vii. All construction equipment shall be maintained and properly tuned in accordance with manufacturer’s specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.
 - viii. Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District’s

phone number shall also be visible to ensure compliance with applicable regulations.

11. The Project shall adhere to the following that are consistent with the Hayward 2040 General Plan and the Mission Boulevard Corridor Specific Plan Final EIR: As discussed above, the project would be exposed to risks below BMQMD's thresholds based on the screening analysis. However, the project is located in a "high" risk zone according to the City's Draft CRRP and is applicable to the Mission Boulevard Corridor Specific Plan EIR. Thus, the following measures are recommended to reduce risk. These measures are consistent with measures from the City's Draft General Plan EIR and the Mission Boulevard Corridor Specific Plan Final EIR.
 - a. The applicant shall install, operate and maintain in good working order a central heating, ventilation and air conditioning (HVAC) system or other air intake system in the building, or in each individual unit, that meets or exceeds a minimum efficiency reporting value (MERV) of 13. The HVAC system shall include the following features: Installation of a high efficiency filter and/or carbon filter to filter particulates and other chemical matter from entering the building. Either high efficiency particulate air (HEPA) filters or American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE) certified 85% supply filters shall be used.
 - b. The applicant shall maintain, repair and/or replace HVAC system on an ongoing and as needed basis or shall prepare an operation and maintenance manual for the HVAC system and the filter. The manual shall include the operating instructions and the maintenance and replacement schedule. This manual shall be included in the Covenants, Conditions and Restrictions (CC&Rs) for residential projects and/or distributed to the building maintenance staff. In addition, the applicant shall prepare a separate homeowners manual. The manual shall contain the operating instructions and the maintenance and replacement schedule for the HVAC system and the filters.
 - c. To the maximum extent practicable, individual and common exterior open space and outdoor activity areas proposed as part of the project shall be located as far away from Mission Boulevard as possible, face away from Mission Boulevard, and shall be shielded from the source of air pollution by buildings or otherwise buffered to further reduce air pollution for project occupants.
 - d. Proposed residential units shall locate air intakes and design windows to reduce PM exposure (e.g., windows nearest to the freeway do not open).
12. Prior to issuance of a demolition permit, grading permit or building permit, the applicant shall submit a Health Risk Assessment in prepared by a qualified air quality consultant in accordance with California Air Resources Board (CARB) and Office of Environmental Health and Hazard Assessment requirements.
13. The developer shall implement the mitigation recommended in the environmental noise and vibration study prepared by Veneklasen Associates dated September 22, 2015. The following mitigation measures are required to be implemented and the follow standards met:
 - a. Measures to assure that interior noise levels do not exceed 45 average noise levels (LDN) in any habitable room, therefore, a mechanical ventilating system

shall be is required to be required for all units in Zones A and B or Figure 2 (units 15 through 31 as indicated on the Vesting Tentative Map 8301 Lotting Plan of Dollar Place).

- b. Applied to the units exposed to the noise from the railroad. As shown in Table 2, the maximum noise level from train pass-by does not exceed 50 dBA in bedrooms, and 55 dBA in other rooms, with the exterior façade as described in Table 1, Table 2 and Appendix I.
- c. Required exterior common open space maximum noise levels are not to exceed 65 LDN.
- d. Alterations of mitigation measures that deviate from requirements are required to be reviewed by Veneklasen Associates and must be approved by the City of Hayward Building Official and Planning Director.

PRIOR TO SUBMITTAL OF IMPROVEMENT PLANS AND FINAL MAP

14. Subdivision improvement plans shall implement all items noted on the civil plans dated November 30, 2015, and incorporate applicable conditions of approval contained herein.
15. The applicant/developer shall submit subdivision improvement plans including Landscape and irrigation plans and a final map application for the entire project. Said improvement plans and final map shall meet all City standards and submittal requirements except as expressly approved for this Site Plan Review Development. The following information shall be submitted with, or in conjunction with, improvement plans and final map. The City reserves the right to include more detailed conditions of approval regarding required infrastructure based on these more detailed plans.
16. Unless otherwise stated, all necessary easements shall be dedicated, and all improvements shall be designed and installed, at no cost to the City of Hayward.
17. Unless indicated otherwise, the design for development shall comply with the following:
 - a. All improvements shall be designed and constructed in accordance with the City of Hayward Municipal Code – Chapter 10, Articles 1 and 3, and Standard Specifications and Details.
 - b. All construction shall meet the City of Hayward Building/Construction Codes and amendments in effect at the time of submitting a building permit application.
 - c. Design and construction of all pertinent life safety and fire protection systems shall meet the California Fire Code and all applicable City of Hayward Fire Codes and amendments.
18. A Registered Civil Engineer shall prepare all Civil Engineering improvement plans; a Licensed Architect shall prepare all architectural plans; and a Licensed Landscape Architect shall prepare all landscape plans unless otherwise indicated herein.

19. Final Map cannot be approved until roadway conveyance is complete.

SUBDIVISION IMPROVEMENT PLANS

20. Underground overhead facilities along Dollar Street frontage to adjacent property to the south. Show on Final Tract Map.
21. Four LED street lights shall be provided; two on each side of Dollar Street adjacent to the project.
22. To establish private and public responsibilities, extend the entry decorative paving to the City right-of-way.
23. Subdivision Improvement Plans shall be approved prior to the City Council's approval of the Final Map 8301. Submit the following proposed improvement plans with supporting documents, reports and studies:
 - a. A detailed drainage plan, to be approved by the Alameda County Flood Control and Water Conservation District (ACFC&WCD) and the City Engineer, designing all on-site drainage facilities to accommodate the runoff associated with a ten (10) year storm and incorporating onsite storm water detention measures sufficient to reduce the peak runoff to a level that will not cause capacity of downstream channels to be exceeded. Existing offsite drainage patterns, i.e., tributary areas, drainage amount and velocity shall not be altered by the development. The detailed grading and drainage plan with supporting calculations and a completed Drainage Review Checklist shall be approved by the City Engineer and by the ACFC&WCD prior to issuance of any construction or grading permit.
 - b. A detailed Stormwater Treatment Plan and supporting documents, following City ordinances and conforming to Regional Water Quality Control Board's Staff recommendations for new development and redevelopment controls for storm water programs.

Storm Water Quality Requirements

24. The following materials related to storm water quality treatment facility requirements shall be submitted with improvement plans and/or grading permit application.
 - a. The owner/developer shall enter into a City's standard *Storm Treatment Measures Maintenance Agreement* (as prepared by the City and is available in the Engineering and Transportation Division); the Maintenance Agreement shall be recorded with the Alameda County Recorder's Office to ensure that the maintenance is bound to the property in perpetuity.
 - b. Storm Water Pollution Prevention Plan (SWPPP) shall be submitted to the City for review and approval by the City Engineer. All reports such as Soil Report, SWPPP, and SWMP are to be submitted in bound form. The Soil Report and SWMP shall be wet-stamped and signed by the engineer. The certification page of the SWPPP shall be signed by a Qualified SWPPP Developer (QSD) person who prepared the report. Documents that are clipped or stapled will not be accepted.

- c. Before commencing any grading or construction activities at the project site, the developer shall obtain a National Pollutant Discharge Elimination System (NPDES) permit and provide evidence of filing of a Notice of Intent (NOI) with the State Water Resources Control Board.
 - d. The project plans shall include the storm drain design in compliance with post-construction stormwater requirements to provide treatment of the stormwater according to the National Pollutant Discharge Elimination System (NPDES) permit's numeric criteria. The design shall comply with the C.3 established thresholds and shall incorporate measures to minimize pollutants to the maximum extent practicable (MEP).
 - e. The project plans shall identify Best Management Practices (BMPs) appropriate to the uses conducted on-site in order to limit the entry of pollutants into storm water runoff to the maximum extent practicable.
 - f. The proposed BMPs shall be designed to comply with the hydraulic sizing criteria listed in Provision C.3 of the Alameda County Clean Water Program (ACCWP) NPDES permit (page 30). In addition, the California Stormwater Quality Association's *Stormwater best Management Practice Handbook New Development and Redevelopment*, Subsection 5.5 on pages 5-12 has a section titled *BMP Design Criteria for Flow and Volume*. These materials are available on the internet at www.cabmphandbooks.com
 - g. The project shall be designed with a Bioretention Treatment Area and shall use a Bioretention Soil Mix (BSM) per Attachment L of the C.3 Stormwater Technical Guidance dated May 14, 2013, with a minimum infiltration rate of 5 inches per hour.
 - h. All inlet rims in the Bioretention Treatment Area (BTA) shall be 6-inch minimum above the flow line of the BTA. The design of the longitudinal flow line shall be level.
 - i. The following documents shall be completed and submitted with the improvement and/or grading plans:
 - i. Hydromodification Management Worksheet;
 - ii. Infiltration/Rainwater Harvesting and Use Feasibility Screening Worksheet;
 - iii. Development and Building Application Information Impervious Surface Form;
 - iv. Project Applicant Checklist of Stormwater Requirements for Development Projects;
 - v. C.3 and C.6 Data Collection Form; and,
 - vi. Numeric Sizing Criteria used for stormwater treatment (Calculations)
25. The developer shall be responsible for ensuring that all contractors are aware of all storm water quality measures and implement such measures. Failure to comply with the approved construction BMPs will result in the issuance of correction notices, citations or a project stop order.

Private Streets

26. The private streets, driveways, and parking areas shall be designed to facilitate street sweeping.

27. The developer shall not obstruct the noted sight distance areas. Overall cumulative height of the grading, landscaping and signs as determined by sight distance shall not exceed two feet when measured from street elevation.
28. The on-site streetlights and pedestrian lighting shall be LED lights and have a decorative design approved by the Planning Director. The locations of the lights shall be shown on the improvement plans and shall be approved by the City Engineer. Submit photometric plans with the improvement plans. Such fixtures shall have shields to minimize "spill-over" lighting on adjacent properties that are not part of the tract.
29. Private street shall have a concrete curb and gutter to convey stormwater runoff.
30. The proposed decorative paving on the private street shall be designed to support a 75,000 pounds gross vehicle weight load.
31. Any damaged and/or broken curb, gutter and sidewalks along the property frontages shall be removed and replaced as determined by the City.
32. Proposed private courts (common driveways) improvements shall be designed, generally reflective of the alignment and width shown on the submitted vesting tentative tract map, and as approved by the City Engineer.
33. The entrance to the private street shall conform to City Standard Details and approved by the City Engineer.

Public Streets

34. Prior to building permit issuance, the developer shall obtain design approval and bond for all necessary public improvements along Dollar Street, including but not limited to the following:
 - a. Removal and replacement of all street trees, curb, gutter, and sidewalk.
 - b. Installation of four new street lights on each side of Dollar Street adjacent to the project.
 - c. Grind and overlay and restripe entire pavement width of Dollar Street with 2" hot mix asphalt, and dig outs and repair failed pavements as necessary.
 - d. Remove, replace, and plant street trees along project frontages per City Landscape Architect direction.
35. Any landscape design, work or traffic control within the Dollar Street right-of-way requires an encroachment permit.
36. Where traffic restrictions and detours affect Dollar Street, a Transportation Management Plan or a Traffic Impact Study may be required as determined by Fred Kelley, Transportation Manager at (510) 583-4781.
37. Any damaged and/or broken curb, gutter and sidewalks along the Dollar Street property frontage shall be removed and replaced as determined by the City.

38. Grind, overlay and restripe the entire width Dollar Street with two inches of hot mix asphalt and dig outs. Repair failed pavement as necessary.

Storm Drainage

39. The Hydrology and Hydraulics Criteria Summary, Alameda County Flood Control and Water Conservation District, latest edition shall be used to determine storm drainage runoff. A detailed drainage plan, to be approved by the Alameda County Flood Control and Water Conservation District (ACFC&WCD) and the City Engineer, designing all on-site drainage facilities to accommodate the runoff associated with a ten (10) year storm and incorporating onsite storm water detention measures sufficient to reduce the peak runoff to a level that will not cause capacity of downstream channels to be exceeded. Existing offsite drainage patterns, i.e., tributary areas, drainage amount and velocity shall not be altered by the development. The detailed grading and drainage plan with supporting calculations and a completed *Drainage Review Checklist* shall be approved by the City Engineer and by the ACFC&WCD prior to issuance of any construction or grading permit.
40. The project shall also include erosion control measures to prevent soil, dirt, debris and contaminated materials from entering the storm drain system, in accordance with the regulations outlined in the *ABAG Erosion and Sediment Control Handbook*.
41. Storm drain systems shall incorporate the following:
 - a. The locations and design of storm drains shall meet the City's standard design and be approved by the City Engineer and if necessary, the Alameda County Flood Control and Water Conservation District (ACFC&WCD). Any alternative design shall be approved by the City Engineer prior to installation.
 - b. Storm drain pipes in streets and alleys shall be a minimum of twelve inches in diameter with a minimum cover of three feet over the pipe.
 - c. The latest edition of the Alameda County Flood Control and Water Conservation District's Hydrology and Hydraulics Criteria Summary shall be used to determine storm drainage runoff. A detailed grading and drainage plan with supporting calculations and a completed Drainage Review Checklist shall be submitted, which shall meet the approval of the Alameda County Flood Control and Water Conservation District (ACFC&WCD) and the City. Development of this site shall not augment runoff to the ACFC&WCD's downstream flood control facilities. The hydrology calculations shall substantiate that there will be no net increases in the quantity of runoff from the site versus the flow rate derived from the original design of downstream facilities.
 - d. The project shall not block runoff from, or augment runoff to, adjacent properties. The drainage area map developed for the project hydrology design shall clearly indicate all areas tributary to the project area. The developer is required to mitigate unavoidable augmented runoffs with offsite and/or on-site improvements.

- e. No surface runoff is allowed to flow over the sidewalks and/or driveways. Area drains shall be installed behind the sidewalks to collect all runoff from the project site.
- f. All storm drain inlets must be labeled "No Dumping - Drains to Bay," using City-approved methods.
- g. The starting water surface elevation(s) for the proposed project's hydraulic calculations and the corresponding determination of grate/rim elevations for all the on-site storm drainage structures shall be based on Federal Emergency Management Agency's Flood Insurance Study for the 100-year storm event.
- h. Post-development flows should not exceed the existing flows. If the proposed development warrants a higher runoff coefficient or will generate greater flow, mitigation measures shall be implemented.

Sanitary Sewer System

- 42. The project sanitary sewer main and appurtenances shall be public, owned and maintained by the City. When the sewer mains are located in a private roadway, either the entire roadway shall be a public utility easement or a minimum 10-foot wide easement shall be granted to the City.
- 43. A wastewater collection system impact study is required to be completed for development. The developer may hire their own consultant, subject to the prior approval of the Director of Utilities & Environmental Services, or the developer can pay the City to perform the impact study with our consultant. U&ES staff is working with the consultant to obtain a cost proposal for the impact study. The developer shall be responsible for their share of the cost of any necessary improvements identified in the City's wastewater collection system as a result of the development. The developer's share shall be based on the results of the impact study and determined by the Director of Utilities & Environmental Services.
- 44. The development's sanitary sewer mains and manholes shall be public, owned and maintained by the City. If the sewer mains are located in a private roadway, either the entire roadway shall be a public utility easement or a minimum 10-foot wide easement shall be granted to the City.
- 45. All sewer mains and appurtenances shall be constructed in accordance to the City's *Specifications for the Construction of Sewer Mains and Appurtenances (12-inch Diameter or Less)*, latest revision at the time of permit approval (available on the City's website at <http://user.govoutreach.com/hayward/faq.php?cid=11188>). Sewer cleanouts shall be installed on each sewer lateral at the connection with the building drain, at any change in alignment, and at uniform intervals not to exceed 100 feet. Manhole covers shall be installed in the sewer main at any change in direction or grade, at intervals not to exceed 400 feet, and at the upstream end of the pipeline.

46. Each townhome dwelling unit shall have an individual sanitary sewer lateral. The sewer laterals shall have cleanouts and be constructed per City Standard Detail SD-312.
47. Sewer service is available and subject to the standard conditions and fees in effect at time of application and payment.
48. The current Sanitary Sewer Connection fee for a single-family home is \$7,700 per unit. Sewer connection fees are due and payable prior to final inspection.

Water System

49. The development's proposed water main and valves shall be public, owned and maintained by the City. If the water mains are located in a private roadway, either the entire roadway shall be a public utility easement or a minimum 10-foot wide easement shall be granted to the City.
50. All public water mains and appurtenances shall be constructed in accordance to the City's "Specifications for the Construction of Water Mains and Fire Hydrants," latest revision at the time of permit approval (available on the City's website at <http://user.govoutreach.com/hayward/faq.php?cid=11188>).
51. On revised plans, eliminate the dead-end water mains. All water mains must be looped. Water mains connect to other water mains, through easements if necessary.
52. The utility plan indicates the proposed water mains in *Drive Aisle B* and *Drive Aisle D* will be connected with a water main located in the 10-foot setback area adjacent to the proposed sound wall, between Building 2 and Building 3. The water main in this location will require a minimum 10-foot wide easement to be granted to the City. The water main shall be located in the center of the 10-foot easement.
53. Where a public water main is in an unpaved easement or under decorative, stamped, or colored concrete (including turf-blocks), the water main shall be constructed of ductile iron. Shut-off valves are required where a water main transitions from a paved area to an unpaved easement. Trees shall not be planted in the easement, as they will cause access problems.
54. All connections to existing water mains shall be performed by City Water Distribution Personnel at the applicant's/developer's expense.
55. All water services from existing water mains, if any, shall be installed by City Water Distribution Personnel at the applicant's/developer's expense. The developer may only construct new services in conjunction with their construction of new water mains.

56. City records indicate that the parcel at 25891 Dollar Street currently has one existing 3/4" service line x 5/8" meter (account # 26162). If this water services cannot be reused for the proposed development, they shall be abandoned.
57. Each townhome shall have an individual domestic water meter. The Facilities Fee will be based on the water meter size required to meet the indoor water demand (excluding fire service demand) and outdoor demand of the residence as determined by the City. Currently, the Facilities Fee for a 3/4" meter is \$9,730. In addition to the Facilities Fee, each water connection will require an installation fee of \$3,500 for the actual field installation of the service line and the water meter if the work is performed by City personal, and a fee of \$200 for radio-read equipped water meters. If the actual field installation is performed by the developer as part of installing new water mains within the development, then the City charges for providing and installing the water meters will be \$310 per meter, instead of \$3,500, plus the \$200 radio-read fee.
58. Each structure shall have its own fire service, sized per the requirements of the Fire Department. Fire services shall have an above ground Double Check Valve Assembly, per City Standards SD-201 and SD-204.
59. The development may use combined residential domestic and fire services for each residence. Residential combined domestic and fire services are allowed, per City Standard SD-216. The minimum size for a residential fire service connection is 1 inch (combined or not) and the maximum size for combined services is 2 inches. If the calculated fire demand exceeds 160 GPM, a separate fire service will be required. Note that, per CBC 2010 R313, flow-through or multipurpose systems may not require a backflow device (City Standard Detail SD-216).
60. Irrigation: It is anticipated that one or more separate irrigation water meters and services shall be installed for development landscaping. The applicant/developer shall install an above ground Reduced Pressure Backflow Prevention Assembly (RPBA) on each irrigation water meter, per SD-202. Backflow preventions assemblies shall be at least the size of the water meter or the water supply line on the property side of the meter, whichever is larger.
61. All domestic and irrigation water meters shall be radio-read type.
62. Water meters and services are to be located a minimum of two feet from top of driveway flare as per SD-213 thru SD-218. Water meter boxes in driveway aisle areas shall have steel water rated lids.
63. Water mains and services, including the meters, must be located at least 10 feet horizontally from and one-foot vertically above any parallel pipeline conveying untreated sewage (including sanitary sewer laterals), and at least four feet from and on foot vertically above any parallel pipeline conveying storm drainage, per the current California Waterworks Standards, Title 22, Chapter 16, Section 64572. The minimum horizontal separation distances can be reduced by using higher grade (i.e., pressure) piping materials.

Solid Waste

64. Applicants must comply with City standards to obtain building permits, as follows:
- a. Residential Collection of Garbage and Recyclables: Residents are required to place their garbage, recycling, and organics carts at the curb for weekly collection service by contracted service providers:
 - i. The standard type of garbage, recycling, and organics containers are (one) thirty-two-gallon cart for Garbage, (one) sixty-four-gallon cart for Recycling, and (one) sixty-four-gallon cart for Organics.
 - ii. Trash and recycle containers shall be stored out of public view on non-pickup days. Sufficient storage space for garbage carts shall be provided for each residential unit. The total space required for the standard service is approximately three feet by nine feet.
 - iii. Residents shall not place carts at the curb any earlier than 6:00 am the day before scheduled collection, and are required to retrieve them no later than midnight the days the carts are emptied. (Hayward Municipal Code Section 5-1.15).
 - b. Requirements for Recycling Construction & Demolition Debris: City regulations require that applicants for all construction, demolition, and/or renovation projects, in excess of \$75,000 (or combination of projects at the same address with a cumulative value in excess of \$75,000) must recycle all asphalt and concrete and all other materials generated from the project. Applicants must complete the *Construction & Demolition Debris Recycling Statement*, a *Construction and Demolition Debris Recycling Summary Report*, and weigh tags for all materials disposed during the entire term of the project, and obtain signature approval from the City's Solid Waste Manager prior to any off haul of construction and demolition debris from the project site.

Other Utilities

65. In accordance with the Pacific Gas and Electric Company, AT&T (phone) Company and Comcast cable company regulations. Transformers and switch gear cabinets shall be placed underground unless otherwise approved by the Planning Director and the City Engineer. Underground utility plans must be submitted for City approval prior to installation.
66. All proposed surface-mounted hardware (fire hydrants, electroliers, etc.) along the proposed streets shall be located outside of the sidewalk within the proposed Public Utility Easement in accordance with the requirements of the City Engineer or, where applicable, the Fire Chief.
67. The developer shall provide and install the appropriate facilities, conduit, junction boxes, etc., to allow for installation of a fiber optic network within the subdivision.

68. All utilities shall be designed in accordance with the requirements of the City of Hayward and applicable public agency standards.
69. The existing overhead lines along Dollar Street property frontage shall be placed underground.

Landscape and Irrigation Plans

70. No trees shall be planted within any Public Utilities Easement to assure access for maintenance. The landscape plan shall conform to this condition of approval.
71. Landscape design is approved. The following comments shall be incorporated into landscape and irrigation improvement plans. Please note that the City's Bay-Friendly Water Efficient Landscape Ordinance has been replaced with a new one and is effective as of November 26, 2015. The new ordinance now is a part of California Government Code of Regulation, Title 23, and the improvement plans shall be in full compliance with the new ordinance.
72. Revisions to the 2009 Bay-Friendly Water Efficient Landscape Ordinance is significant throughout the ordinance. The project landscape architect shall be familiar with the new ordinance prior to preparing the landscape and irrigation improvement plans.

The improvement plans shall be in full compliance with new requirements in the new ordinance: http://www.hayward-ca.gov/sites/default/files/Ch-10_A-12_BayFriendlyWaterEfficientLandscape.pdf:

73. Tree inventory plan shall be provided in the improvement plan identifying trees to be removed. All trees shall be identified with the tag numbers in the arborist report. Currently all tree numbers are not included in the landscape plan.
74. A tree mitigation summary chart shall be provided listing trees to be removed with the identification numbers in the arborist report and their appraised values. The mitigation chart shall also include proposed tree sizes, values, and locations. Tree mitigation shall be above and beyond providing required trees. Upsizing required trees are one of the mitigation options. For other options, contact City Landscape Architect.
75. Large stamped colored asphaltic concrete paving is hard to maintain. Consider permeable pavers colored and scored concrete paving as alternatives.
76. Irrigation for street trees along Dollar Street shall be connected to the irrigation water meter for the development and shall be maintained by HOA.
77. Planting in Bio-Retention Area: Trees and shrubs shall not be planted in the bottom of flow line. Wider planting areas shall be provided when lack of planting areas prevents required trees to be planted.
78. Bio-retention area shall receive three inches deep mulch.

79. Bio-treatment area shall be irrigated with matched precipitation rotator type, or as efficient overhead spray irrigation system allowing “cycle and soaking” program function on a separate valve.
80. Trees with different watering needs shall be on separate meters.
81. Mature plant size shall be included in plant material list and all plants shall be spaced to allow natural growth without shearing or routine cutbacks/pruning.
82. Provide a key operated hose bib near the BBQ area.
83. Trash receptacles shall be provided in common open spaces.
84. Park Dedication In-Lieu Fees are required for all new dwelling units. Fees shall be those in effect at the time of issuance of the building permit.
85. Prior to the approval of improvement plans or issuance of the first building permit, detailed landscape and irrigation plans in full compliance with the City’s Bay-Friendly Water Efficient Landscape Ordinance and other applicable Municipal Codes shall be reviewed and approved by the City. The approved improvement plans shall be a part of the building permit submittal.
86. Mylar of the approved landscape and irrigation improvement plans shall be submitted to the Engineering Department. The size of Mylar shall be twenty-two inches by thirty-four inches without an exception. A two inches wide by four inches high blank signing block shall be provided in the low right side on each sheet of Mylar. The signing block shall contain two signature lines and dates for City of Hayward, Landscape Architect/Planner and City Engineer. Prior to final acceptance of the tract, As-built/Record Mylar shall be submitted to the Engineering Department by the developer.
87. Prior to the issuance of a grading or building permit, a tree preservation bond, surety or deposit, equal in value to the trees to be preserved, shall be provided by the developer. The bond, surety or deposit shall be returned when the tract is accepted if the trees are found to be in a healthy, thriving and undamaged condition. The developer shall provide an arborist’s report evaluating the conditions of the trees.
88. Grading and improvement plans shall include tree preservation and protection measures. Trees shall be fenced at the drip line throughout the construction period.
89. A tree removal permit shall be obtained prior to the removal of any existing trees in addition to grading permit.
90. Street trees along Dollar Street shall be irrigated by the development irrigation water meter and shall be maintained by Homeowners Association.
91. A hose bib shall be provided within each private open space.

92. A dedicated irrigation water meter shall be provided.
93. Landscape and tree improvements shall be installed according to the approved plans prior to the occupancy of each building. Prior to the issuance of each Certificate of Occupancy, installed landscape improvement shall be inspected and accepted by City Landscape Architect. Prior to requesting an inspection, completed Appendix C Part 1 through 7 in Bay-Friendly Water Efficient Landscape Ordinance shall be submitted to City Landscape Architect.
94. All common area landscaping, irrigation and other required improvements shall be installed prior to acceptance of tract improvements, or occupancy of 80% of the dwelling units, whichever first occurs.
95. Landscaping shall be maintained in a healthy, weed-free condition at all times and shall be designed with efficient irrigation practices to reduce runoff, promote surface filtration, and minimize the use of fertilizers and pesticides, which can contribute to runoff pollution. The owner's representative shall inspect the landscaping on a monthly basis and any dead or dying plants (plants that exhibit over 30% dieback) shall be replaced within ten days of the inspection. All trees planted as a part of the development agreement are "Protected," and shall be preserved in accordance with the City's Tree Preservation Ordinance.

Fire Protection

96. New fire hydrants shall be provided along private streets at locations approved by the Hayward Fire Department. New fire hydrants shall be placed fifty-feet from the building to be protected. Where it is not feasible, they may be in closer proximity as approved by the Hayward Fire Department. On page TM.5 of the proposed plans: Where a fire hydrant is located on a fire apparatus road, the minimum road width shall be 26 feet exclusive of shoulders. Fire hydrants located at the ends of Drive Aisles D, C and possibly A, should be relocated.
97. All new fire hydrants shall be double steamer type, equipped with (two) four and one half inch outlets and (one) two and a half inch outlet. The capacity of each individual hydrant shall be 1,500 GPM. Vehicular protection may be required for the fire hydrants. Blue reflective fire hydrant dot markers shall be installed on the roadways indicating the location of the fire hydrants. Blue reflective pavement markers shall be installed at fire hydrant locations.
98. New fire hydrants shall meet the requirements of Hayward Public Works Department. Fire hydrants shall be Double Streamer Hydrant: Clow Valve Co. Model 865 with one (1) 2-1/2" Outlet and two (2) 4-1/2" Outlets.
99. Fire flow shall meet all requirements of the 2013 California Fire Code Table C105.1 and Hayward Fire Code Ordinance. No. 10-14. Existing fire hydrants meeting the distance requirement can be included in the total required number.

100. Maximum 80 pounds per square inch (PSI) water pressure should be used when water data indicates a higher static pressure. Residual pressure should be adjusted accordingly.
101. Fire apparatus access roads shall be designed and maintained to support 75,000 pounds, the imposed load of fire apparatus, and shall be surfaced so as to provide all-weather driving capability.
102. A fire apparatus access road twenty feet to twenty-six feet wide shall be posted on both sides as a fire lanes; a fire apparatus access road twenty-six feet to thirty-two feet wide shall be posted on one side of the road as a fire lane. "No Parking" signs shall meet the City of Hayward Fire Department fire lane requirements.
103. No parking on the new private street shall be allowed except in designated/marked parking stalls.
104. Underground fire service line serving NFPA 13D (Domestic) sprinkler system shall be installed in accordance with the Hayward Public Work Department SD-216. Water meter shall be minimum one-inch in diameter. Sprinkler monitoring systems shall be provided for NFPA 13 sprinkler systems.
105. Underground fire service line serving **NFPA 13** sprinkler system shall be installed in accordance with the Hayward Public Work Department SD-204. Water meter shall be minimum four-inch in diameter.
106. An interior audible alarm device shall be installed within the dwelling in a location so as to be heard throughout the home. The device shall activate upon any fire sprinkler system waterflow activity.
107. A minimum six-inch address, on a contrasting background, shall be installed on the front of the building in a location so as to be visible from the street.
108. All bedrooms and hallway areas shall be equipped with smoke detectors, hard-wired with battery backup. Installation shall conform to the California Building Code (CBC).
109. Carbon monoxide detectors should be placed near the sleeping area on a wall about five feet above the floor. The detector may be placed on the ceiling. Each floor needs a separate detector.

Hazardous Materials

110. Prior to issuance of Building or Grading Permits, a final clearance shall be obtained from either California Regional Water Quality Control Board or Department of Toxic Substance Control and submitted to the Hayward Fire Department to ensure that the property meets residential development investigation and cleanup standards. Allowance may be granted for some grading activities if necessary to ensure

environmental clearances.

111. Prior to grading: Structures and their contents shall be removed or demolished under permit in an environmentally sensitive manner. Proper evaluation, analysis and disposal of materials shall be done by appropriate professional(s) to ensure hazards posed to development construction workers, the environment, future residents and other persons are mitigated.
112. Any wells, septic tank systems and others subsurface structures shall be removed properly in order not to pose a threat to the development construction workers, future residents or the environment. These structures shall be documented and removed under permit when required.
113. The Hayward Fire Department's Hazardous Materials Office shall be notified immediately at (510) 583-4910 if hazardous materials are discovered during demolition or during grading. These shall include, but shall not be limited to, actual/suspected hazardous materials, underground tanks, vessels that contain or may have contained hazardous materials.
114. During construction, hazardous materials used and hazardous waste generated shall be properly managed and disposed.

Final Tract Map

115. Prior to the approval of the Final Map, the developer shall pay the costs of providing public safety services to the project should the project generate the need for additional public safety services. The developer may pay either the net present value of such costs prior to issuance of building permits, or the developer may elect to annex into a special tax district formed by the City and pay such costs in the form of an annual special tax. The developer shall post an initial deposit of \$20,000 with the City prior to submittal of improvement plans to offset the City's cost of analyzing the cost of public safety services to the property and district formation.
116. Prior to recordation, a proposed Final Tract Map shall be submitted for review by the City. The Final Tract Map shall be presented to the City Council for review and action. The City Council meeting will be scheduled approximately sixty (60) days after the Improvement Plans with supporting documents and Final Map are deemed technically correct, and Subdivision Agreement and Bonds are approved by the City. The executed Final Map shall be returned to the City Public Works Department if Final Map has not been filed in the County Recorder's Office within ninety (90) days from the date of the City Council's approval.
117. Prior to the recordation of the Final Tract Map, all documents that need to be recorded with the final map shall be approved by the City Engineer and any unpaid invoices or other outstanding charges accrued to the City for the processing of the subdivision application shall be paid.

118. The final map shall reflect all easements needed to accommodate the project development, including but not limited to the 5-foot Public Utility easement along the project frontage on Dollar Street. The private street shall be dedicated as a Public Utility Easement (PUE), Public Assess Easement (PAE), Water Line Easement (WLE), Sanitary Sewer Easement (SSE), and Emergency Vehicle Access Easement (EVAE).
119. The Affordable Housing Ordinance (AHO) requirements apply to the project. Pursuant to the City's AHO, 10% of all detached single family residences and 7.5% of all attached units in a project must be set aside and sold at affordable prices to moderate-income households (households earning 120% of the Area Median Income or less). If this option is selected by the developer, prior to the approval of the Final Map, an Affordable Housing Plan (AHP) shall be submitted and approved by the Planning Director. The AHP shall conform to the requirements of the AHO and will memorialize the obligations relevant to compliance with AHO provisions by the project owner. The AHO also allows developers the option to pay an Affordable Housing Impact Fee as established in the City's Master Fee Schedule. Affordable Housing Impact fees shall be paid either prior to issuance of a building permit or prior to approval of a final inspection or issuance of an occupancy permit. Regardless of the timing for payment of the fees chosen, no final inspection will be approved and no occupancy permit will be issued for any dwelling unit unless all applicable Affordable Housing Impact Fees have been paid in full.
120. The Stormwater Treatment Measures Maintenance Agreement, prepared by Public Works Engineering and Transportation Division Staff, shall be signed and recorded in concurrence with the Final Map at the Alameda County Recorder's Office to ensure that the maintenance is bound to the property in perpetuity.

AT BUILDING PERMIT APPLICATON SUBMITTAL

121. On plans to be submitted for building permit, a structural engineer is responsible for incorporating recommend mitigation measures of the revised geotechnical report prepared by Geotechnical Engineering, dated October 7, 2013
122. Prior to building permit issuance, developer shall execute a public improvement agreement and post bonds with the City that shall secure the construction of the public improvements. Insurance shall be provided per the terms of the agreement.
123. The Plans for building permit shall be in substantial conformance with the conditions of approval and improvement plans and shall be submitted in after the improvement plans are approved and the Final Map is recorded.
124. The applicant shall submit revised project plans for review and approval by the Planning Director that clearly shows the details of each project amenity. Such project amenity details shall be included in the Building Permit submittal for final approval.

125. The Building Permit Plans shall include the following information and/or details:
- a. A copy of these conditions of approval shall be included on a full-sized sheet(s).
 - b. Proposed location for construction staging, designated areas for construction employee parking (on- and off-site), construction office, sales office (if any), hours of construction, provisions for vanpooling construction workers or having them use transit to access the site, provisions for noise and dust control, and common area landscaping.
 - c. Details of address numbers shall be provided. Address number shall be decorative. Building addresses shall be minimum four-inch self-illuminated or six-inch on contrasting background. Address numbers shall be installed so as to be visible from the street.
 - d. Proposed locations, heights, materials and colors of all walls and fences.
 - e. A minimum of one exterior hose bib shall be provided for each residential unit.
 - f. Proposed pavement materials for all drive aisles, parking areas, and pedestrian paths. Surfaces indicated on the approved plans, Exhibit A, shall be enhanced by the use of decorative pavement materials such as colored, stamped concrete (bomanite or equal), brick, concrete interlocking pavers or other approved materials.
 - g. Proposed mailbox design and locations, subject to Post Office approval.
Locking mail and parcel boxes are required.
 - h. The final lighting plan is to be prepared by a qualified illumination engineer shall be included to show exterior lighting design. Exterior lighting shall be erected and maintained so that adequate lighting is provided along the private street. All drive aisles shall have decorative lights with LED luminaires. Please indicate locations on the final lighting plan and include elevations of the light standards. The Planning Director shall approve the design and location of lighting fixtures, which shall reflect the architectural style of the building(s). Exterior lighting shall be shielded and deflected away from neighboring properties and from windows of houses within the project.
 - i. All air conditioners and utility connections for air conditioners shall be located behind solid board fences or walls and shall not exceed the height of the fence or wall, unless otherwise approved. Infrastructure for air conditioning systems is required to be installed as a standard feature.
 - j. Proposed color and materials board for all buildings, fences and walls. No changes to colors shall be made after construction unless approved by the Planning Director.
 - k. All above-ground utility meters, mechanical equipment and water meters shall be enclosed within the buildings or shall be screened with shrubs and/or an architectural screen.
 - l. No mechanical equipment, other than solar panels, shall be placed on the roof unless it is completely screened from view by the proposed roof structure. All roof vents shall be shown on roof plans and elevations. Vent piping shall not extend higher than required by building code. Roof apparatus, such as vents, shall be painted to match the roof color.
 - m. All decorative window treatments shall be extended to all elevations.

- n. An area within each garage for individual garbage and recycling receptacles shall be provided and shall be clear of the required area for two cars. As an alternative, an area within the fenced side yard may be used for the garbage and recycling containers but shall be shown.
 - o. All parking stall dimensions shall conform to the City's Off-street Parking Ordinance. All two car garages shall have minimum interior dimensions of twenty-foot width by nineteen-foot depth. The dimensions shall be shown on plans. No doors, stairs, landings, laundry facilities, trash/recycle/organics containers or HVAC shall project within the required interior parking areas.
126. To avoid or reduce the potential impact related to the site specific geotechnical hazards related to seismic hazards, the project developer shall implement the following mitigation measures:
- a. The applicant shall submit a final grading plan subject to review by the City Engineer prior to issuance of grading permits.
 - b. New construction will comply with the the Hayward Building Code and mitigation measures outlined in the Geotechnical Investigation report.
 - c. For each building constructed in the development plan area, the required site specific geotechnical investigation shall address expansive soils and provide appropriate engineering and construction techniques to reduce potential damage to buildings.
 - d. To reduce the potential impacts related to the presence of low to moderately expansive clays in the subsurface soils of the project site, mitigation measures to avoid the effects of expansive soils outlined in the Geotechnical Investigation shall be followed.
127. Details of all project amenities shall be submitted for review and approval by the Planning Director prior to submittal for building permit.
128. All final exterior building finishes, paint colors and other architectural details shall be reviewed and approved by the Planning Division in accordance with the City of Hayward's Design Guidelines prior to issuance of a building permit for the project.

PRIOR TO ISSUANCE OF BUILDING OR GRADING PERMITS AND CONSTRUCTION WITH COMBUSTIBLE MATERIALS

129. The developer shall provide evidence of filing of a Notice of Intent (NOI) with the State Water Resources Control Board.
130. Pursuant to the Municipal Code Section 10-3.332, the developer shall execute a subdivision agreement and posts with the City that shall secure the construction of the public improvements. Insurance shall be provided per the terms of the subdivision agreement.
131. Prior to issuance of building permits, a final map that reflects and is in substantial compliance with the approved vesting tentative tract map, shall be approved by the City Engineer and recorded or in the process for filing with the office of the Alameda County Clerk Recorder.

132. Submit the following documents for review and approval, for City project records/files:
 - a. Copy of the Notice of Intent filed with the State Water Resources Control Board;
 - b. Engineer's estimate of costs, including landscape improvements;
 - c. Signed Final Map;
 - d. Signed Subdivision Agreement;
 - e. Certificate of Insurance; and
 - f. Subdivision bonds.

133. Plans for building permit applications shall incorporate the following:
 - a. The approved Improvement Plan; and
 - b. The approved Landscaping and Irrigation Plan.
 - c. A copy of these conditions of approval shall be included on a full-sized sheet(s) in the plan set.
 - d. A lighting plan prepared by a qualified illumination engineer shall be included to show exterior lighting design. All exterior lighting shall be designed by a qualified lighting designer and erected and maintained so that light is confined to the property and will not cast direct light or glare upon adjacent properties or public rights-of-way. Such lighting shall also be designed such that it is decorative and in keeping with the design of the development. Exterior lighting shall be erected and maintained so that adequate lighting is provided in all common areas. The Planning Director or his/her designee shall approve the design and location of lighting fixtures, which shall reflect the architectural style of the buildings. Exterior lighting shall be shielded and deflected away from neighboring properties and from windows of proposed buildings.
 - e. Plans shall show that all utilities will be installed underground.

134. Required water system improvements shall be completed and operational prior to the start of combustible construction.

135. The developer/subdivider shall be responsible to adhere to all aspects of the approved Storm Water Pollution Prevention Plan (SWPPP) per the aforementioned condition of approval.

136. A representative of the project soils engineer shall be on the site during grading operations and shall perform such testing as deemed necessary by the City Engineer. The representative of the soils engineer shall observe all grading operations and provide any recommended corrective measures to the contractor and the City Engineer.

137. The minimum soils sampling and testing frequency shall conform to Chapter 8 of the Caltrans Construction Manual. The subdivider shall require the soils engineer to daily submit all testing and sampling and reports to the City Engineer.

PRIOR TO COMPLETION OF SITE IMPROVEMENTS AND ISSUANCE OF CERTIFICATES OF OCCUPANCY**During Construction**

138. The developer shall ensure that unpaved construction areas are sprinkled with water as necessary to reduce dust generation. Construction equipment shall be maintained and operated in such a way as to minimize exhaust emissions. If construction activity is postponed, graded or vacant land shall immediately be revegetated.
139. The following control measures for construction noise, grading and construction activities shall be adhered to, unless otherwise approved by the Planning Director or City Engineer:
- a. Grading and site construction activities shall be limited to the hours 7:00 a.m. to 7:00 p.m. Monday through Saturday and 10:00 a.m. to 6:00 p.m. Sunday and Holidays. Grading hours are subject to the City Engineer's approval. Building construction hours are subject to Building Official's approval.
 - b. Grading and construction equipment shall be properly muffled.
 - c. Unnecessary idling of grading and construction equipment is prohibited.
 - d. Stationary noise-generating construction equipment, such as compressors, shall be located as far as practical from occupied residential housing units.
 - e. Applicant/developer shall designate a "noise disturbance coordinator" who will be responsible for responding to any local complaints about construction noise. Letters shall be mailed to surrounding property owners and residents within 300 feet of the project boundary with this information and a copy provided to the Planning Division.
 - f. The developer shall post the property with signs that shall indicate the names and phone number of individuals who may be contacted, including those of staff at the Bay Area Air Quality Management District, when occupants of adjacent residences find that construction is creating excessive dust or odors, or is otherwise objectionable. Letters shall also be mailed to surrounding property owners and residents with this information prior to commencement of construction and a copy provided to the Planning Division.
 - g. Daily clean-up of trash and debris shall occur on public streets adjacent to the project site and other neighborhood streets utilized by construction equipment or vehicles making deliveries.
 - h. Gather all construction debris on a regular basis and place them in a dumpster or other container which is emptied or removed on a weekly basis. When appropriate, use tarps on the ground to collect fallen debris or splatters that could contribute to storm water pollution;
 - i. Remove all dirt, gravel, rubbish, refuse and green waste from the sidewalk, street pavement, and storm drain system adjoining the project site. During wet weather, avoid driving vehicles off paved areas and other outdoor work.
 - j. The site shall be watered twice daily during site grading and earth removal work, or at other times as may be needed to control dust emissions.
 - k. All grading and earth removal work shall follow remediation plan requirements, if soil contamination is found to exist on the site.

- l. Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved access roads, parking areas and staging areas at construction sites.
 - m. Sweep daily (with water sweepers) all paved access roads, parking areas and staging areas at construction sites.
 - n. Sweep public streets daily if visible soil material is carried onto adjacent public streets.
 - o. Apply (non-toxic) soil stabilizers or hydroseed to inactive construction areas (previously graded areas inactive for ten-days or more).
 - p. Enclose, cover, water twice daily or apply (non-toxic) soil binders to exposed stockpiles (dirt, sand, etc.).
 - q. Broom sweep the sidewalk and public street pavement adjoining the project site on a daily basis. Caked on mud or dirt shall be scraped from these areas before sweeping;
 - r. No site grading shall occur during the rainy season, between October 15 and April 15, unless approved erosion control measures are in place.
 - s. Install filter materials (such as sandbags, filter fabric, etc.) at the storm drain inlet nearest the downstream side of the project site prior to: 1) start of the rainy season; 2) site dewatering activities; or 3) street washing activities; and 4) saw cutting asphalt or concrete, or in order to retain any debris or dirt flowing into the City storm drain system. Filter materials shall be maintained and/or replaced as necessary to ensure effectiveness and prevent street flooding. Dispose of filter particles in the trash.
 - t. Create a contained and covered area on the site for the storage of bags of cement, paints, flammables, oils, fertilizers, pesticides or any other materials used on the project site that have the potential for being discharged to the storm drain system through being windblown or in the event of a material spill.
 - u. Never clean machinery, tools, brushes, etc., or rinse containers into a street, gutter, storm drain or stream. See "Building Maintenance/Remodeling" flyer for more information;
 - v. Ensure that concrete/gunite supply trucks or concrete/plasters finishing operations do not discharge washwater into street gutters or drains.
 - w. The developer shall immediately report any soil or water contamination noticed during construction to the City Fire Department Hazardous Materials Division, the Alameda County Department of Health and the Regional Water Quality Control Board.
140. In the event that human remains, archaeological resources, prehistoric or historic artifacts are discovered during construction of excavation, the following procedures shall be followed: Construction and/or excavation activities shall cease immediately and the Planning Division shall be notified. A qualified archaeologist shall be retained to determine whether any such materials are significant prior to resuming groundbreaking construction activities. Standardized procedure for evaluation accidental finds and discovery of human remains shall be followed as prescribed in Sections 15064.f and 151236.4 of the California Environmental Quality Act.
141. The developer shall comply with standards identified in General Plan, Table HAZ-1 – Exterior Noise Standards for Various Land Uses. The common group open space and all exterior areas shall meet the Highest Level of Exterior Noise Exposure that is

Regarded as “Normally Acceptable” for Highest Level of Exterior Noise Exposure that is Regarded as “Normally Acceptable” for Townhomes, Multi-Family Apartments and Condominiums as specified in Table HAZ-1. Measures to ensure compliance with such standards shall be developed by a state licensed acoustical engineer and incorporated into building permit plans, to be confirmed by the Planning and Building Divisions. Also, confirmation by a state licensed acoustical engineer that such standards are met shall be submitted after construction and prior to issuance of certificates of occupancy.

142. Prior to the issuance of Certificate of Occupancy, all landscape and irrigation shall be completed and installed in accordance with the approved plan and accepted by the project landscape architect prior to submitting a Certificate of Completion. The final acceptance form must be submitted prior to requesting an inspection with the City Landscape Architect. An Irrigation Schedule shall be submitted prior to the final inspection and acceptance of landscape improvements.
143. Landscape and tree improvements shall be installed according to the approved plans prior to the occupancy of each building. All common area landscaping, irrigation, and other required improvements shall be installed prior to acceptance of tract improvements, or occupancy of 80% of the dwelling units, whichever first occurs, and a Certificate of Completion, as-built Mylar and an Irrigation Schedule shall be submitted prior to the Final Approval of the landscaping for the Tract to the Public Works – Engineering and Transportation Department by the developer.

Homeowners’ Association (HOA)

144. Prior to the sale of any parcel, or prior to the acceptance of site improvements, whichever occurs first, Conditions, Covenants and Restrictions (CC&R’s) creating a homeowners association (HOA) for the property shall be reviewed and approved by the Planning Director and City Attorney and recorded. The CC&R’s shall describe how the storm drain system, including stormwater treatment facilities BMP, private street and infrastructure, common landscaping areas and amenities for the developments shall be maintained by the association. The CC&Rs shall include the following provisions:
 - a. The CC&Rs shall include provisions to allow future adjacent developments to annex into HOA if appropriate.
 - b. Each owner shall automatically become a member of the association and shall be subject to a proportionate share of maintenance expenses.
 - c. A reserve fund shall be maintained to cover the costs of improvements and landscaping to be maintained by the Association.
 - d. The HOA shall be managed and maintained by a professional property management company.
 - e. The HOA shall own and maintain the private access roads and driveways *Drive Aisle A, Drive Aisle B, Drive Aisle C, and Drive Aisle D.*
 - f. The HOA shall own and maintain the on-site storm drain system.
 - g. The HOA shall maintain the common area irrigation system and maintain the common area landscaping in a healthy, weed-free condition at all times. The HOA representative(s) shall inspect the landscaping on a monthly basis and

any dead or dying plants (plants that exhibit over 30% die-back) shall be replaced within fifteen days of notification to the homeowner. Plants in the common areas shall be replaced within two weeks of the inspection. Trees shall not be severely pruned, topped or pollarded. Any trees that are pruned in this manner shall be replaced with a tree species selected and size determined by the City Landscape Architect, within the timeframe established by the City and pursuant to the Hayward Municipal Code.

- h. A provision that if the HOA fails to maintain the common outdoor patio areas, and all other landscaping and irrigation in all other common areas for which it is responsible so that owners, their families, tenants, or adjacent owners will be impacted in the enjoyment, use or property value of the project; the City shall have the right to enter upon the project and to commence and complete such work as is necessary to maintain the common areas and private streets, after reasonable notice, and lien the properties for their proportionate share of the costs, in accordance with Section 10-3.385 of the Hayward Subdivision Ordinance.
- i. A provision that the building exteriors and fences shall be maintained free of graffiti. The owner's representative shall inspect the premises on a weekly basis and any graffiti shall be removed within forty-eight hours of inspection or within forty-eight hours of notification by the City.
- j. A tree removal permit is required prior to the removal of any protected tree, in accordance with the City's Tree Preservation Ordinance.
- k. The garage of each unit shall be maintained for off-street parking of two vehicles and shall not be converted to living or storage areas. An automatic garage door opening mechanism shall be provided for all garage doors.
- l. The residents shall not use common parking spaces for storage of recreational vehicles, camper shells, boats or trailers. These parking spaces shall be monitored by the HOA. The CC&R's shall include authority for the HOA to tow illegally-parked vehicles.
- m. Individual homeowners shall maintain in good repair the exterior elevations of their dwelling. The CC&Rs shall include provisions as to a reasonable time period that a unit shall be repainted, the limitations of work (modifications) allowed on the exterior of the building, and the right of the home owners association to have necessary work done and to place a lien upon the property if maintenance and repair of the unit is not executed within a specified time frame. The premises shall be kept clean and free of debris at all times. Color change selections shall be compatible with the existing setting.
- n. The HOA shall maintain all fencing, parking surfaces, common landscaping, lighting, drainage facilities, project signs, exterior building elevations, etc. The CC&Rs shall include provisions as to a reasonable time period that the building shall be repainted, the limitations of work (modifications) allowed on the exterior of the buildings, and its power to review changes proposed on a building exterior and its color scheme, and the right of the home owners association to have necessary work done and to place a lien upon the property if maintenance and repair of the unit is not executed within a specified time frame. The premises shall be kept clean.
- o. Any future major modification to the approved site plan shall require review

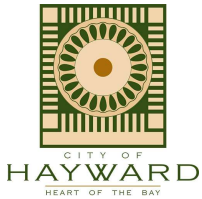
- and approval by the Planning Commission.
- p. On-site streetlights and pedestrian lighting shall be owned and maintained by the HOA and shall have a decorative design approved by the Planning Director and the City Engineer.
 - q. Street sweeping of the private street and private parking stalls shall be conducted at least once a month.
 - r. Balconies may not be used for storage and personal items may not be draped over the railings.
 - s. The association shall ensure that no less than 75 percent of the units shall be owner-occupied. The CC&Rs shall further provide that the leasing of units as a regular practice for business, speculative investment or other similar purpose is not permitted. However, to address special situations and avoid unusual hardship or special circumstances, such as a loss of job, job transfer, military transfer, change of school or illness or injury that, according to a doctor, prevents the owner from being employed, the CC&Rs may authorize the governing body to grant its consent, which consent shall not be unreasonably withheld, to a unit owner who wishes to lease or otherwise assign occupancy rights to a specified lessee for a specified period.
 - t. The on-site storm drain system shall be privately owned and maintained by the Homeowners' Association.
 - u. **Connectivity with properties to the north is required.**

PRIOR TO THE ISSUANCE OF CERTIFICATE OF OCCUPANCY OR FINAL REPORT

- 145. Prior to final inspections, all pertinent conditions of approval and all improvements shall be completed to the satisfaction of the Planning Director.
- 146. All common area landscaping, irrigation and other required improvements shall be installed according to the approved plans.
- 147. All public improvements, including the complete installation of all improvements relative to streets, fencing, sanitary sewer, storm drainage, water system, underground utilities, etc., shall be completed and attested to by the City Engineer before approval of occupancy of any unit. Where facilities of other agencies are involved, such installation shall be verified as having been completed and accepted by those agencies.
- 148. Park Dedication In-Lieu Fees are required for all new dwelling units. Fees shall be those in effect at the time of the Vesting Tentative Tract Map is approved. All Park dedication in-lieu fees shall be paid prior to issuance of a Certificate of Occupancy for a residential unit.
- 149. Landscaping shall be maintained in a healthy, weed-free condition at all times and shall be designed with efficient irrigation practices to reduce runoff, promote surface filtration, and minimize the use of fertilizers and pesticides, which can contribute to runoff pollution. The owner's representative shall inspect the landscaping on a monthly basis and any dead or dying plants (plants that exhibit over thirty percent dieback) shall be replaced within ten days of the inspection.

Three inches deep mulch should be maintained in all planting areas. Mulch should be organic recycled chipped wood in the shades of Dark Brown Color. Trees shall not be severely pruned, topped or pollarded. Any trees that are pruned in this manner shall be replaced with a tree species selected by, and size determined by the City Landscape Architect, within the timeframe established by the City and pursuant to the Municipal Code. Irrigation system shall be tested periodically to maintain uniform distribution of irrigation water; irrigation controller shall be programmed seasonally; irrigation system should be shut-off during winter season; and the whole irrigation system should be flushed and cleaned when the system gets turn on in the spring.

150. The developer/subdivider shall be obligated for the following additional fees. The amount of the fee shall be in accordance with the fee schedule in effect at the time Vesting Tentative Tract Map was accepted as complete, unless otherwise indicated herein: Supplemental Building Construction and Improvement Tax, and School Impact Fee.
151. Final Hayward Fire Department inspection is required to verify that requirements for fire protection facilities have been met and actual construction of all fire protection equipment have been completed in accordance with the approved plan. Contact the Fire Marshal's Office at (510) 583-4910 at least twenty-four hours before the desired final inspection appointment.
152. The improvements associated with the Pacific Gas and Electric Company, AT&T (telephone) company, and local cable company shall be installed to the satisfaction of the respective companies.
153. The Stormwater Treatment Measures Maintenance Agreement for the project, prepared by Public Works Engineering and Transportation Division staff, shall be signed and recorded in concurrence with the Final Map at the Alameda County Recorder's Office to ensure that the maintenance is bound to the property in perpetuity.
154. The developer/subdivider shall submit "as built" plans and final reports for the following:
 - a. Final Storm Water Management Plan (SWMP) prepared by a QSD and signed by a Qualified Inspector;
 - b. AutoCAD file format (release 2010 or later) in a CD of approved final map and 'as-built' improvement plans showing landscape and irrigation improvements, lot and all underground facilities, sanitary sewer mains and laterals, water services (including meter locations), Pacific Gas and Electric, AT&T (phone) facilities, local cable company, etc. that can be used to update the City's Base Maps; and
 - c. Final Geotechnical Report.



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-233

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT

Adoption of a Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with CSG Consultants, Inc., for Development Review Services in the Planning Division, and Revise the Compensation by an Additional \$170,000, for a Total Amount Not to Exceed \$300,000

RECOMMENDATION

That the Council adopts the attached resolution authorizing the City Manager to execute an amendment to a contract for professional services with CSG Consultants, Inc., (CSG) to perform the duties of the vacant Development Review Specialist position in the Planning Division of the Development Services Department through November 30, 2016. The total contract amount will not exceed \$300,000 after this amendment is approved.

BACKGROUND AND DISCUSSION

The Development Services Department employs a Development Review Engineer, and Development Review Specialist within the Planning Division. These positions are responsible for providing support at Hayward's One Stop Permit Center related to engineering inquiries, as well as lead the processing of all applications for subdivision maps, lot line adjustments, lot mergers and lot splits, and associated encroachment permits. The Development Review Specialist position became vacant effective April 3, 2015, and the City's long-time Development Review Engineer resigned effective April 27, 2015. Given that both of these positions are currently vacant, it is critical that an alternative method for providing these services is utilized while the City recruits for these positions.

On May 18, 2015, the City entered into an Agreement for up to \$25,000 with CSG Consultants Inc., to provide Development Review services. CSG provided three qualified candidates for consideration. Babak Kaderi was selected to handle the responsibilities of Development Review Specialist at a rate of \$145 per hour, working three days per week.

Resolution 15-095 was approved by Council on June 9, 2015 to amend the agreement and increase the compensation amount to \$130,000. Due to the increased workload, it has been necessary for Mr. Kaderi to work four days per week in order to continue serving customers in a timely manner. Also, CSG increased its hourly rate to \$150 per hour effective January 1, 2016.

The Development Review Section of the Planning Division is unique, in that it requires engineering knowledge and capabilities within the Planning Division, whose primary function is to process subdivision maps. The positions within the Development Review Section require the ability to coordinate with the Public Works Department, as well as other City departments, related to processing such maps, as well as performing other related engineering functions and providing support at the Permit Center.

Staff is working with the Human Resources Department in researching the position titles, specifications and salary rates utilized by other cities to handle these responsibilities. The ability to extend the Agreement with CSG will allow staff to develop the best approach for recruiting qualified candidates for the Development Review Specialist.

FISCAL IMPACT

	<u>Approval Date</u>	<u>Amount</u>	<u>Total/Not-To-Exceed Amount</u>
Original Agmt.	5-18-15	\$25,000	\$25,000
1st Amdmt.	6-9-15 (15-095)	\$105,000	\$130,000
2 nd Amdmt.	5-17-16(requested)	\$170,000	\$300,000

The increased compensation amount of \$170,000 for this amendment for this professional services agreement will be offset by salary savings of approximately \$665,000 this fiscal year due to vacancies in the Development Services Department, and will be covered within the approved budget.

PUBLIC CONTACT

No public contact has occurred associated with this action.

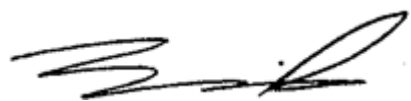
NEXT STEPS

If the Council approves the attached resolution, staff will prepare Amendment No. 2 to the Agreement between the City of Hayward and CSG Consultants.

Prepared by: Jade Kim, Management Analyst I

Recommended by: David Rizk, Development Services Director

Approved by:



Fran David, City Manager

File #: CONS 16-233

Attachments:

Attachment I

Resolution

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CSG CONSULTANTS, INC., FOR DEVELOPMENT REVIEW SERVICES, IN AN AMOUNT NOT TO EXCEED \$300,000.

WHEREAS, City of Hayward Development Services Department employs a Development Review Engineer, and Development Review Specialist within the Planning Division; and

WHEREAS, both of these positions are currently vacant; and

WHEREAS, an Agreement with CSG Consultants Inc., was executed on May 18, 2015, to provide Development Review Specialist services to the City of Hayward for an amount not to exceed \$25,000; and

WHEREAS, Amendment #1 to the Agreement with CSG Consultants Inc., was executed on June 11, 2015, to provide Development Review Specialist services to the City of Hayward for an amount not to exceed \$130,000; and

WHEREAS, staff is researching the position titles, specifications and salary rates utilized by other cities to handle these responsibilities; and

WHEREAS, the ability to extend the Agreement with CSG will allow staff time to develop the best approach for recruiting qualified candidates for both the Development Review Specialist position.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Hayward, hereby authorizes the City Manager to execute an second amendment to the City's Agreement with CSG Consultants Inc., increasing the budget amount by \$170,000 for a total contract amount not to exceed \$300,000, and extend the term of the agreement no later than November 30, 2016.

IN COUNCIL, HAYWARD, CALIFORNIA, _____

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-234

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT

Adoption of a Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with 4Leaf, Inc., to Provide Additional Building Official Services through end of July of 2016

RECOMMENDATION

That the Councils adopts the attached resolution, authorizing the City Manager to execute an amendment to a contract for professional services with 4Leaf, Inc., (4Leaf) to perform the duties of the vacant City Building Official position through July 31, 2016. The new total contract amount with this amendment will not exceed \$170,000.

BACKGROUND

The primary function of the Building Division is to enforce the City's construction codes, which are based on the California Code of Regulations, Title 24 Building Code, Mechanical Code, Electrical Code and Plumbing Code; and oversee plan checking, issuance of permits, and construction inspections based on these codes and standards. The position of City Building Official is required by law, and is vital to the day-to-day operations and oversight of the Building Division. In support of the Building Official, there is a Supervising Building Inspector who supervises three Senior Building Inspectors, three Building Inspectors, outside contract inspectors, and an Administrative Clerk; and a Supervising Plan Checker/Expediter who supervises a Plan Check Engineer, a Senior Plan Checker, a Plan Checker, a Senior Permit Technician, four Permit Technicians; a Permit Center Administrative Clerk; and a Secretary.

DISCUSSION

The Development Services Department currently employs twenty full-time positions in the Building Division, which is managed and overseen by the City Building Official. The position of City Building Official has been vacant since June 2014 due to difficulty in finding a successful candidate for the position. Recruitment efforts have continued with the assistance of the Human Resources Department, and an outside recruiting firm. Applications have been reviewed, and the initial interviews were conducted on April 22nd. Staff anticipates having a permanent City Building Official by the end of the fiscal year. It would be beneficial to retain Fred Cullum, Acting Building Official, through 4Leaf through end of July in order to assist with the transition period.

Staff seeks Council authorization for the City Manager to execute a second amendment for up to \$55,000 to the Agreement with 4Leaf Inc., to continue providing Building Official services through the end of July, for a new total contract amount not to exceed \$170,000. Below is a breakdown of the agreement and amendment amounts, which are reflected in the attached resolution.

	<u>Council Approval</u> <u>Date (Reso. No.)</u>	<u>Services</u> <u>Through...</u>	<u>Amount</u>	<u>Total/Not-To-Exceed Amount</u>	
Original Agmt.		1-27-15 (15-015)		June 30, 2015	\$80,000 \$80,000
1st Amdmt.	10-27-15 (15-198)	June 30, 2016	\$35,000		\$115,000
2 nd Amdmt.	5-17-16(requested)	July 31, 2016	\$55,000		\$170,000

FISCAL IMPACT

All costs for the professional services agreement for Building Official services will be offset by salary savings from the vacant authorized position of City Building Official within the Development Services Department FY 2016 approved budget (\$219,711 budgeted position for FY 2016).

PUBLIC CONTACT

No public contact has occurred associated with this action.

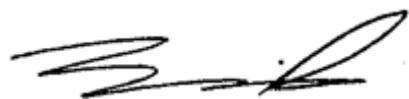
NEXT STEPS

If the Council approves the attached resolution, staff will prepare Amendment #2 to the Agreement between the City of Hayward and 4Leaf Inc.

Prepared by: Jade Kim, Management Analyst I

Recommended by: David Rizk, Development Services Director

Approved by:



Fran David, City Manager

Attachments:

Attachment I

Resolution

HAYWARD CITY COUNCIL
RESOLUTION NO. 16-

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN
AMENDMENT TO THE AGREEMENT WITH 4LEAF, INC., TO PROVIDE
CITY BUILDING OFFICIAL SERVICES.

WHEREAS, California state law requires that all local government agencies have a certified Building Official to ensure the compliance with the California Building Standards Code in Title 24, California Code Regulations; and

WHEREAS, the position of City Building Official has been vacant since June, 2014; and

WHEREAS, the City began the recruiting for the position of City Building Official in September 2014, and it was determined that no candidates were available that met the expectations and demand of the Building Official position; and

WHEREAS, 4Leaf, Inc., is able to provide qualified Building Official services for an interim period until recruitment is anticipated to be completed; and

WHEREAS, City Council approved Resolution 15-015, authorizing the City Manager to negotiate and execute an Agreement with 4Leaf, Inc., to provide temporary Building Official services through December 31, 2015, for an amount not to exceed \$80,000.

WHEREAS, the City executed an agreement with 4Leaf, Inc., on January 30, 2015

WHEREAS, the City has continued to recruit for the position of City Building Official; and

WHEREAS, the additional cost for such services can be accommodated with salary savings within the FY 2016 Building Division budget.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Hayward hereby authorizes the City Manager to execute an Amendment to the Agreement with 4Leaf, Inc., for Building Official services through July 30, 2016, for a revised compensation amount not to exceed \$170,000, and in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2015.

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-235

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT

Adoption of a Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with Willdan Engineering, Inc., for Development Review Services in the Planning Division, to Increase the Compensation Amount an Additional \$90,000 for a Total Amount not to Exceed \$180,000, and Extend the Term to August 31, 2016

RECOMMENDATION

That the Council adopts the attached resolution, authorizing the City Manager to execute an amendment to a contract for professional services with Willdan Engineering, Inc., (Willdan) to perform the duties of the vacant Development Review Engineer position in the Planning Division of the Development Services Department through August 31, 2016. The total amended contract amount will not exceed \$180,000.

BACKGROUND AND DISCUSSION

The Development Services Department employs a Development Review Engineer, and Development Review Specialist within the Planning Division. These positions are responsible for providing support at Hayward's One Stop Permit Center related to engineering inquiries, as well as lead the processing of all applications for subdivision maps, lot line adjustments, lot mergers and lot splits, and associated encroachment permits. The Development Review Specialist position became vacant effective April 3, 2015, and the City's long-time Development Review Engineer resigned effective April 27, 2015. Given that both of these positions are currently vacant, it is critical that an alternative method for providing these services is utilized while the City recruits for these positions.

On May 18, 2015, the City entered into an Agreement with Willdan Engineering for an amount not to exceed \$25,000, to provide an on-site temporary employee to perform the duties of the Development Review Engineer. Peter Rei has been handling the responsibilities of Development Review Engineer at a rate of \$112 per hour, working three days per week.

On July 15, 2015, Council approved Resolution 15-118 authorizing an amendment of the agreement between the City and Willdan, increasing the compensation to a total amount not to exceed \$90,000.

Along with the oversight of the functions related to engineering review of private land development, the Development Review Engineer also coordinates and reviews the Engineer's Reports for the Landscape &

Lighting Districts (LLD) and Maintenance Districts (MD) within the City of Hayward. The consultant Engineer of Record for the LLDs/MDs has recently started the process of preparing the FY 2017 Engineer's Reports. It is desirable for Mr. Rei to complete the LLD/MDs process, as well as transition other projects to a newly hired Development Review Engineer, once a selection has been made.

The rates for Mr. Rei increased to \$125 per hour, effective January 1, 2016. Therefore, staff recommends that the agreement between Willdan Engineering and the City of Hayward be amended in order to increase the compensation by an additional \$90,000, to a total amount not to exceed \$180,000, and extend the term to not later than August 31, 2016.

The Development Review Section of the Planning Division is unique, in that it requires engineering knowledge and capabilities within the Planning Division, whose primary function is to process subdivision maps. The positions within the Development Review Section requires the ability to coordinate with the Public Works Department, as well as other City departments, related to processing such maps, as well as performing other related engineering functions and providing support at the Permit Center. The Development Review Engineer also provides recommendations and oversees the engineer's reports and budgets related to the City's Landscape and Lighting District and two Maintenance Districts.

Development Services Department staff has been working with Human Resources staff to establish a strategy for the recruitment of the Development Review Engineer. Staff also attempted to recruit from the Senior Engineer candidates' list established by Public Works approximately one year ago, but was not successful in finding a candidate. After researching different options, it was decided that the position title would be changed to Senior Civil Engineer with modifications with the job specification that identified the responsibilities when assigned to Development Services. These changes were approved by the Personnel Commission at the April 28, 2016 meeting. Human Resources posted a continuous, open recruitment for Senior Civil Engineer (Development Services Department). The first round of applications were reviewed, and as a result, there are five potential candidates. It is anticipated that a permanent Development Review Engineer will be hired sometime in July.

FISCAL IMPACT

	<u>Approval Date (Reso. No.)</u>	<u>Amount</u>	<u>Total/Not-To-Exceed Amount</u>	
Original Agmt.	5-18-15		\$25,000	\$25,000
1st Amdmt.	7-15-15 (15-118)	\$65,000	\$90,000	
2 nd Amdmt.	5-17-16(requested)	\$90,000	\$180,000	

The increased compensation amount of \$90,000 to amend this professional services agreement will be offset by salary savings of \$665,000 in the Development Services Department's FY 2016 budget, including \$184,000 from the vacant Development Review Engineer position,, and will be covered within the approved budget.

File #: CONS 16-235

PUBLIC CONTACT

No public contact has occurred associated with this action.

NEXT STEPS

If the Council approves the attached resolution, staff will prepare Amendment #2 to the Agreement between the City of Hayward and Willdan Engineering.

Prepared by: Jade Kim, Management Analyst I

Recommended by: David Rizk, Development Services Director

Approved by:



Fran David, City Manager

Attachments:

Attachment I

Resolution

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH WILLDAN ENGINEERING, FOR DEVELOPMENT REVIEW ENGINEER SERVICES, IN AN AMOUNT NOT TO EXCEED \$180,000.

WHEREAS, the position of Development Review Specialist became vacant on April 2, 2015; and

WHEREAS, the position of Development Review Engineer became vacant on April 27, 2015; and

WHEREAS, both of these positions require basic to complex knowledge of engineering and surveying principles; and

WHEREAS, an Agreement with Willdan Engineering, was executed on May 18, 2015, to provide development review services to the City of Hayward for an amount not to exceed \$25,000; and

WHEREAS, an amendment to the Agreement was executed on August 20, 2015 increasing the amount of the compensation to \$90,000; and

WHEREAS, it is necessary to extend the term of this agreement, and therefore increase the budget an additional \$90,000 to an amount not to exceed \$180,000, in order complete the recruitment process and transition projects; and

WHEREAS, the costs for this agreement will be offset by the salary vacancy savings.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Hayward, hereby authorizes the City Manager to execute an amendment to the City's Agreement with Willdan Engineering, approving the revised term to no later than August 31, 2016, and increasing the budget amount for a total not to exceed \$180,000.

IN COUNCIL, HAYWARD, CALIFORNIA, _____

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-243

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

Mission Boulevard and Blanche Street & Gading Road and Huntwood Way Intersections Safety Improvements: Approval of Plans and Specifications and Call for Bids

RECOMMENDATION

That Council adopts the attached resolution (Attachment I) approving the plans and specifications for the Mission Boulevard and Blanche Street Intersection; and Gading Road and Huntwood Way Intersection Safety Improvements, and calling for bids to be received on June 14, 2016.

BACKGROUND

A City-wide traffic safety improvement study identified the need for improvements at the intersections of Mission Boulevard and Blanche Street, as well as at Gading Road and Huntwood Way. At the intersection of Mission Boulevard and Blanche Street, the pedestrian crosswalk is unprotected across four lanes of Mission Blvd traffic. This crosswalk is used by school children going to and from the Conley-Caraballo High School near this intersection. At the intersection of Gading Road and Huntwood Way, there is an unsafe left turn movement from Huntwood Way into Gading Road, and an unprotected left turn movement from Gading Road into Huntwood Way.

In early 2013, staff applied for federal Highway Safety Improvement Program (HSIP) funding and received \$396,000 to improve the above mentioned intersections. The project location map is referenced in Attachment II.

DISCUSSION

Collision data demonstrated a pattern of high-collision locations centered around the above noted intersections. Broadside, sideswipe, rear-end, and vehicle-pedestrian collisions were the most common types of collisions at these intersections. Expressed community concerns and requests for improvements were consistent with the collision data. This improvement project will mitigate the identified safety issues.

The improvements will include the following:

- (1) Mission Boulevard & Blanche Street - Installation of a pedestrian-activated hybrid beacon, high-intensity crosswalk signal, and updating the crosswalk striping at this intersection. This will bring greater driver awareness to the presence of pedestrians. This intersection meets the warrants for a full traffic signal system. The future Mission Boulevard Corridor Improvements project will further modify this intersection and install a full traffic signal system.
- (2) Gading Road & Huntwood Way - Installation of a new traffic signal system at the intersection will provide a signalized intersection and protected left turn movements into Gading Road and Huntwood Way.

In addition to the specific improvements described above, this project will also reconstruct existing curb ramps that are not ADA compliant and will restripe crosswalks in the immediate project area.

Since this project is partly funded with federal funds, the federal Disadvantaged Business Enterprise (DBE) program applies. The DBE has transitioned to a race-conscious DBE program, which will apply to this project. Contract goals must now include all DBE groups whose members are certified as socially and economically disadvantaged. This project will have a contract goal of 13.3% DBE participation.

This project is categorically exempt from environmental review under Section 15301 (c) of the California Environmental Quality Act guidelines for the operation, repair, maintenance, or minor alteration of existing facilities. Additionally, the Local Assistance Branch of Caltrans concurs that this project is categorically excluded from the National Environmental Policy Act.

FISCAL IMPACT

The estimated project costs are as follows:

Construction	\$440,000
Construction Contingencies	\$40,000
Design and Administration	\$40,000
Construction Engineering, Inspection and Testing	\$40,000
Total	\$560,000

The Adopted FY 2016 Capital Improvement Program includes \$450,000 for the project in the Street System Improvements Fund. Once bids have been received and an updated cost estimate is determined, staff will return to Council for additional funding allocation at the time for award of construction contract, if such funds are needed.

PUBLIC CONTACT

Because of the temporary inconvenience that is expected from the improvement work after the construction contract is awarded, staff will post and distribute preliminary notices explaining the project to residents and businesses along the affected streets. After the construction work has been scheduled, a

File #: CONS 16-243

detailed notice indicating the date and time of work for each street will be distributed to all affected residents and businesses.

COMPLETE STREETS

This project considers all users of the public right-of-way in addition to motorists. The existing accommodations such as transit facilities, bicycle facilities, sidewalk, and street lighting will not be affected by the project. This project will upgrade existing curb ramps that are not ADA compliant, and will restripe bicycle lanes and crosswalks. These measures are consistent with the City's adopted Complete Streets Policy, which requires that consideration be given to all users of the street, in addition to vehicular traffic.

SCHEDULE

Open Bids	June 14, 2016
Award Contract	July 19, 2016
Begin Work	August 15, 2016
Complete Work	November 30, 2016

Prepared by: Yaw Owusu, Assistant City Engineer

Recommended by: Morad Fakhrai, Director of Public Works

Approved by:



Fran David, City Manager

Attachments:

Attachment I
Attachment II

Resolution
Project Location Map

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-_____

Introduced by Council Member _____

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE INTERSECTION SAFETY IMPROVEMENT PROJECTS – MISSION/BLANCHE & GADING/HUNTWOOD, PROJECT NO. 05708 AND CALL FOR BIDS

BE IT RESOLVED by the City Council of the City of Hayward as follows:

WHEREAS, those certain plans and specifications for the Pedestrian Hybrid Beacon & Traffic Signal Mission Boulevard & Blanche Street Gading Road & Huntwood Way, Project No. 05708, on file in the office of the City Clerk, are hereby adopted as the plans and specifications for the project; and

WHEREAS, the City Clerk is hereby directed to cause a notice calling for bids for the required work and material to be made in the form and manner provided by law; and

WHEREAS, sealed bids therefor will be received by the City Clerk’s office at City Hall, 777 B Street, 4th Floor, Hayward, California 94541, up to the hour of 2:00 p.m. on Tuesday, June 14, 2016, and immediately thereafter publicly opened and declared by the City Clerk in the Public Works Conference Room, 4D, located on the 4th Floor of City Hall, Hayward, California.

NOW, THEREFORE, BE IT RESOLVED, that the City Council will consider a report on the bids at a regular meeting following the aforesaid opening and declaration of same.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the project is categorically exempt under section 15301(c) of the California Environmental Quality Act Guidelines for the operation, repair, maintenance, or minor alteration of existing facilities

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

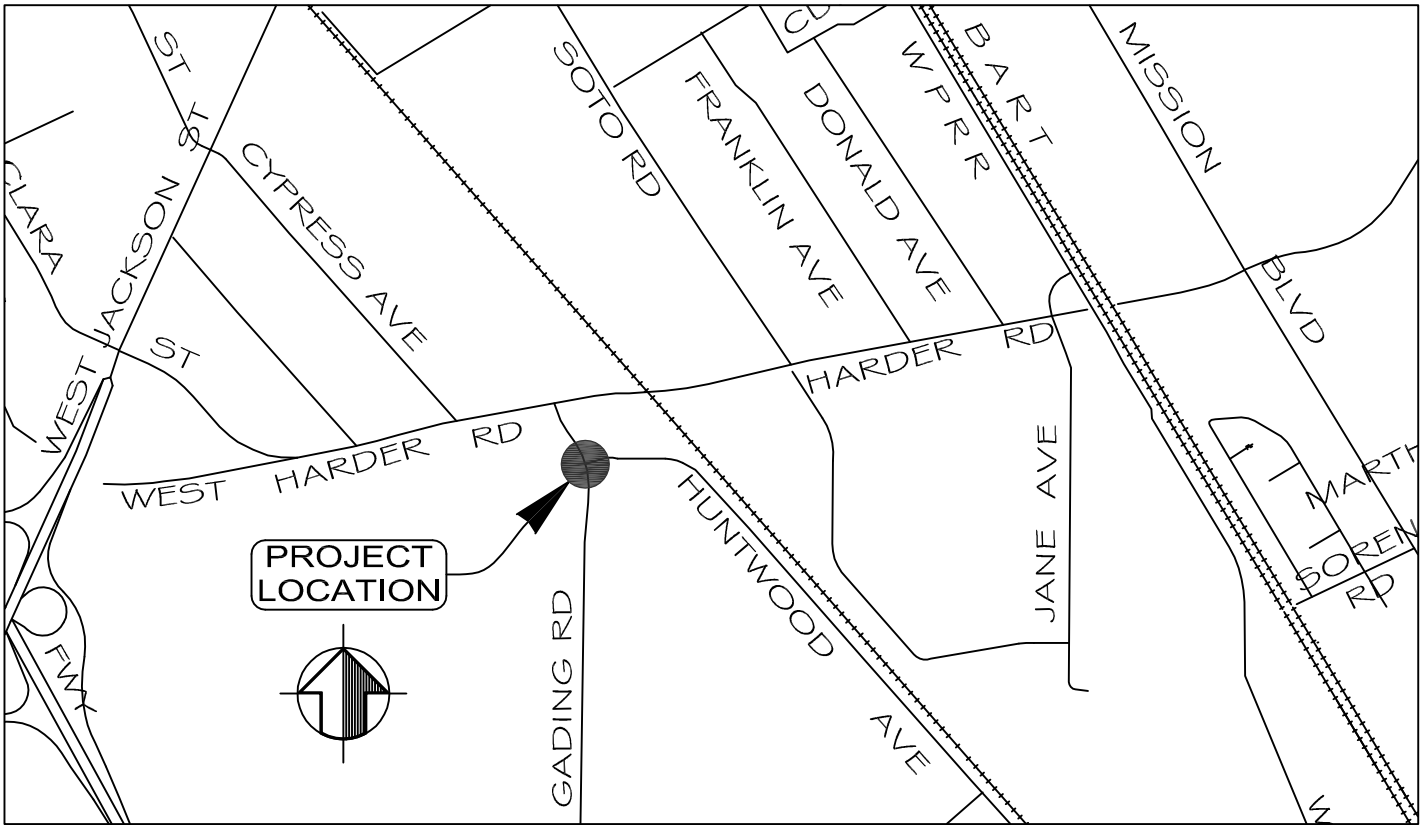
ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

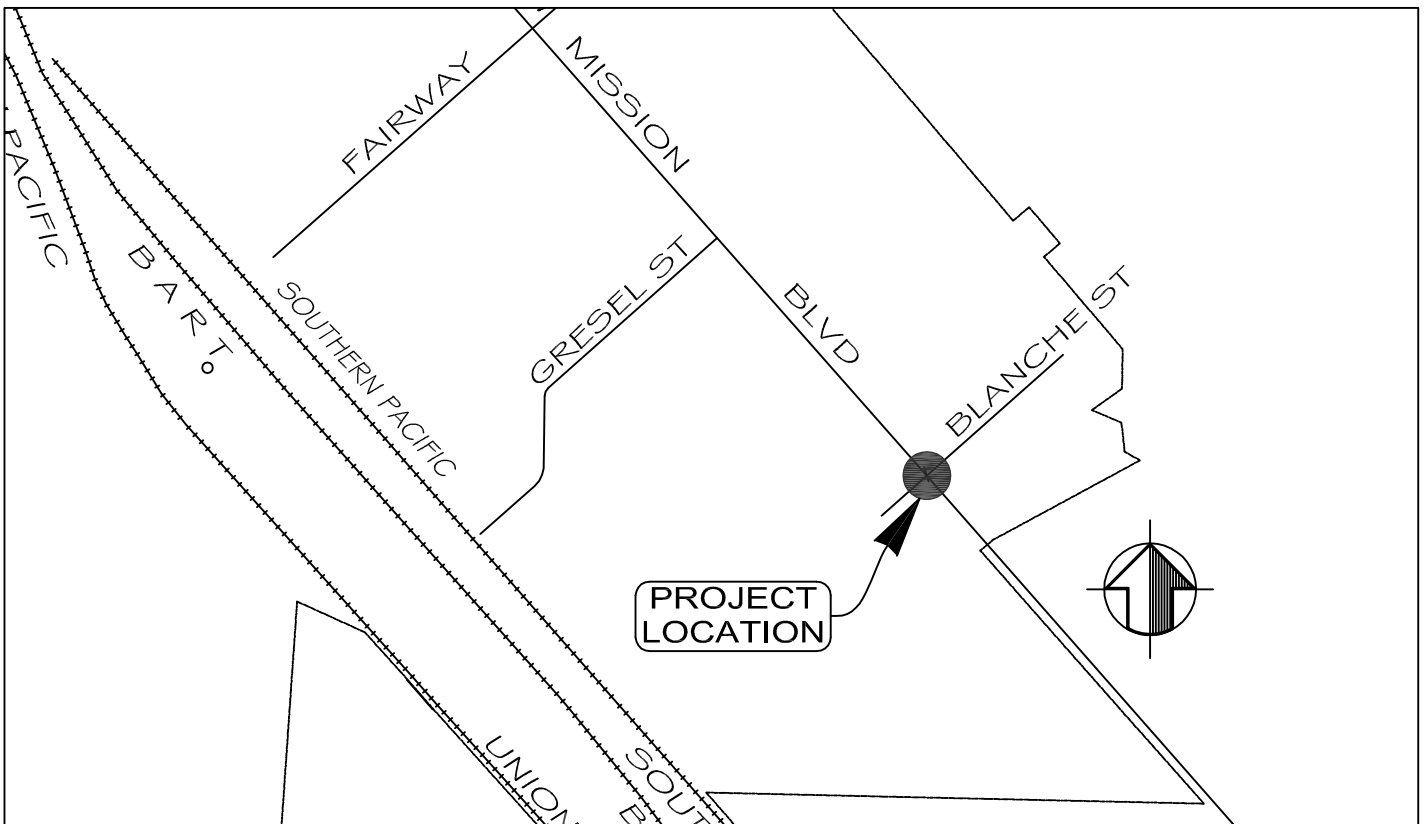
ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



GADING ROAD & HUNTWOOD WAY



MISSION BOULEVARD & BLANCHE STREET

PROJECT LOCATION MAP



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CON 16-239

DATE: May 17, 2016.

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT

Annual Mitigation Fee Act Report (AB 1600)

RECOMMENDATION

That Council adopts the annual Mitigation Fee Act (AB 1600) report prepared to satisfy Government Code Subsection 66006(b)(1)

BACKGROUND

It is common for local agencies to charge fees on new development to fund construction of capital facilities that will serve the development. The AB 1600 (Cortese) portion of the Mitigation Fee Act applies to fees charged in connection with the approval of development projects to defray cost of public facilities. AB 1600 was enacted by the State Legislature in 1987, and applies to developer fees established, increased, or imposed on or after January 1, 1989. This legislation also requires an annual report on the status of all eligible fees pursuant to the Mitigation Act.

DISCUSSION

Below are the four primary requirements that the City must satisfy in order to comply with the Mitigation Fee Act, and the City's response for each requirement for the prior fiscal year.

1. **Requirement:** Make certain determinations regarding the purpose and use of a fee and establish a "nexus" or connection between a development project (or class of projects) and the public improvement being financed with the fee.

Response: For all projects requiring development fees subject to AB 1600, the City complies with this requirement by establishing a connection between the development and public improvements to be financed. This is accomplished through the established fee structure, which calculates the amount of public improvements required to be financed based on the type of development.

2. **Requirement:** Segregate fee revenue from the General Fund in order to avoid comingling of capital facilities fees and general funds.

Response: AB 1600 development fees are held in special deposit accounts outside of the General Fund and are therefore not comingled with other fees or funds.

3. Requirement: The City must make findings each fiscal year describing the continuing need for the money for all fees that have been in the possession of the City for five years or more, and for which the dollars have not been spent or committed to a project.

Response: Water and sewer connection fees are both nonrefundable. The fees collected are used to finance the acquisition, construction, and improvement of public water and sewer facilities needed as a result of this new development.

4. Requirement: Refund any fees, including accumulated interest, for developer deposits in which the findings noted above cannot be made.

Response: No refunds are required at this time.

The City has satisfied the Mitigation Fee Act requirements for FY 2014 and FY 2015 and will maintain seven (7) development deposits subject to AB 1600 for future projects.

ECONOMIC IMPACT

Compliance with AB 1600 allows the City to hold development deposits for future improvements to the community to offset the impacts of these new developments.

FISCAL IMPACT

No fiscal impact is associated with this report. Attachment II provides a summary of the applicable fees pursuant to the Mitigation Act for FY 2015.

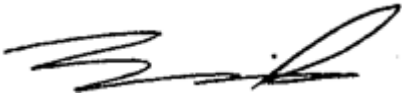
This report is prepared annually in compliance with Assembly Bill 1600.

Prepared by: Marichu Maramba, Accounting Manager
Corinne Ferreyra, Senior Management Analyst

Recommended by: Dustin Claussen, Acting Director of Finance

Approved by:

File #: CON 16-239



Fran David, City Manager

Attachments:

Attachment I
Attachment II

Resolution
AB 1600 Report

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-_____

Introduced by _____

RESOLUTION ACCEPTING THE REPORT AND ADOPTING
FINDINGS RELATED TO FEES COLLECTED FOR THE
DEVELOPMENT PROJECTS SUBJECT TO THE
REQUIREMENTS OF THE MITIGATION FEE ACT

WHEREAS, Government Code section 66006, part of the Mitigation Fee Act, which is sometimes referred to as Assembly Bill 1600, requires the City to make findings each fiscal year describing the continuing need to retain fees collected from developers, but which remain unexpended and/or uncommitted after a period of five years; and

WHEREAS, the funds maintained for such period of time must be refunded if the requisite findings cannot be made; and

WHEREAS, the City has unexpended fees that it needs to retain for future expenditures.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby accepts the report of the Director of Finance dated May 17, 2016, and adopts the findings contained therein, copy of which is attached hereto as Attachment II.

IN COUNCIL, HAYWARD, CALIFORNIA May 17, 2016.

ADOPTED BY THE FOLLOWING VOTE:

AYES: CITY COUNCIL:
MAYOR:

NOES: CITY COUNCIL:

ABSTAIN: CITY COUNCIL:

ABSENT: CITY COUNCIL:

APPROVED AS TO FORM:

City of Hayward
Annual Report on Development Impact Fees, Per Government Code 66000
AB 1600 Statement

Water System Facilities Fees

Municipal Code, Chapter 11, Article 2, Section 11-2.35 authorises the City to impose a Water System
Facilities Fee upon

Beginning Balance, 7/1/2014	\$	21,945,656
REVENUES		
Fees		2,389,374
Interest income		130,196
Miscellaneous		325,518
Total revenues		2,845,088
EXPENDITURES		
Mission Aqueduct Condition Assessment & Cathodic Protection (07107)		19,680
GIS Data Development & Conversion (07177)		7,676
Reservoir and Wellsite Landscape Improvements (07024)		99,272
Radio Telemetry & Transducer Replacement (07119)		14,534
Project Predesign Services (07029)		13,826
Mission Aqueduct Seismic Improvement (07122)		56,065
Garin Reservoir Water Quality Upgrade (07104)		4,206
Water System Master Plan Update (07120)		124,801
Electrical & Mechanical Improvement to High School Reservoir (07137)		43,665
Transfer out		1,729,535
Total Expenditures		2,113,260
Excess of revenues over/(under) expenditures		731,828
Ending balance, 6/30/15	\$	22,677,484



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-245

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Director of Human Resources

SUBJECT

Resolution Designating the Communications and Marketing Officer as a City of Hayward Officer and Assigning the Position to the Unclassified Service

RECOMMENDATION

That the City Council approves the attached Resolution designating the Communications and Marketing Officer as a City of Hayward Officer and assigning the position to the unclassified service.

BACKGROUND/DISCUSSION

Article VIII of the City of Hayward Charter grants the City Council the authority to determine which positions are designated officers of the City of Hayward. Currently, the City Manager, City Attorney and City Clerk are the Council Appointed Officers. Other City Officers are appointed by and serve at the pleasure of the City Manager and include Department Directors and the Assistant City Manager. These positions are part of the Unclassified Service.

Positions assigned to the Unclassified Service generally perform duties under terms described in an employment agreement, are not part of a bargaining unit, and are considered "at will." Article 4, Section 2-4.01 of the City of Hayward Municipal Code delineates which officers and positions comprise the Unclassified Service. Subsection 5 provides that persons employed to render professional, technical, or expert services of exceptional character are categorized as the unclassified service. Appointments to unclassified positions are made by the City Council in the case of the Council Appointed Officers, and by the City Manager for all others.

The Communications and Marketing Officer is a new position in the City Manager's office and would replace the former Community and Media Relations Officer position. Under direction of the City Manager, the Communications and Marketing Officer is the key strategist for the City's overall brand, public image, and community outreach activities. The incumbent is a member of the Executive Team and works across every aspect of the organization, surfacing important information, and developing the most appropriate outreach strategies to deliver it to key audiences. The incumbent develops and implements an integrated strategic communication plan to advance the City's brand and broaden

awareness of its programs, priorities and accomplishments and ensures communication strategies are consistent with the City's strategic plan and vision. Other key duties of this position include:

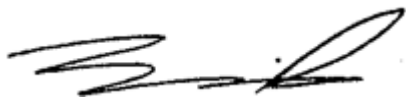
- Plan, organize and direct the City's civic engagement, media relations, internet/intranet, government relations and advocacy, neighborhood services, special events, film permitting, and public information activities, including developing and implementing internal and external communications strategic plans.
- Prepares communication content in newsletters, news releases, City website, and electronic communications; prepares speeches, scripts, responses and related materials for public information purposes to strengthen and promote the City's identity.
- Develops and coordinates the City's social media strategy, policies and presence; develops unified City-wide presence and messaging for web-based or social media communications.
- Establishes and develops positive working relationships with news media, civic organizations, and other community groups.
- Receives inquiries from media representatives regarding City business and activities; performs necessary research and formulates responses; provides draft responses for management review as necessary.
- Gathers and prepares information regarding City business and activities for news release to media; contacts appropriate media representatives and arranges for news releases.
- Composes text for brochures, publications, and other written or visual media materials; designs and coordinates production of such materials and distributes accordingly.
- Develops and prepares standard information releases for use in emergencies or disasters; maintains related systems, logs, and files.
- Responds/reports to Emergency Operations Center in the event of emergencies or disasters and assists in acquiring, organizing, and delivering risk communications and information.
- Assists management staff and elected officials in preparing public presentations and other outreach materials and organizational communications and messages.
- Provides responsible customer service functions to include: developing appropriate communications, methods, and techniques for a variety of on-going and special projects; serves as the City Manager's liaison to customers, consultants, other City departments, and the general public; provides professional guidance with respect to Department policies and procedures.

FISCAL IMPACT

There is no fiscal impact associated with the creation of the Communications and Marketing Officer. The salary for the position is the same as the Community and Media Relations Officer, which ranges from \$52.09 per hour to \$63.32 per hour and this new position would replace the Community and Media Relations Officer position in the FY2017 budget.

Prepared and Recommended by: Nina S. Collins, Director of Human Resources

Approved by:



Fran David, City Manager

Attachments:

Attachment I
Attachment II

Resolution
Draft Job Description

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

Introduced by Council Member _____

RESOLUTION DESIGNATING THE COMMUNICATIONS AND MARKETING OFFICER POSITION AS A CITY OF HAYWARD OFFICER AND ASSIGNING THE POSITION TO THE UNCLASSIFIED SERVICE

WHEREAS, Article VIII of the City of Hayward Charter grants the City Council the authority to determine which positions are designated officers of the City of Hayward;

WHEREAS, the City Manager, City Attorney and City Clerk are Council Appointed Officers and other City Officers are appointed by and serve at the pleasure of the City Manager and are part of the Unclassified Service;

WHEREAS, Article 4, Section 2-401 of the City Hayward Municipal Code, Subsection 5 provides that persons employed to render professional, technical, or expert services of exceptional character are categorized as the unclassified service;

WHEREAS, the Communications and Marketing Officer is a new position in the City Manager's office and provides professional, technical and expert services in the areas of communications and marketing as the key strategists for the City's overall brand, public image and community outreach activities.

NOW, THEREFORE, BE IT RESOLVED that the City Council designates the Communications and Marketing Officer position a City of Hayward Officer and assigns the position to the Unclassified Service.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

CITY OF HAYWARD

COMMUNICATIONS AND MARKETING OFFICER
(Unclassified Position)

DEFINITION

Under general direction, serves as the key strategist for the City's overall brand and public image; utilizes a variety of innovative tools and mechanisms to implement marketing, public relations and media outreach activities for the City; plays a key role in implementing the City's economic development strategy and supporting activities; provides support to senior management staff and the City Council in the strategy and approach to public information/relations activities; leads the City's team to develop and implement the City's online and social media presence and interactive outreach strategy; and performs other duties as required.

DISTINGUISHING CHARACTERISTICS

This is a professional journey-level class and it is expected that the incumbent will perform the full range of duties for this class independently and without close supervision. Employees at this level receive only occasional instruction or assistance as new or unusual situations arise. Adequate performance at this level requires knowledge of municipal government and public information/relations related policies and procedures, a working knowledge of the latest in outreach strategies and technologies, and in-depth experience with the use of social media. The incumbent in this position will have responsibility for developing and implementing communications and media relations policies and procedures; establishing and coordinating relations between the City and traditional news media, as well as on-line and interactive media; and will design and develop the City's public-facing image.

SUPERVISION RECEIVED

Receives general direction from the City Manager or designee.

SUPERVISION EXERCISED

Responsibilities may require technical and functional supervision of lower level staff.

ESSENTIAL DUTIES

Duties may include but are not limited to the following:

Develop and implement an integrated strategic communication plan to advance the City's brand identity and broaden awareness of its programs, priorities and accomplishments; Ensure communication strategies are consistent with the City's strategic plan and vision.

Plan, organize and direct the City's civic engagement, media relations, internet/intranet, government relations and advocacy, neighborhood services, special events, film permitting, and public information activities, including developing and implementing internal and external

communications strategic plans.

Prepares communication content in newsletters, news releases, City website, and electronic communications; prepares speeches, scripts, responses and related materials for public information purposes to strengthen and promote the City's identity.

Develops and coordinates the City's social media strategy, policies and presence; develops unified City-wide presence and messaging for web-based or social media communications.

Establishes and develops positive working relationships with news media, civic organizations and other community groups.

Receives inquiries from media representatives regarding City business and activities; performs necessary research and formulates responses; provides draft responses for management review as necessary.

Gathers and prepares information regarding City business and activities for news release to media; contacts appropriate media representatives and arranges for news releases.

Composes text for brochures, publications and other written or visual media materials; designs and coordinates production of such materials and distributes accordingly.

Develops and prepares standard information releases for use in emergencies or disasters; maintains related systems, logs and files.

Responds/reports to Emergency Operations Center in the event of emergencies or disasters and assists in acquiring, organizing and delivering risk communications and information.

Assists management staff and elected officials in preparing public presentations and other outreach materials and organizational communications and messages.

Recommends policies and procedures pertaining to assigned responsibilities.

May represent the City before civic and community groups in disseminating public information; may arrange and conduct tours.

Provides responsible customer service functions to include: developing appropriate communications, methods, and techniques for a variety of on-going and special projects; serves as the City Manager's liaison to customers, consultants, other City departments, and the general public; provides professional guidance with respect to Department policies and procedures.

Explains City regulations, rules, programs, and technical reports to the public.

Represents the Department and the City to outside agencies and organizations; participates in outside community and professional groups and committees; provides technical assistance as necessary.

ESSENTIAL DUTIES (continued)

Prepares correspondence, reports and other documents; maintains records.

Performs related duties as assigned.

JOB RELATED AND ESSENTIAL QUALIFICATIONS

Knowledge of:

Principles, practices and methods of public relations and community outreach.

Principles and practices of communication methods, marketing strategies and techniques, including media outlets and social media.

Latest technologies and mechanisms for social media and interactive outreach, including familiarity with Web 2.0 technologies and strategies.

Web-based communications tools and approaches.

Principles and practices of effective citizen engagement and outreach in a technology-based society.

Graphic design methods and use of current design and publication software.

Operational characteristics, services and activities of a City Manager's Office and local government.

Principles and practices of public government, organization and administration.

Principles of business letter writing and report preparation.

Applicable federal, state and local laws; City and departmental regulations, codes, policies and procedures, including public records request and freedom of information.

Modern office practices, methods and computer applications related to the work.

English usage, grammar, spelling, vocabulary, and punctuation.

Techniques for effectively representing the City in contacts with governmental agencies, community groups, and various business, professional, educational, regulatory, and legislative organizations.

Techniques for providing a high level of customer service to public and City staff, in person and over the telephone, written or electronically.

JOB RELATED AND ESSENTIAL QUALIFICATIONS (continued)

Ability to:

Develop and implement outreach, marketing, and communications strategies.

Utilize the latest technologies (e.g. social media and Web 2.0) to effectively engage citizens and market the City.

Creatively leverage technology to implement the City's marketing and outreach strategies.

Utilize marketing and branding techniques to enhance the City's economic development activities.

Plan, coordinate and manage media relations and outreach and public information programs and projects.

Design, prepare and distribute brochures, publications and/or other written or visual media material.

Develop and recommend creative ideas to enhance public outreach and delivery of information.

Communicate clearly and concisely, both orally and in writing.

Interpret and explain pertinent City policies and procedures.

Establish and maintain effective working relationships with those contacted in the course of work.

Make effective public presentations in routine and emergency situations.

Interpret and apply City and department policies, procedures, rules and regulations.

Develop, write and produce effective communication materials using a variety of media.

Exercise sound independent judgment within established guidelines.

Prepare clear and concise reports, correspondence, policies, procedures, and other written materials.

Operate modern office equipment including computer equipment and specialized software applications programs.

Identify and take appropriate action when unusual operating problems occur.

Use tact, initiative, prudence, and independent judgment within general policy and legal guidelines.

EXPERIENCE AND EDUCATION

Any combination equivalent to experience and education that could likely provide the required knowledge and abilities would be qualifying. A typical way to obtain the knowledge and abilities would be:

Experience: Three (3) years of professional level experience in journalism or public relations, which included the development of publications and/or news releases and working with media representatives. Experience with the latest web-based outreach and engagement technologies and interactive media (e.g. Web 2.0) is critical.

Education: Equivalent to a Bachelor's Degree from an accredited college or university with major work in Journalism, Public or Media Relations, Social and Interactive Media or a closely related field.

Licenses and Certificates: Possession and maintenance of a valid California Class C Driver License.

SPECIAL REQUIREMENTS

Essential duties require the mental and/or physical ability to: work in a standard office environment and use standard office equipment and current software; to grasp, perform repetitive hand movements and fine coordination to prepare documents and data using a computer keyboard and mouse/trackball; sit for prolonged periods of time; walk, stand, crouch, reach, twist, turn, kneel, bend, squat, stoop and safely lift and move equipment and materials weighing up to 35 pounds; converse by telephone, by email, in person, and to small or large groups and be clearly understood; read and comprehend legal, technical and complex documents; interact with the public and all different levels of City staff in an effective and professional manner; and safely drive to various locations throughout the City and State to travel to fulfill assigned duties. Essential functions must be performed with or without reasonable accommodation.

1103CS12

April 2016

AAP Group:

FPPC STATUS:

FLSA STATUS:



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: CONS 16-246

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Director of Human Resources

SUBJECT

Adoption of a Resolution Authorizing Amendment of the Salary and Benefits Resolution for the Unrepresented Executives, Management, and employees in the offices of the City Manager, Human Resources and City Attorney.

RECOMMENDATION

That the City Council adopts the attached Resolution approving an amendment to the Salary and Benefits Resolution for the Unrepresented Executives (including the Council Appointed Officers), Management, and the employees in the offices of the City Manager, Human Resources and City Attorney.

BACKGROUND/DISCUSSION

The Salary and Benefits Resolution for Unrepresented Executives, Management, City Manager, Human Resources and City Attorney Employees ("Resolution") was adopted by Council on July 7, 2015 (Resolution Number 15-127). The following changes have been made:

1. Appendix A details the positions covered by the Resolution and their respective salaries. It has been updated to include the newly created Communications and Marketing Officer position and salary.
2. Removed language requiring new employees to have a six (6) month waiting period before they are allowed to use accrued vacation, and a three (3) month waiting period to use accrued sick leave from Sections 8.02, 8.03, 9.02, and 9.03. Removing this language gives the employees' supervisor discretion to approve leave in accordance to existing leave policies detailed in Sections 8.0 and 9.0 of the Resolution. Furthermore, employees who have a need to use vacation and/or sick leave prior to the expiration of the waiting period will not be forced to go without pay.

FISCAL IMPACT

The proposed changes are administrative. There is no fiscal impact associated with amending the Salary and Benefits Resolution of the Unrepresented Management, Human Resources and City Attorney Employees.

Prepared and Recommended by: Nina S. Collins, Director of Human Resources

Approved by:



Fran David, City Manager

Attachments:

- | | |
|---------------|--|
| Attachment I | Resolution Authorizing Amendment of the Salary and Benefits Resolution for the Unrepresented Executives, Management, City Manager, Human Resources and City Attorney Employees |
| Attachment II | Unrepresented Salary and Benefits Resolution |

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT OF THE SALARY AND BENEFITS RESOLUTION FOR THE UNREPRESENTED MANAGEMENT, CITY ATTORNEY AND HUMAN RESOURCES EMPLOYEES

WHEREAS, Appendix A of the Unrepresented Executives, Management, City Manager, Human Resources, and City Attorney Employees lists all covered positions and their respective salaries; and

WHEREAS, the Communications and Marketing Officer is a newly created, unrepresented position covered by the Unrepresented Executives, Management, City Manager, Human Resources and City Attorney Employees Salary and Benefits Resolution; and

WHEREAS, Sections 8.0 and 9.0 of the Unrepresented Executives, Management, City Manager, Human Resources, and City Attorneys Employees provides for the use of vacation and sick leave, and such use is at the discretion of the employee’s supervisor and Sections 8.02, 8.03, 9.02, and 9.03 have been revised to remove references to waiting periods for new employees.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the amendment s to the Unrepresented Management, City Attorney and Human Resources Employees Salary and Benefits Resolution, effective May 17, 2016, a copy of which is attached as Exhibit 1.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

Salary and Benefits Resolution

for

***UNREPRESENTED EXECUTIVES, MANAGEMENT,
CITY MANAGER, HUMAN RESOURCES & CITY
ATTORNEY EMPLOYEES***

Effective ~~July 1, 2015~~ May 17, 2016

*Amended: May 13, 2012 (Resolution No. 12-071)
 June 13, 2012 (Resolution No. 12-093)
 April 15, 2014 (Resolution No. 14-045)
 July 7, 2015
 May 17, 2016*

**UNREPRESENTED EXECUTIVES, MANAGEMENT, HUMAN RESOURCES
& CITY ATTORNEY EMPLOYEES**

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RESOURCES
& CITY ATTORNEY EMPLOYEES**

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& CITY ATTORNEY EMPLOYEES**

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**UNREPRESENTED EXECUTIVE, MANAGEMENT, CITY MANAGER, HUMAN
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**UNREPRESENTED MANAGEMENT, HUMAN RESOURCES
& CITY ATTORNEY EMPLOYEES**

1.00 COMPOSITION

The employee classifications subject to this Resolution are categorized into three groups: Unrepresented- Executive, Unrepresented Exempt and Unrepresented Non-Exempt which are comprised of the classifications of employment listed in Appendix A to this Resolution and any other classification of employment which may hereafter be assigned by the City Manager in accordance with the provisions of the City of Hayward Personnel Rules governing unit determination and modification.

2.00 PROBATIONARY PERIOD

2.01 Appointments Not Subject to Probationary Period

All employees in positions identified in Appendix B as being members of the unclassified service are not subject to this Section 2.00. Employees in the unclassified service are "at-will" employees who can be separated from employment at any time, with or without cause. Employees who move from positions in the classified service to positions in the unclassified service will be required to sign a notification and acknowledgment that the position is at-will.

2.02 Appointments Subject to Probationary Period

All employees who are identified in Appendix B as being members of the classified service shall serve a probationary period as provided in this Section. The probationary period shall be regarded as a part of the selection process and shall be utilized for closely observing the employee's work and for securing the most effective adjustment of a new employee to his or her position.

All appointments to the classified service (other than temporary and provisional appointments or appointments to part-time positions that are regularly scheduled to work less than twenty (20) hours per week) shall be subject to a probationary period. The regular period of probation shall be one (1) year, but longer periods may be specified in individual classification descriptions and shall apply to all positions in the classification. Extension of probationary periods up to a maximum of six (6) months may be approved by the City Manager or designee in individual cases.

2.03 Release of Probationer

During the probationary period an employee in the classified service may be released at any time without right of appeal. Written notice of release designating the effective date of such action shall be furnished to the probationer. Persons employed in part-time positions scheduled for less than twenty (20) hours per week are excluded from the classified service and may be released at any time without right of appeal.

**UNREPRESENTED EXECUTIVES, MANAGEMENT, HUMAN RESOURCES
& CITY ATTORNEY EMPLOYEES**

2.04 Release Following Promotion

Any employee in the classified service may be released during the probationary period following promotion to another position in the classified service. The employee released shall be reinstated to his or her former position or to a position in the class from which he or she was promoted, unless the reason for the release is cause for dismissal. The employee will be reinstated to the salary step held before the promotion. If no vacancy exists in this former class, the employee with the least amount of time in this class shall be demoted to the most recent class in which he or she has satisfactorily served. If any employee is released by such action such employee shall be placed on a reemployment register for the classification from which released.

Any employee who is released during a probationary period following promotion to another position in the classified service and whose release is cause for dismissal shall retain appeal rights to the dismissal from City employment, but not the right to appeal his or her release from the position from which demoted.

2.05 Effect of Leaves on Probationary Period

Periods of time on paid or unpaid leave of one (1) week or more shall automatically extend the probationary period of any employee on probation. The length of the extension shall be equal to the length of the individual's placement on paid or unpaid leave.

2.06 Effective Date of Regular Status

Upon attaining regular status as a member of the classified service, the effective date shall revert to the date of initial probationary appointment.

3.00 LAYOFFS, RESIGNATIONS & TERMINATIONS

3.01 Layoffs

Whenever there is a lack of work or a lack of funds requiring reduction in personnel in a department or division of the City government, the required layoffs shall be made as the City Manager may designate in accordance with the following procedures:

- A. Employees shall be laid off in inverse order of their length of service within the affected job classification. A layoff out of the inverse order of seniority may be made if, in the City Manager's judgment, retention of special job skills are required.
 1. Length of service for the purpose of this Section 3.01 shall mean an employee's continuous uninterrupted service in the classification affected by the layoff. Length of service is determined based on date of appointment in the affected classification and includes time spent as a probationary or part-time employee in that classification. Length of service includes all days of attendance at work and authorized leaves

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- of absence. Length of service does not include unauthorized absences or periods of suspension or layoff. Length of service shall not include time spent in a provisional or acting appointment in the affected classification unless such provisional or acting appointment was contiguous with appointment to such classification in a probationary or part-time status.
2. An interruption in length of service within a classification shall occur as a result of any one of the following:
 - a. Discharge for cause.
 - b. Voluntary resignation.
 - c. Retirement for service or disability.
 - d. Absence from work for twenty-four (24) consecutive months because of layoff.
 - e. Failure to return from layoff as provided in Section 3.02.
 - f. Failure to return from an approved leave of absence upon the date specified for return at the time said approval was granted.
 3. In cases where there are two (2) or more employees in the same classification from which the layoff is to be made who have the same seniority date, the original date of hire as a probationary or part-time employee with the City shall be used to determine which employee has greater length of service within the classification. The employee with the earlier original date of hire with the City shall be considered to have the greater length of service within the classification in this situation.
 4. In cases where there are two (2) or more employees in the same classification from which the layoff is to be made who have the same seniority date and original date of hire with the City, actual hours worked shall be used to determine which employee has greater length of service within the classification. The employee with more hours worked in the classification shall be considered to have the greater length of service within the classification in this situation.
- B. Within each affected job classification, employees will be laid off in the following order, unless special skills are required: all provisional employees shall be laid off before probationary employees and all probationary employees shall be laid off before any regular employees provided, however, that part-time employees whose length of service is less than any probationary or regular employee shall be laid off before such probationary or regular employee. Thereafter, if additional reductions in personnel are required, those employees with the least length of service within the affected classification shall be laid off.

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- C. Any regular, probationary or part-time employee in the classified service who is designated to be laid off and who has held regular status in a lower or equal classification within the City may displace an employee in the lower or equal classification provided that the employee exercising the displacement privilege has greater classification length of service than the incumbent in the class to which the employee is bumping. If the employee in the higher classification has not held status in a lower classification in the department, then no displacement rights accrue as to that individual.
1. Bumping rights afforded an employee in the classified service pursuant to this section shall include access to those classifications in which employee has previously served but which may since have been re-titled but where, as determined by the City Manager or designee no substantive changes have been made in the duties or qualifications for the classification(s) in question.
 2. Prior to employees being laid off the Human Resources Department shall furnish to affected employees, upon request, status registers for all affected classifications in this group. Said lists shall include the names of all present employees who have held these classifications, their appointment dates and length of service thereto.
 3. An employee eligible to bump into another classification pursuant to this paragraph (C) shall have five (5) calendar days after notice of assignment by the City Manager or designee to a position in that classification in which to accept such assignment. If the affected employee fails to accept such assignment within said five (5) calendar day period, the employee shall be laid off. An employee so assigned shall be placed at a salary step in the range for the classification to which he or she bumps which is closest to the employee's former rate of pay but which does not exceed the salary step held by the employee in the classification from which displaced.
 4. In the event an employee bumps to an occupied or vacant position that is "flexibly" staffed as reflected in the Positions and Salaries Resolution, assignment to said position shall be at the level the employee previously held. .
- D. Employees scheduled for layoff will be given at least fourteen (14) calendar days advance notice, if possible. The City shall attempt, in so far as is possible, to accomplish any contemplated reduction in personnel by attrition rather than by layoff.
- E. In the event employees are scheduled to be laid off, other employees with greater length of service within the same classification may elect to be laid off in lieu of those employees scheduled for such layoff.

3.02 Rights of Return Following a Layoff

As position vacancies in the classified service occur, employees on layoff and those occupying positions to which they have bumped shall be afforded

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return rights in the order of their length of service in the classification(s) in which such vacancies occur.

- A. An employee shall have ten (10) calendar days from the mailing by certified mail of a notice of return to work to his or her address of record on file in the Human Resources Department to indicate acceptance of such return and his or her agreement to report for work as specified in the notice.
- B. Employees in layoff status shall retain all credited sick leave earned but unused at the time of layoff less any amounts paid out. An employee who is laid off shall not earn vacation leave credit while in layoff status.
- C. Employees who are displaced from positions in the classified service by virtue of layoff shall be placed on a reemployment register for the classification they held at the time the layoff occurred, hereinafter referred to as the "primary" register. They shall also be placed on reemployment registers for classifications previously served in, hereinafter referred to as "secondary" registers. If an employee fails to respond to a notice of return within the prescribed time period or declines to return from layoff to a secondary register classification, the employee's name shall be removed from said secondary register and employee shall no longer be eligible for recall to that classification. If an employee fails to respond to a notice of return within the prescribed time period or declines return to the primary register classification, he or she will be considered to have voluntarily resigned from employment with the City. Notices will be sent to the employee's last address on record with the City.
- D. Full-time employees who have bumped to a part-time position, or who have been recalled from layoff to a part-time position, shall be afforded an opportunity to return to full-time status as position openings become available. Such right of return shall be subject to the "length-of-service" and "service within classification" requirements provided in Sections 3.01 and 3.02 of this Resolution.
- E. Employees who request and are granted voluntary demotion to a vacant position in lieu of layoff shall be afforded the same rights of return as employees who have exercised bumping rights.
- F. An employee who, in lieu of layoff, was transferred to another position within the same classification shall be notified of an opening in his or her previous position and shall be afforded an opportunity to apply for reinstatement to that position.
- G. Primary and secondary registers shall be valid for a period of two (2) years.

3.03 Resignations

Any employee wishing to leave the employ of the City in good standing shall file with his or her Department Director or designee or, in the case of a Department Director, with the City Manager, a written resignation stating the effective date and reasons for leaving. The written resignation must be filed at least two (2) weeks before the planned separation date unless the City

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Manager or designee waives such time limit. A resignation becomes final when accepted by the person receiving the resignation. Once the resignation is accepted, it cannot be withdrawn. A statement as to the resigned employee's service performance and other pertinent information shall be forwarded to the Human Resources Department. Failure to submit a written resignation as provided in this Section shall be entered on the service record of the employee and may be cause for denying future employment with the City.

3.04 Terminations

An employee in the unclassified service may be terminated or discharged from employment at any time by the City Manager. Whenever it is the intention of the City Manager to discharge an employee, the Director of Human Resources shall be notified.

Discipline of employees in the classified service, including termination or discharge, shall be subject to the City's Personnel Rules.

4.00 WORK SCHEDULES

4.01 Work Week

The normal work week for all full-time employees shall consist of forty (40) hours during each seven (7) day work period.

4.02 Work Schedules

The normal work week for all full-time employees shall consist of forty (40) hours during each seven (7) day work period. The City reserves the right to implement business closures during the calendar week in which the Thanksgiving holiday is observed and on those days between the City's observance of Christmas and New Year's Day. If the City exercises the right to implement business closures during these times, employees will be permitted to use available accrued vacation or management leave balances. Employees who do not have sufficient leave balances for the entire period will be in an unpaid status. No leave balances will be advanced.

In lieu of using accrued leave balance, employees may elect to be in an unpaid status during any business closure. For purposes of business closures only, employees who elect to take time off unpaid during City designated business closures will be eligible for Holiday Pay as if they were in a paid status. In exercising the right to implement business closures, the City Manager or designee has sole discretion in determining which departments and/or positions will be affected by the closure.

4.03 Overtime

It is the policy of the City that overtime work is to be kept to a minimum, consistent with the protection of lives and property of its citizens and the efficient operation of activities of the City and shall be authorized by the Department Directors or designee. Overtime-eligible employees are not

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permitted to work overtime except as the Department Directors or designee authorizes or directs. No employee may work overtime without receiving the prior approval of the appropriate supervisor prior to performing the work. Working overtime without advance approval is grounds for discipline.

Overtime is all hours an overtime-eligible employee actually works over forty (40) hours in his or her workweek. Overtime is compensated at 1.5 times the Fair Labor Standards Act (FLSA) regular rate of pay. Only actual hours worked shall be counted toward the forty (40) hour threshold for purposes of calculating overtime owed under the FLSA.

For purposes of computing overtime, the regular work week for an employee shall be a seven (7) day cycle as established by the Human Resources Director. All overtime entitlements shall be computed to the nearest tenth of an hour (6 minute increments).

Employees may request, and subject to approval of the Department Director or designee, compensatory time in lieu of overtime pay. Compensatory time accrual cap shall be one hundred twenty (120) hours. The compensatory time cap shall be maintained on a continuous pay period basis.

An employee's eligibility to receive overtime compensation for services performed shall be determined in accordance with the FLSA. Those employees who are classified as "exempt" under the FLSA shall not be eligible to receive overtime.

4.04 Work Performed During Disaster

Overtime exempt employees who are required to work during a declared civil emergency shall not receive additional compensation for hours worked in excess of their regular work day or work week. All employees shall have the duty and obligation to perform emergency work upon request of proper authority declaring such emergency.

5.00 BENEFIT PLANS

5.01 Medical Insurance

The City currently contracts with the Public Employees' Retirement System (PERS) for the purpose of providing medical insurance benefits for active employees and their eligible dependents, eligible retired employees, and eligible survivors of retired employees. Eligibility of a dependent to participate in this program shall be in accordance with the terms of the Public Employees' Medical and Hospital Care Act (PEMHCA). Eligibility of retired employees and survivors of retired employees to participate in this program shall be in accordance with those provisions of the PEMHCA providing for participation by "annuitants."

The City's employer contribution towards medical insurance benefits for each eligible employee shall be the minimum contribution amount required by Government Code Section 22892. Contributions provided under this section are required only to the extent mandated by the PEMHCA.

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During the calendar year 2015, the City will provide an employer contribution of \$119.00 per month to CalPERS for each eligible active employee towards the purchase of medical insurance benefits.

In the event PERS requires a minimum employer payment in excess of the amounts recited above, the City shall pay such additional amounts as approved by the City Council. Because PERS may change carriers and plans, the City shall not be required to provide a specific insurance coverage and shall only be required to provide those benefits as described in this Section so long as the City contracts for benefits with PERS for medical insurance benefits.

The City will provide each eligible annuitant, as defined by the PEMHCA, with an employer contribution towards medical insurance benefits that is equal to any contribution provided to an active employee under this section 5.01.

5.02 Flexible Benefits Allowance

The City shall continue to provide a Flexible Benefit Allowance for each full-time employee in regular or probationary status who is enrolled in one of the PERS medical insurance plans offered by the City. The allowance provided shall be equal to eighty percent (80%) for Executives and Exempt Employees and ninety percent (90%) for Non-Exempt employees of the premium cost for health insurance coverage based on the employee's plan selection and participation level eligibility (e.g., Employee only coverage, Employee + 1 coverage, or Employee + 2 coverage), less the amount of any contribution provided under Section 5.01 of this Resolution. This City's maximum contribution shall not exceed the cost of eighty percent (80%) of the premium for the second most expensive benefit plan for Executives and Exempt Employees and ninety percent (90%) for Non-Exempt Employees as determined by the employees participation level, less the City's contribution towards medical benefits under PEMHCA, except that, in no event shall the sum of the City's contributions pursuant to the provisions of Section 5.01 and 5.02 of this Resolution exceed eighty percent (80%) for Executives and Exempt employees and ninety percent (90%) for Non-Exempt employees of the premium cost for the PERS medical insurance plan in which the employee is enrolled.

The City shall continue to provide Flexible Benefit Allowances as provided in this Section unless amended or repealed by the City Council.

Contributions to an employee's Flexible Benefit Account shall be used only for payment of those benefits that are available through the City's Flexible Benefits Plan. The City will not treat any contributions made to the Flexible Benefits Plan as compensation subject to income tax withholding unless the Internal Revenue Service and/or Franchise Tax Board indicates that such contributions are taxable income subject to withholding. Each employee shall be solely and personally responsible for any federal, state, or local tax liability of the employee that may arise out of the implementation of this section or any penalty that may be imposed therefore.

Each employee shall file an election in writing during the month of open enrollment for medical insurance each year as to how the monies in his or her Flexible Benefits Account are to be expended during the ensuing year. Thereafter, no changes to designations so made shall be allowed until the

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enrollment of the following year, except for changes due to an eligible qualifying event.

Each employee shall be responsible for providing immediate written notice to the Director of Human Resources or designee of any change to the number of his or her dependents which affects the amount of the City's payment to the Flexible Benefits Account. An employee who, by reason of failing to report a change in dependents, receives a City payment greater than the amount to which he or she is entitled shall be liable for refunding the excess amounts received via a reduction in the amount paid to employee's Flexible Benefits Account in subsequent months. Changes to flexible benefit contributions associated with changes in an employee's number of dependents shall take effect at the start of the first pay period in the month following the month in which notice of the change is received by the Human Resources Department. No retroactive increases to the Flexible Benefit Allowance provided by the City shall be allowed.

5.03 Federal or State Health Plan

If, pursuant to any federal or state law which may become effective subsequent to the effective date of this Resolution, the City is required to pay contributions or taxes for hospital, medical, dental care, prescription drug or other health benefits to be provided employees under such federal or state act, the City's obligation to furnish the same benefits under the Hospital Medical-Surgical-Dental Care and Prescription Drug Plans shall be suspended and the contributions agreed to be paid monthly hereunder by the City under Sections 5.01, 5.02, and 5.05 of this Resolution shall be reduced each month by the amounts which the City is required to expend during any such month in the form of contributions or taxes to support said federal or state health plan.

If, as a result of such a law, the level of benefits provided by such law for any group of employees or their dependents, is lower in certain categories of services than that provided under Sections 5.01, 5.02, and 5.05, the City shall, to the extent practicable, provide a plan of benefits supplementary to the federal or state benefits so as to make benefits in each category of coverage as nearly comparable as possible to the benefits provided under said Sections 5.01, 5.02, and 5.05. The City need only expend for this purpose the actual amount required to achieve parity between the benefits agreed to be provided under Sections 5.01, 5.02, and 5.05 and the benefits provided under any federal or state plan as supplemented in the manner hereinabove described.

If the benefits provided under the federal or state act exceed the benefits provided hereunder in each category of coverage, the City shall be under no further obligation to make any contribution in pursuance of this section. In the event that the federal or state government enacts a health care program requiring contributions by employees, such employee contribution shall be reimbursed by the City to the amount by which said employee contribution reduces the City contribution required by the terms of this Resolution.

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5.04 Alternate Benefits

- A. An alternate benefit in the form of a cash payment is available to those full-time employees in regular or probationary status who: (1) elect to opt-out of receiving City contributions under Section 5.01 and 5.02; (2) are not enrolled in a City-sponsored health insurance plan as the dependent of another City employee; and (3) provide proof of medical insurance coverage from a plan other than a City-sponsored plan.

Any cash payments provided under this section shall be reported to the Internal Revenue Service (IRS) and the California Franchise Tax Board as compensation subject to income tax withholding. Each employee shall be solely and personally responsible for any tax liability that may arise out of the implementation of the alternate benefits. The amount of alternate benefit provided to an employee is based on the level of insurance coverage that the employee could have received if he or she had enrolled in a City-sponsored health insurance plan, as follows:

Employee only	\$210.00 per month
Employee and one (1) dependent.....	\$380.00 per month
Employee and two plus (2+) dependents.....	\$500.00 per month

- B. A full-time employee who does not receive a City contribution under Section 5.01 and 5.02 and who is enrolled in a City-sponsored health insurance plan as the dependent of another City employee may be eligible to receive an alternative benefit as provided in this subsection. If the cost to the City of providing an employee with benefits as the dependent of another is less than the cost of enrolling the employee separately in a City-sponsored health insurance plan, then the individual enrolled as a dependent may receive an alternative benefit. The amount of any alternative benefit shall be equal to the amount of savings to the City for enrollment of the employee as a dependent, up to a maximum alternative benefit of \$150 per month.

The following examples illustrate how alternative benefits will be provided to employees who are enrolled as a dependent in a City-sponsored health insurance plan. For purpose of these examples, assume the following amounts as the City's total costs towards providing benefits under Section 5.01 and 5.02:

Employee only - total cost of \$500 per month
Employee and one (1) dependent – total cost of \$1,000 per month
Employee and two (2) or more dependents – total cost of \$1,400 per month

Example 1. Employee A and B are spouses who both work for the City of Hayward. Employee A participates in City-sponsored health insurance at the Employee plus 1 level (City cost of \$1,000 per month), with Employee B enrolled as Employee A's one dependent. If each employee was to participate in a City-sponsored plan as individual employees, then the City's cost would be \$500 per month for each employee (or a total of \$1,000 per month for two people, each enrolled individually at the employee only level). Since there is

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no cost savings to the City for enrolling Employee B as a dependent of Employee A, and vice-versa, then neither employee is eligible to receive an alternative benefit.

Example 2. Employee A and B are spouses who both work for the City of Hayward. They have one child. Employee A participates in City-sponsored health insurance at the Employee +2 or more level (City cost of \$1,400 per month), with Employee B and the child enrolled as Employee A's dependents. If Employee B was to enroll in a City sponsored plan individually (City cost of \$500), and Employee A's participation was modified to the Employee +1 (City cost of \$1,000), the City's total cost for providing benefits to both employees would increase from \$1,400 to \$1,500 per month. Since the City realizes a \$100 savings per month due to Employee B's enrollment as a dependent of Employee A, Employee B is eligible to receive an alternative benefit. The amount of this alternative benefit will be \$100 per month.

Example 3. Employee A and B are spouses who both work for the City of Hayward. They have two children. Employee A participates in City-sponsored health insurance at the Employee + 2 or more level (City cost of \$1,400 per month), with Employee B and the two children enrolled as Employee A's dependents. If Employee B was to enroll in a City sponsored plan individually (City cost of \$500), and Employee A continued to participate in Employee +2 or more benefits with the two children as dependents (City cost of \$1,400), the City's costs for providing benefits to both employees would increase from \$1,400 to \$1,900 per month. Since the City realizes a \$500 savings per month due to Employee B's enrollment as a dependent of Employee A, Employee B is eligible to receive an alternative benefit. The amount of this alternative benefit will be \$150 per month (the maximum alternative benefit available to employees enrolled as dependents of another employee).

- C. Enrollment in alternative benefits has to be elected each year during open enrollment. Benefit eligibility and alternative benefit amounts may vary from year to year depending on plan premiums.
- D. The provisions of this section shall be administered in accordance with regulations issued by the City Manager or designee which shall include, but not be limited to, the method and frequency of reimbursement to employees for the alternate benefits program(s) selected; the frequency with which employees may exercise the option to change alternate benefits programs; and appropriate procedures for the verification of payments made in pursuance of this section.

5.05 Supplemental Retirement Benefit

Employees who retire from the City are eligible to receive a supplement retirement benefit. This benefit shall be equal to \$237.31, less the amount provided for under Section 5.01 above. This Supplement benefit is provided in the form of cash to the retiree on a monthly basis. In order to receive this benefit, the employee must begin receiving pension benefits within one-hundred and twenty (120) days of leaving City employment. Retirees are

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solely responsible for any tax consequences associated with the receipt of benefits under this section.

5.06 Dental Insurance

The City shall contribute towards dental insurance coverage for full-time employees, other than temporary and provisional employees, and their eligible dependents as provided in this Section.

The City's contribution on behalf of an eligible employee participating in a City-sponsored dental plan shall be equal to eighty percent (80%) of the monthly premium for dental insurance, as determined by the employee's enrolled participation level in the City sponsored dental plan. Employees enrolled in dental insurance are required to contribute the remaining twenty percent (20%) of the premium costs for dental insurance coverage.

For eligible employees who enroll in a City-sponsored dental plan, the City shall contribute an amount equal to eighty percent (80%) of the monthly premium for dental insurance, as determined by the employee's enrolled participation level in the City sponsored dental plan. Employees enrolled in dental insurance are required to contribute the remaining twenty percent (20%) of the premium costs for dental insurance coverage.

Monthly premium rates are established on a calendar year basis by the insurance provider, or in the case of a self-funded plan, by a third party examining plan utilization review, market trends, overall plan costs and any other industry standard metrics deemed necessary by the third party.

Currently, the City provides insurance coverage through a Delta Dental plan which includes the following: one-hundred percent (100%) payment of diagnostic and preventative services; eighty percent (80%) payment for other basic services, and crowns and caps restorations; seventy percent (70%) payment for prosthodontics; seventy percent (70%) payment for orthodontics (adults and children). Deductibles each calendar year shall be \$25.00 per person with a maximum of \$75.00 per family. Maximum benefit payments shall be \$2,000 per year for each patient except for orthodontics which shall carry a \$2,500 lifetime maximum benefit per patient.

The City reserves the right to provide dental care benefits under a plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing dental care benefits for employees or through a program of self-insurance. In the event the City exercises this option the alternate coverage shall be substantially equivalent to the coverage in effect at such time as a change in carriers takes effect.

5.07 Life Insurance

The City shall pay the cost of providing each employee with a group term life insurance policy equivalent to the employee's annual gross salary. The policy shall include accidental death and dismemberment coverage and the right to conversion at the time of termination of employment to a form of permanent coverage without medical restrictions nor the requirement to demonstrate evidence of insurability.

5.08 Disability Insurance

The City shall continue in effect, at no cost to the employee, the Short Term/Long Term Disability Insurance policy with CIGNA; or any other such successor program which provides benefits comparable to those available under the CIGNA policy. This program shall provide short-term disability benefits based upon two-thirds (2/3) of an employee's current gross salary, up to \$1,390/week, after a twenty-eight day (28) waiting period. Beginning in the fourth month, the long-term disability plan shall provide benefits based upon two-thirds (2/3) of an employee's current gross salary, up to \$7,000/month.

5.09 Vision Care

The City shall contribute towards vision care insurance for full-time employees and their eligible dependents. Currently, the City provides vision insurance coverage through VSP, under a plan that provides for a \$15.00 deductible, and an eye examination, lenses and frames once per year.

For eligible employees who enroll in a City sponsored vision plan, the cost of the monthly premium shall be shared equally (50/50) between the employee and the City.

Monthly premium rates are established on a calendar year basis by the insurance provider, or in the case of a self-funded plan, by a third party examining plan utilization review, market trends, overall plan costs and any other industry standard metrics deemed necessary by the third party

The City reserves the right to provide vision care benefits under a self-funded plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing vision care benefits for employees, or through a program of self-insurance. In the event the City exercises this its option to move to a self-funded plan or to change insurance carriers, any new benefit plan shall provide coverage that is substantially equivalent to the coverage available at the time this option is exercised.

5.10 Medical, Dental, Vision, Flexible and Alternate Benefits for Certain Part-Time Employees

Employees who are hired in part-time status and full-time employees who voluntarily assume part-time status shall be entitled to participate in group medical, dental, and vision insurance programs, and to receive a payment from the City to be applied to such plans subject to the following conditions:

1. Except as provided in Section 2 below, only those employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be entitled to coverage under group medical and dental plans.
2. The City's contributions towards medical insurance for part-time employees who are eligible to participate in a CalPERS health insurance plan as an "employee" shall be equal to the contribution provided to full-time employees in Sections 5.01.

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3. The City will provide those part-time employees who regularly work more than twenty (20) hours per week (at least a 0.5 FTE) with a Flexible Benefit Allowance. The amount of any allowance provided shall be determined in accordance with the formulas contained in Section 6.02, except that the sum of the contribution provided to a part-time employee who works more than 20 hours per week under Section 6.01 plus the amount provided as a Flexible Benefit Allowance shall be based on the total number of hours worked each month by the part-time employee.

For new employees, the amount of City contribution for medical insurance shall be based upon the employee's estimated work schedule during the first month of coverage. Thereafter, the actual number of hours worked by the employee each month shall be used to determine the amount of City contribution toward medical insurance premiums in the month next following. Except that, the amount provided shall never be less than the amount required by applicable government codes.

4. The amount of the City's payment for dental insurance shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 5.06 of this Resolution. The calculation of proportionate payments shall be in accordance with the provisions of paragraph 3 of this Section.
5. The amount of the City's payment for vision insurance shall be proportionate to the amounts paid on behalf of full time employees as specified in Section 5.09 of this Resolution. The calculation of proportionate payments shall be in accordance with the provisions of paragraph 3 of this section.
6. The amount of the City's payment for alternate benefits shall be based upon scheduled hours of work and shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 5.04 of this Resolution. The calculation of proportionate payments shall be based upon the hours budgeted for the position.

As an exception to the foregoing, those employees who assume part-time status as a result of a City imposed reduction in hours will continue to receive City payment of medical, dental, and vision insurance premiums and will continue to participate in the Flexible Benefits Plan on the same basis as for full-time employees.

5.11 Deferred Compensation Plan

A Deferred Compensation Plan has been established for the benefit of City employees. Employees may contribute to the Plan as provided by the Plan terms.

Except for those changes which are necessary or desirable to obtain or maintain the favorable tax status of the plan, any changes in the written plan document governing the implementation and administration of the Deferred Compensation Plan adopted by the Hayward City Council on May 12, 1981, with respect to termination or modification of the plan will be jointly decided upon by the Administrative Committee as defined in Section 13.00 of the plan document.

5.12 Defined Benefit Retirement Program

The City will continue to contract with the Public Employees' Retirement System (PERS) to provide a retirement program for employees. Benefits shall include:

1. 2.5% @ 55 benefit formula
2. Fourth Level of 1959 Survivor's Benefits
3. One (1) Year Final Compensation
4. Military Service Credit as Public Service
5. Continuation of Pre-Retirement Death Benefit after Remarriage of Survivor.
6. \$500 Retired Death Benefit
7. 2% Annual Cost-of-Living Allowance Increase

These benefit plans require an employee contribution of eight percent (8%). Employees shall pay the full employee contribution of eight percent (8%), which shall be paid by the employee on a pre-tax basis in accordance with IRS Section 414(h)(2) method of reporting retirement payments.

For Unrepresented public safety employees, benefits shall include 3% @ 50 for fire safety and 3% @ 50 for police safety, as well as those PERS contract options applicable to the respective public safety represented bargaining units. These benefit plans require an employee contribution of nine percent (9%) by unrepresented fire safety and unrepresented police safety employees. Unrepresented police and fire safety employees shall pay the full employee contribution of nine percent (9%), which shall be paid by the employee on a pre-tax basis in accordance with IRS Section 414(h)(2) method of reporting retirement payments. In addition, unrepresented public safety employees shall pay the same percentage employer contribution paid by other employees in the same CalPERS membership classification in accordance with any CalPERS contract amendments entered into by the City under the provisions of Government Code Section 20516, subsection (a).

An employee, who is not eligible for enrollment in the Public Employees' Retirement System and who, in accordance with the federal Omnibus Budget Reconciliation Act of 1990, is required to be covered by Social Security or an alternate system, shall be enrolled in the Public Agency Retirement System (PARS). The City shall contribute 3.75 percent of covered earnings into the employee's PARS account.

5.13 Car Allowances and Mileage Reimbursements

Except as specifically provided under the terms of an employment agreement, employees are not eligible to receive a vehicle allowance. Employees who are required to drive their personal vehicles for City business will be reimbursed for actual miles driven at the rate established by the Internal Revenue Service (IRS).

5.14 Additional Employee PERS Contributions

In addition to each member's responsibility for payment of the employee retirement contribution, effective the pay period including July 1, 2015,

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employees shall contribute an additional one percent (1%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees.

Effective the pay period including July 1, 2016, employees shall contribute an additional one percent (1%) for a total of two percent (2%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees.

Effective the pay period including July 1, 2017, employees shall contribute an additional one percent (1%) for a total of three percent (3%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees.

5.15 Health and Wellness Reimbursement

The City will reimburse employees for expenses associated with health and wellness programs. This reimbursement may be used for recurring monthly fees associated with gym or health club memberships, fitness classes (such as yoga, Zumba, or similar), personal trainers, weight loss programs (such as Weight Watchers, Jenny Craig, or similar), or other health and wellness related expenses. Requests must be made in writing and submitted with receipts.

All full-time Exempt and Non-Exempt employees shall be eligible to receive a maximum of fifty (\$50) dollars per month for these purposes. Executive employees are eligible to receive the equivalent of a maximum of one hundred (\$100) per month.

Expenses reimbursed under this program are subject to the approval of the Director of Human Resources and the City Manager.

The City's decision to reimburse is final and not subject to dispute.

5.16 Professional Development Reimbursement

The City agrees to reimburse employees for professional development. This reimbursement may be for career development resources such as attendance to conferences, training courses, software, the purchase of books, subscriptions to professional journals or magazines, computers and electronic devices, dues to professional organizations, applications or examination fees associated with registration or certification, and expenses related to professional development including research and training.

Prior to incurring any expense from the professional development fund, employees shall submit a request in writing to the Human Resources Department for preliminary review. Expenses reimbursed under this program are subject to recommended approval of the Director of Human Resources and final approval of the City Manager or designee.

The City will reimburse unrepresented exempt employees up to five-hundred dollars (\$500.00) and unrepresented non-exempt employees up to three-hundred fifty (\$350.00) for approved purchases made during that fiscal year.

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All receipts for reimbursement, regardless of aggregate value, must be submitted prior to the end of the fiscal year, no later than June 1st.

6.00 SALARY ADMINISTRATION

6.01 Salary Administration Policy

The policy governing preparation of a compensation plan shall be that of salary standardization.

6.02 Salary at Time of Employment

The plan may provide a flat salary rate or a salary range for each classification with a minimum, maximum, and one or more intermediate steps. The beginning or normal hiring rate shall usually be at the first step of the range. Every new employee shall be paid the first step on employment except that the City Manager or designee may authorize employment at a higher step if the labor supply is restricted or the person to be hired is unusually well qualified.

6.03 Eligibility for Advancement in Pay

Non-executive employees may be advanced to higher steps as merited by progressive improvement in job skills and work performance. The following time-in-step requirements shall normally apply for an employee to be eligible for advancement in pay.

Step	Time-in-Step
A.....	6 months
B.....	6 months
C.....	1 year
D.....	1½years
E.....	---

If warranted for the good of the service or when an employee demonstrates outstanding capacity in performing job duties, advancement may be made prior to completion of the above time-in-step requirements. If the first day of the time in step period begins in the first five (5) days of the payroll period, then begin time in step with the start of the payroll period. If not, then time shall begin on the first day of the next payroll period. Advancement in pay, when approved, shall be effective at the beginning of the first pay period immediately following completion of the time-in-step requirements outlined above. If an employee is on leave without pay for more than one (1) month, the period shall be deducted from employee's accumulated time-in-step.

The City Manager or designee shall review the performance of executive level employees annually and advancement in pay is based solely on satisfactory performance. If warranted for the good of the service or when an employee demonstrates outstanding capacity in performing job duties advancement may be made at the sole discretion of the City Manager or designee. Moreover, beginning in April 2018 and every two years thereafter

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a total compensation salary survey of all executive positions shall be conducted. If a position is below market average, the City Manager may recommend a salary adjustment to a maximum of market average. . This provision does not prevent a salary survey or subsequent adjustment in circumstances where there is difficulty recruiting or to maintain internal equity.

6.04 Attaining Advancement

An employee must demonstrate that advancement is merited on the basis of job performance. Advancement shall not be made solely because an employee is eligible according to time-in-step requirements. Good attitude and personal conduct, work accomplished, conscientious attendance, safety alertness, efforts at self-improvement, and other factors of individual achievement must be evident as appropriate to the position.

6.05 Use of Performance Ratings in Determining Whether Step Advancement is Merited

Performance ratings shall guide supervisors and Department Directors in determining whether step advancements have been earned and should be recommended to the City Manager or designee.

6.06 Withholding Step Advancements

The Department Director or designee has the authority and responsibility to recommend withholding step advancements by the City Manager if they are not merited. The Department Director or designee shall keep their employees informed about their job performance, giving good work its proper recognition and any deficient work all possible guidance and assistance toward improvement. Department Directors or designee shall notify the employee as to the reasons for withholding step advancements prior to submitting such recommendation to the City Manager.

6.07 Change in Pay Upon Promotion

When employees are promoted, they shall normally receive the first step in the salary range for their new position. However, if such step is equal to or less than their present salary, or they would be eligible for step advancement shortly in their previous position, they may receive the next step in the salary range of the new position which is close to five percent (5%) above their present salary. When no advancement in salary is granted on promotion, employees may be allowed to carry forward time-in-step accumulation. As an exception, if the employee has acted in the job class or received special assignment pay for the performance of duties related to the classification to which he or she is being promoted, the City Manager or designee may approve appointment at a higher step.

6.08 Change in Pay Upon Demotion

When an employee is demoted, whether voluntarily or otherwise, the employee's compensation shall be adjusted to the salary prescribed for the class to which he or she is demoted. The employee will be placed in a salary

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step in the demoted classification that is the same as or above the step held prior to demotion providing said demotion is not the result of disciplinary action. If the demotion is a result of disciplinary action, the specific salary step shall be determined by the City Manager or designee, whose decision shall be final; provided however, that if the employee had prior service in the demoted position, the employee's step on the salary schedule for the demoted position shall not be set at a step that is lower than the step previously held by the employee in that position before his or her promotion.

6.09 Change in Pay Upon Reclassification

When a position is reallocated to a classification with a higher pay range and the incumbent employee retains the position, employee shall normally be placed at the first step in the new range. If no increase in pay results, advancement may be made to the next step immediately above the present salary. When recommended by the Department Director or designee and approved by the City Manager, additional advancement may be granted. If no change in salary is granted, the employee may be allowed to carry forward time-in-step accumulation.

When a position is reallocated to a classification with a lower salary range, the incumbent employee shall not be reduced in pay while he or she continues to occupy the position. If the employee's current rate is below the maximum step of the new range, employee shall continue at the present salary and carry forward time-in-step accumulation. If the employee's current rate exceeds the maximum step of the new range, his or her salary shall be frozen at its current level. When the incumbent leaves the position, a replacement shall normally be hired at the beginning rate.

6.10 Acting Pay

Employees may be assigned to perform the duties of a higher classification on an "acting" basis when in the judgment of the Department Director or designee a need exists for work to be performed in such higher classification.

"Acting" assignments shall only be made by the Department Director or designee and the employee shall be provided with a written notice assigning employee to the higher classification on an "acting" basis.

Employees assigned in accordance with the foregoing to perform the duties of a higher classification on an "acting" basis for a period of five (5) consecutive days or more shall receive "acting" pay retroactive to the first day of such assignment.

Employees qualifying for "acting" pay shall receive the salary step of the higher classification which represents an increase over the employee's present salary step. If the closest step in the "acting" classification is not equal to at least a five percent (5%) increase over the employee's present salary step, the employee shall receive "acting" pay equal to five percent (5%) above his or her current pay step, except that the total rate paid (base salary plus any percentage increase) for work performed in "acting" assignment shall not exceed the top step of the salary range for the higher class.

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6.11 Bilingual Pay

Employees who are required in the performance of their duties to converse with the public in a language other than English, and who have demonstrated their competency through a language fluency test administered through the Human Resources Department, shall receive bilingual pay in the amount of thirty dollars (\$30) per pay period.

No more than once every twenty-four (24) months, the City Manager or designee may require an employee receiving bilingual pay to demonstrate continued competency in a second language as a condition of continuing to receive pay under this section. Employees who do not demonstrate continued competency will cease receiving bilingual pay until such time as competency is again demonstrated.

6.12 Special Assignment Positions

Special assignment positions within a classification may be established where duties and responsibilities are of a specialized nature by comparison to other positions in the class. Selection of employees to said positions and removal there from shall be made by the City Manager or designee. An employee so assigned shall receive a salary increment not to exceed ten percent (10%) of employee's present salary.

6.13 Salaries

The Positions and Salaries Resolution shall provide for the salary ranges for the classifications of employment listed in Appendix A.

6.14 “Y-Rated” Salaries

Employees whose classifications are affected by the recalibration of the salary schedule shall be y-rated at their current step until they are advanced to the next step in the range in accordance with applicable provisions of this Resolution. Upon advancement, employees will advance into the adjusted salary schedule listed in Appendix A.

6.15 Salary Adjustments

Salary adjustments shall be made as follows:

Executives	Exempt	Non-Exempt
No COLA	COLA as follows:	COLA as follows:
Equity adjustments to market average or 15%, whichever is less, paid in two installments in FY 2016 and FY 2017 effective July 13, 2015 and the pay period that includes July 1, 2016. No adjustment if position is within five percent	3% effective the pay period that includes July 1, 2015 3% effective the pay period that includes July 1, 2016 3% effective the pay period that includes July 1, 2017	3% effective the pay period that includes July 1, 2015 3% effective the pay period that includes July 1, 2016 3% effective the pay period that includes July 1, 2017

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(5%) of market average. 2% one-time cash payment paid during the pay period that includes July 1, 2015		
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Equity Adjustments for Exempt and Non-Exempt Employees:

A salary survey for Exempt and Non-Exempt Employees is currently in progress. If the salary survey reveals that a position is below market average by more than five percent (5%), then equity adjustments shall be made to bring the position to market average or fifteen percent (15%), whichever is less. No adjustment shall be made if a position is within five percent (5%) or less of market average.

If position is off market by:	Equity adjustments to be administered as follows:		
	Year 1	Year 2	Year 3
1 to 5%	None	None	None
5+ to 9%	0%	Up to 4.5%	Up to 4.5%
9+	%*	4.5%	4.5%

*If position is below market average by more than nine percent (9%), the equity adjustment in year 1 will include any excess percentage above nine percent (9%). For example, if a position is off market by thirteen percent (13%), the equity adjustments would be as follows: four percent (4%) in year 1, four and one-half percent (4.5%) in year 2, and four and one-half percent (4.5%) in year 3.

7.00 HOLIDAYS

7.01 Holidays Observed by the City

The following days shall be holidays for all employees:

- New Year's Day (January 1)
- Martin Luther King Day (third Monday in January)
- Lincoln's Birthday (February 12)
- President's Day (third Monday in February)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Admission Day (September 9)

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- Columbus Day (second Monday in October)
- Veteran's Day (November 11)
- Thanksgiving Day (fourth Thursday in November)
- Friday after Thanksgiving Day (Friday following fourth Thursday in November)
- Christmas Eve Day
- Christmas Day

Employees shall be allowed the last half, four (4) hours, off on the work day immediately preceding the day on which New Year's Day is observed.

If any of said holidays fall on a Sunday, the following Monday shall be observed as a holiday. If a holiday falls on a Saturday, the preceding Friday shall be observed as a holiday. If a holiday falls on an employee's regular day off, or if an employee is scheduled or assigned to work on a holiday, employee shall be entitled to equivalent time off at a later date and such time shall be credited to the employee's vacation leave. Scheduling or assignment of holiday work must be approved in advance by the City Manager or designee. For the purpose of this section, the number of hours comprising a holiday is defined as ten (10) hours for employees on a 40-hour per week schedule who work a 4-10 schedule (four, 10-hour days per week), and eight (8) hours for all other employees.

7.02 Holidays for Part-Time Employees

Part-time employees who are regularly scheduled to work twenty (20) or more hours per week shall be entitled to four (4) hours pay for each holiday observed for full-time employees. Eligible part-time employees shall receive one-half (1/2) hour of holiday leave with pay for each full hour of leave granted full time employees for the New Year's Eve holiday described in Sections 7.01 of this Resolution.

8.00 VACATIONS

8.01 Vacation Leave Policy

Vacation leave is a benefit and the use of same shall be approved by the City Manager or designee taking into account the desires and seniority of employees and, more particularly, the work load requirements of the department. Employees shall take vacation leave regularly each year and shall be encouraged to take vacation at least a full week at a time. In order to give effect to this policy and to realize the greatest benefit from vacation leave for both employee and the City, limitations shall be placed upon the amount of unused vacation leave an employee is allowed to accumulate.

If an employee exhausts his or her vacation leave, the employee may apply for another eligible paid or unpaid leave (excluding sick leave) as provided for in this Resolution. If vacation leave is approved and then it is determined that the employee does not have enough vacation leave available to cover the request and no other leave is requested, Payroll will deduct the excess time

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from another eligible paid leave balance. No vacation leave accruals will be credited in advance. No vacation leave will be earned while on an unpaid leave.

If vacation leave is used to remain in a paid status while on approved leave under the Family Medical Leave Act/California Family Rights Act or Pregnancy Disability Leave, the vacation hours used will run concurrently with the state and/or federal leave entitlement.

8.02 Vacation Accruals for Full-Time Employees

All full-time employees other than temporary and provisional shall accrue vacation leave benefits each payroll period based upon the number of regularly scheduled hours.

Vacation accrual schedule for employees who are budgeted and work full-time:

Per 80 Hr. Years of Service	Hourly Period	Equivalent	Annual
Up to 5 yrs.	3.08 hrs.	0.0385 hrs.	80 hrs.
From 5 to 9 yrs.	4.62 hrs.	0.0578 hrs.	120 hrs.
From 10 to 19 yrs.	6.16 hrs.	0.077 hrs.	160 hrs.
From 20 yrs.	7.70 hrs.	0.0963 hrs.	200 hrs.

An employee will accrue at the next highest benefit level on his or her corresponding anniversary date. For purposes of crediting service time for vacation accruals, a former regular employee who is reinstated within one (1) year from the date of his or her date of separation shall receive credit for his prior service on a probationary and regular appointment. No service time on a temporary, provisional or contracted appointment will be credited.

~~Vacation leave can be accrued but shall not be granted during the first six (6) months of service.~~ The increases in vacation leave allowance shall be granted on the basis of full-time, continuous service. An approved leave of absence shall not constitute a break in service for the purpose of this section, but vacation leave shall not be earned during any period of unpaid absence.

As an exception to the foregoing, the City Manager or designee is authorized to place a new management employee at a position in the vacation schedule which recognizes that said employee has left a similar position with another employer where he or she had substantial vacation benefits.

Vacation leave shall continue to be earned during other authorized leaves with pay. When a holiday falls during an employee's absence on vacation leave, it shall not be deducted from his or her accrued leave.

The maximum vacation accrual cap shall be twice the annual allowance plus forty (40) hours. The vacation accrual cap shall be maintained on a continuous per pay period basis. Exceptions may be permitted on approval of the City Manager or designee. In granting such exceptions the City Manager or designee may specify a time within which such excess vacation leave must be used. It shall be the responsibility of each employee to insure the full use of vacation leave credits received by scheduling the necessary time off each year.

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Eligible employees, will be allowed a one-time vacation leave payout not to exceed forty (40) hours of accrued vacation leave in fiscal years 2016, 2017 and 2018. Payment must be requested no later than June 1 of each fiscal year. No payment requests will be accepted or paid after June 1, 2018. Employees interested in cashing out must enter the time in the Munis system for payment. Payout will be included in the biweekly payroll and said cash out will be subject applicable state and federal taxes.

In order to be eligible for a cash out, an employee must have used a minimum of eighty hours paid vacation and/or management leave in the twelve months preceding the request and will have at least forty hours remaining after the cash out.

8.03 Vacation Accruals for Certain Part-Time Employees

Only those employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be eligible for vacation leave. Eligible part-time employees other than temporary and provisional shall accrue vacation leave benefits each payroll period based upon the number of hours the employee actually works. The hourly equivalent rates are as follows:

Years of Service	Hourly Equivalent
Up to 5 yrs.	0.0385 hrs
From 5 to 9 yrs.....	0.0578 hrs
From 10 to 19 yrs.....	0.0770 hrs
From 20 yrs.....	0.0963 hrs

Notwithstanding the foregoing, employees who are hired in part-time status and full time employees who assume part-time status shall accrue vacation benefits each payroll period based upon the total number of hours for which the employee was compensated in the payroll period. In order to be eligible for this benefit, employees must consistently work a half-time schedule or more. The amount of vacation so accrued shall be proportionate to that earned by full time employees in the same payroll period. The vacation accrual schedule specified in Section 8.02 of this Resolution and listed above will be used for purposes of prorating vacation leave.

The use of vacation shall be subject to the provisions of Section 8.01, 8.02, 8.03 and 8.04 of this Resolution. The maximum vacation accrual cap shall be twice the annual allowance plus twenty (20) hours. The vacation accrual cap shall be maintained on a continuous per pay period basis. Exceptions to the foregoing may be permitted pursuant to the provisions of Section 8.02 of this Resolution.

~~Vacation leave can be accrued but shall not be granted during the first six (6) months of service.~~

8.04 Payment for Unused Vacation Leave

Leave time earned but unused at date of termination shall be added to final pay. If the employee owes the City for unearned leave taken, the actual time shall be deducted from final pay.

9.00 SICK LEAVE

9.01 Sick Leave Policy

Sick leave is a paid leave. Sick leave shall be allowed in case of an employee's bona fide illness or injury, or for an employee's doctor/health appointments. Use of sick leave shall be approved by the employee's supervisor.

Employees shall whenever possible make appointments for medical, dental, and other health and wellness similar purposes on Saturday or other non-work time.

In addition to the foregoing, sick leave may be used as family sick leave to care for an ill or injured family member or to take a family member to a doctor appointment. A "family member" is defined as a child, parent, spouse, registered domestic partner, or the child of a registered domestic partner as defined by California Labor Code 233. Up to half (1/2) of an employee's annual sick leave accruals per calendar year may be used as family sick leave.

A certificate from an attending physician stating the expected duration of the family member's illness may be required. Authorization to use additional sick leave for family illness beyond the maximums identified above may be granted by the City Manager or designee when in his or her judgment circumstances warrant the same. Employees may use not more than four (4) hours of sick leave for the purpose of consulting with a physician concerning a serious illness or injury of a member of the employee's immediate family.

If an employee exhausts his or her sick leave, the employee may apply for another eligible paid or unpaid leave as provided for in this Resolution. If sick leave is approved and then it is determined that the employee does not have enough sick leave available to cover the request and no other leave is requested, Payroll will deduct the excess time from another eligible paid leave balance.

No sick leave accruals will be credited in advance. No sick leave will be earned while on an unpaid leave.

If sick leave is used for purposes that qualify under a state or federal leave law, such as Family Medical Leave Act/California Family Rights Act or Pregnancy Disability Leave, then any sick leave used will count towards the state or federal leave entitlement.

9.02 Sick Leave Allowance for Full-Time Employees

All full-time employees other than temporary and provisional shall accrue sick leave benefits each payroll period based upon the number of hours the employee is entitled. The full time sick leave accrual rate is 3.7 hours per payroll period (up to ninety-six (96) hours annually). Employees shall accrue sick leave credits in accordance with the foregoing schedule from their initial date of employment, ~~and shall be entitled to the use of sick leave upon completion of three (3) months of continuous, full-time satisfactory employment.~~

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The use of accrued sick leave shall be subject to the provisions of Section 9.0 of this Resolution. After an absence is approved as sick leave, it shall be deducted from an employee's leave balance. There shall be no limit upon the number of hours of unused sick leave which may be accumulated by an employee. Upon separation of employees, sick leave balance for which payment has not been made shall be canceled, and shall not be restored if a former employee is reinstated.

9.03 Sick Leave Allowance for Certain Part-Time Employees

Part-time employees who are regularly scheduled to work twenty (20) or more hours per week shall be entitled to accrue sick leave benefits each payroll period based upon the total number of hours for which the employee was compensated in the payroll period.

The amount of sick leave so accrued shall be proportionate to that earned by full time employees in the same payroll period based on the part-time employee's budgeted for position. The full time sick leave accrual rate is 3.7 hours per payroll period. The use of accrued sick leave shall be subject to the provisions of this Resolution.

~~Sick leave can be accrued but shall not be granted during the first three (3) months of service.~~ Sick leave is accrued for all regular hours worked and shall continue to be earned during other authorized leaves with pay. There shall be no limit upon the number of hours of unused sick leave that may be accumulated by an employee. Upon separation of employees, sick leave balance for which payment has not been made shall be canceled, and shall not be restored if a former employee is reinstated.

9.04 Sick Leave Notice and Certification

In order to receive compensation while absent on sick leave, employees or someone on their behalf shall notify the immediate supervisor prior to or within thirty (30) minutes before the time set for reporting to work. The City Manager or designee may waive this requirement upon presentation of a reasonable excuse by the employee. Employees shall file a personal affidavit or physician's certificate with their supervisor if required by the City Manager or designee for any use of sick leave. After three (3) consecutive working days' absence, the supervising authority may require an appointment and/or physician's certificate. If employees become ill while on vacation, periods of illness may be charged to sick leave upon presentation of a physician's certificate certifying duration of illness. In cases of frequent use of sick leave employees may be requested to file physician's statements for each illness, regardless of duration.

A physician's certificate needs to include the name and signature of the attending physician, the date and time the employee was seen by the physician, and the physician's certification that the illness or injury was of such nature to prevent the employee from performing his or her job. Employees may also be required to take an examination by a physician designated by the City and to authorize consultation with their own physician concerning their illness.

Sick leave shall not be granted for absences caused by intoxication or excessive use of alcoholic beverages, except as required by law.

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These same requirements may also be applied for family sick leave requests.

9.05 Payment for Unused Sick Leave

Any employee leaving employment of the City in good standing after having completed twenty (20) years of continuous public service, or upon retirement from the City for service or disability with at least (10) years of service, or upon termination of employment by reason of death shall receive payment for a portion of that sick leave earned but unused at the time of separation.

The amount of payment for unused sick leave shall be based on the employee's accumulated unused sick leave balance at the time of separation (up to a maximum of 2400 hours), times the employee's hourly rate of pay at time of separation plus seven (7) percent, times the number of whole years of continuous service, times the percentage factor from the following table:

- 0% to 65% of maximum eligible sick leave accrual = 1%
- 65.01% or more of maximum eligible sick leave accrual = 1.15% provided the employee has twenty-five (25) years of service. If the employee has less than twenty-five (25) years of service the payout percent will equal 1%.

For the purposes of this section, maximum eligible sick leave accrual will be calculated as number of whole years of service times 96.2 sick leave hours. The following examples illustrate how sick leave payouts will be provided to employees under this section:

Example 1. Employee A is retiring after 20.7 years of service. She has 1335.4 hours of unused sick leave at time of retirement. The maximum number of sick leave hours she could have accrued over the course of her employment with the City was 96.2 hours x 20 years = 1924.0 hours. Her total sick leave hours (1335.4) are equal to 69.4% of the total maximum eligible sick leave accruals (1335.4 ÷ 1924.0 x 100 = 69.4%). She did retain greater than 65% of her maximum eligible sick leave accruals, however, she does not have 25 years of service, therefore, she is only eligible to receive 1% of her unused sick leave balances for every whole year of service. Her hourly rate is \$42.35. Her sick leave payout hourly rate is \$42.35 x 1.07 = \$45.31. Her sick leave payout calculation is as follows:

$$\underline{1335.4 \text{ hours}} \times \$45.31 \times 20 \text{ years} \times .01 = \$12,101.40$$

Example 2. Employee B is retiring after 30.2 years of service. He has 2457.8 hours of unused sick leave at time of retirement. The maximum number of sick leave hours he could have accrued over the course of his employment with the City was 96.2 hours x 30 years = 2886.0 hours. His total sick leave hours (2457.8) are equal to 85.2% of the total maximum eligible sick leave accruals (2457.8 ÷ 2886.0 x 100 = 85.2%). He retained greater than 65% of his maximum eligible sick leave accruals and he has more than 25 years of experience, therefore he would be eligible for 1.15% of his unused sick leave balances for every year of service. His hourly rate is \$41.18. His sick leave payout hourly rate is \$41.18 x 1.07 = \$44.06. His sick leave payout calculation is as follows:

$$\underline{2400 \text{ hours (max allowed)}} \times \$44.06 \times 30 \text{ years} \times .0115 = \$36,481.68$$

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Payment of unused sick leave for part-time employees shall be determined using a pro-rated maximum accrual of sick leave hours and a pro-rated cap on the maximum number of hours that are subject to cash-out. The percentage applied for pro-rating shall be determined based on the average number of hours worked during the one (1) year period immediately preceding separation. For example, if the employee worked 1,040 hours during the year before separation, or the equivalent of 0.5 FTE, then the pro-rated maximum accrual will be 0.5 x 96.2 hours, or an annual accrual rate of 43.1 hours. The pro-rated cap for this same employee will be 0.5 x 2,400 hours or 1,200 hours.

That portion of an employee's sick leave balance for which payment is not provided shall be canceled, and shall not be restored if said employee is reinstated.

Employees hired on or after April 1, 2012 shall not be eligible to receive any sick leave cash-out benefits under this Section.

9.06 Catastrophic Injury/Illness Time Bank

Upon approval of the City Manager or designee a time bank may be established for the benefit of an employee who is incapacitated by a catastrophic illness or injury. The intent of this program is to assist catastrophically ill or injured employees who have exhausted all available paid accruals, to maintain paid status for a maximum of one (1) year. Catastrophic injury or illness is defined as a medically certified, severe and disabling, non-industrial condition resulting in an employee's inability to work. Employees may submit requests to donate earned vacation and/or compensatory time on a voluntary basis subject to the conditions listed below.

- A. Employees initially eligible to receive leave contributions must have exhausted all other leave balances available including earned vacation, management leave and earned sick leave.
- B. State and federal income tax on the value of leave donated shall be deducted from the recipient employee's pay at the time of crediting.
- C. Leave hours that are credited as sick leave to the recipient, shall not be reversible.
- D. Hours requested to be donated shall be kept in a pledge status until used, shall be credited on a monthly basis as sick leave, and shall be subject to the provisions of this Resolution regarding the use and payment of same. Donations shall be credited in the following order:
 1. From donors whose vacation accruals are at or within sixteen (16) hours of the maximum allowed for their classification; then
 2. From other donors in random order, to be determined on a draw basis by the Human Resources Department.
 3. Donation requests shall be credited in the order specified above in subsequent month(s).
- E. Donated leave time shall be changed to its cash value and then credited to the recipient in equivalent hours at the recipient's straight time hourly rate of pay. Recipient employees shall not be credited

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with more than one-hundred percent (100%) of their normally scheduled hours for any given pay period.

- F. Donating employees may not reduce their balance of earned vacation below eighty (80) hours by reason of such donations.
- G. Recipient employees shall be credited with up to forty (40) hours of donated time upon return to work, provided that sufficient hours remain in pledge status during the pay period immediately preceding the return to work date. All undonated, pledged hours exceeding forty (40) shall be returned to the respective donor(s).
- H. In the event of the death of the recipient, his or her designated beneficiary shall receive payment for hours credited as donated. Hours remaining in pledge status are not subject to payout to the beneficiary, and shall be returned to the donor(s).

This provision shall also allow the use and donation of catastrophic leave to employees who need paid time off to care of a catastrophically injured or ill dependent. The use of this leave is limited to a one (1) year period for establishment of any Catastrophic Injury/Illness Time Bank. Upon approval of the City Manager or designee, a time bank may be established for the benefit of an employee who has a dependent who is incapacitated by a catastrophic illness or injury. A dependent is defined as a legal spouse, registered domestic partner, legal child under the age of 26, or legal child of a registered domestic partner under the age of 26.

An employee must provide a signed medical certification from the treating physician of his or her dependent stating that the employee's dependent has a severe and disabling injury or illness and indicating the amount of time he or she would need to be off to care for his or her dependent.

An employee shall not be credited with more than 100% of his or her normally budgeted hours for any given pay period. In no event shall an employee receive donated paid leave in addition to any paid benefit provided to the employee for time off to care for his or dependent that will result in the employee receiving more than 100% of the employee's base salary for the pay period. Records of any paid benefit provided to the employee for time off to care for his or her dependent must be provided by the employee to Payroll for integration with catastrophic leave.

Employees can donate paid leave to an employee who has a dependent with a catastrophic injury/illness under the same terms and conditions as for an employee who has a catastrophic injury/illness.

Employees can utilize catastrophic leave for up to a one (1) year period. The period starts for the first day of use of catastrophic leave. For example, if catastrophic leave starts on July 1, 2010, it can only be used up until June 30, 2011. Leave can be taken on an intermittent basis if approved by the City Manager or designee but will not exceed catastrophic leave usage past the one (1) year leave period.

Any leave used for purposes that qualify under a state or federal leave law, such as Family Medical Leave Act/California Family Rights Act/Pregnancy Disability Leave will count toward any state or federal leave entitlements. If an employee is unable to return to work and has exhausted all of his or her

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leave entitlements, the employee may be retired for disability and/or separated.

10.00 MISCELLANEOUS LEAVES

10.01 Bereavement Leave

All full-time employees other than temporary and provisional employees shall be granted bereavement leave with pay for not more than three (3) work days upon the occasion of the death of a close relative. When additional time is desired, employees may be allowed to take accumulated vacation leave or management leave as approved by their City Manager or designee. For the purpose of this section, a close relative is defined as any relation of the employee, by blood or marriage, including registered domestic spouses in accordance with Section 297.5 of the Family Code where one or more of the following conditions are present:

- A. The employee will be attending the funeral of the deceased;
- B. The employee is responsible for or involved with funeral arrangements and/or estate settlement for the deceased; and/or
- C. The employee's relationship with the deceased was of a close and personal nature such that time is required by the employee to deal with his or her bereavement or to participate in memorial services, either religious or non-sectarian.

When requesting such leave, employees will be required to certify to the Department Director or designee the conditions for granting bereavement leave have been satisfied. Upon presentation of such a request the City Manager or designee shall determine whether leave shall be granted and in what amount. Additional bereavement leave for two (2) work days for travel purposes not to exceed a total of five (5) working days may be granted by the City Manager or designee when circumstances warrant the same.

Part-time employees who work a continuous schedule of twenty (20) or more hours per week shall be granted bereavement leave with pay as necessary on the same basis as full-time employees except that they shall be compensated at the rate of one-half (1/2) of the bereavement leave allowance provided full-time employees.

10.02 Jury Leave

An employee summoned to jury duty shall inform his or her supervisor and, if required to serve, may be absent from duty with full pay. Any jury fees received by an employee shall be remitted to the City, excluding mileage reimbursement.

10.03 Military Leave

Military Leave shall be granted in accordance with the provisions of state and/or federal law. All employees entitled to military leave shall give the City

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Manager an opportunity, within the limits of military requirements, to determine when such leave shall be taken.

10.04 Industrial Disability

For employee injury or disability falling within the provisions of the state Workers' Compensation Disability Act, disability compensation at the rate allowed under said act shall be the basic remuneration during the employee's period of disability. Compensation under this Act will be provided through payroll or the City's third party administrator. Employees may elect to use their own personal paid leave to supplement any worker's compensation benefits received. If any paid leave is used, the employee must contact Human Resources Department and integrate the leave with any temporary disability benefits paid under this Act, so that compensation does not exceed 100% of an employee's regular pay.

10.05 Family and Medical Leave/ California Family Rights Act

Employees may be eligible for leave under the Family Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA). The administration of any FMLA or CFRA leave provided for under this provision shall be in accordance with the provisions of the FMLA and the CFRA. Leave provided under this provision may run concurrently with other leaves provided under this agreement, as designated by the Human Resources Department. Additional information regarding available leave benefits is set forth in City Administrative Rule 2.45, as that Rule may be revised.

10.06 Pregnancy Disability Leave

Employees may be eligible for leave under the California Pregnancy Disability Leave Law (PDLL). The administration of any leave given under the PDLL shall be in accordance with the provisions of the PDLL. Leave provided under this provision may run concurrently with other leaves provided under this agreement. Additional information regarding available leave benefits is set forth in City Administrative Rule 2.45, as that Rule may be revised.

10.07 Leave of Absence

The City Manager or designee, upon written request of a full-time employee other than temporary and provisional employees, may grant for the good of the service a leave of absence without pay for a maximum period of one (1) year. Consideration for granting leave will take into account the employee's previous time off, reason for request, business needs, etc.

Leaves hereby authorized shall include medical leaves, educational leaves, parental leaves, and leave for any other purpose promoting the good of the service. Part-time employees are eligible for leaves of absence on a pro-rata basis (e.g., half-time employees are eligible for one-half the leave of absence duration of a full-time employee, i.e., a maximum of six (6) months duration). Whenever granted, such leave shall be in writing and signed by the City Manager or designee. Upon expiration of such a leave, the employee shall be reinstated to the position held at the time leave was granted. Failure of

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the employee to report promptly at its expiration or within a reasonable time after notice to return to duty shall terminate employee's right to be reinstated.

All eligible paid leaves must be exhausted during any leave granted under this provision. Should the employee exhaust their leave balance while on the leave all remaining time will be without pay. If a Leave of Absence is used for purposes that qualify under a state or federal leave law, such as Family Medical Leave Act/California Family Rights Act or Pregnancy Disability Leave, the leave taken will count towards the state or federal leave entitlement. If an employee is unable to return to work and has exhausted all of his or her leave entitlements, the employee may be retired for disability or separated. No benefits will be provided during this period except as provided below. Health coverage may be continued but at the employee's own cost.

10.08 Parental Leave

Employees shall be granted forty (40) hours leave with pay at their current straight time hourly rate upon the birth of a child, or when a child begins residence with an employee who has commenced adoption proceedings with full intent to adopt. Part-time employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be granted proportionate leave based upon their work schedules. Leave must be taken within one (1) year from the date of birth or placement of the child. Any leave granted under this provision shall run concurrently with FMLA/CFRA leave.

10.09 Management Leave

The City Council wishes to acknowledge the special public service rendered by the City's Executive and Exempt employees. In maintaining the City's efficiency and reputation, Executive and Exempt Employees in this group work whatever extra hours are required for appearances before the City Council, City Boards and Commissions, citizens' groups, and intergovernmental bodies; for maintenance of essential services during emergencies; and for accomplishment of work assignments which often impose irregular hours and time expenditures far in excess of the conventional forty (40) hour work week. Under such circumstances, these employees neither expect nor receive overtime pay. However, upon being regularly required to work throughout the year beyond the normal work week, an employee shall be provided up to two (2) weeks' annual management leave. Upon request of an employee, the City Manager or designee may authorize additional management leave. All leave granted pursuant to this Section must be used in the calendar year in which it is received, otherwise it is forfeited.

Employees may cash out up to forty (40) hours of Management Leave each calendar year.

All requests for cash out must be submitted in Munis no later than December 1 of the respective year. Payout will be applied to a bi-weekly payroll and employees will be responsible for all taxes associated with such payout.

12.00 MISCELLANEOUS PROVISIONS

12.01 Notification of Address

All employees, including those on leave of absence, shall keep the Human Resources Director or designee informed as to their current home address at all times, no later than ten (10) days after such change of address.

12.02 Restrictions on Outside Work

Gainful employment outside an employee's regular City position shall be considered a privilege subject to regulation and not a right. No employee shall engage in a gainful occupation outside his or her City position which is incompatible with employee's City employment or which is of such a nature as to interfere with satisfactory discharge of his or her regular duties. Any employee who wishes to engage in or accept such employment may do so after having first obtained written approval of the City Manager or designee. Approval of outside employment will be granted for a period not to exceed one (1) year. Employees wishing to continue outside employment will need to re-apply for approval of outside work upon expiration of current approval. Violation of this section shall be cause for disciplinary action.

12.03 Employee Health and Medical Examinations

When in the judgment of the City Manager or designee, an employee's health or physical condition may have an adverse effect on the performance of duties or affect the safety or health of fellow employees, the employee may be required to undergo a medical examination at City expense.

On the basis of authoritative medical advice, the City Manager shall determine whether an employee is physically incapacitated for the duties of the position, and may take whatever action he or she deems appropriate. The determination and resultant action may be the subject of appeal to the Personnel Commission for its review and recommendation.

Those employees designated by the City Manager shall also undergo, at City expense, routine medical examinations. The frequency of these examinations and the examining physician shall also be designated by the City Manager.

12.04 Conversion of Compensatory Time

An employee promoted from another representation unit to a classification in the Unrepresented Executives, Management, City Manager, Human Resources, & City Attorney Employees will be required at the time of promotion to redeem all accrued compensatory time at the straight time hourly rate immediately prior to promotion. As an exception to the foregoing, an employee may elect to have the compensatory time transferred to the Deferred Compensation Plan pursuant to Plan rules.

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12.05 Americans with Disabilities Act (ADA)

The City recognizes its obligation under law to meet with individual employees who allege a need for reasonable accommodation in the workplace because of a disability. The City will engage in the interactive process with qualified employees to determine if a reasonable accommodation is available. In the case of an employee with a disability, managers and supervisors may be informed of necessary restrictions on the work or duties of the employee and any agreed upon reasonable accommodations.

12.06 Potential Changes In Wages and Benefits

The City agrees that leave, holidays, and fringe benefits and annual across the board salary increases granted to Unrepresented Exempt and Non-Exempt employees will be equal to those granted to members of the Hayward Association of Management Employees.

12.07 Fire Chief Position

Section 5.00, Section 6.00, and Section 12.06 of this Resolution detailing employee benefit plans and across the board salary increases shall not apply to the Fire Chief. Instead, the employee benefits (including health and retirement benefits) for the Fire Chief will be the same as those set forth in any collective bargaining agreement between the City and the Hayward Fire Chiefs Association. In addition, the Fire Chief will be eligible to receive certification pay for possessing and maintaining a valid emergency medical technician certification and/or paramedic certification under the same terms and conditions as such pay is provided to employees represented by the Hayward Fire Chiefs Association. Except as specifically provided in this Section 12.07 all other provisions of this Resolution shall apply to the Fire Chief.

This Section 12.07 shall remain in effect until thereafter amended or rescinded by the City Council.

12.08 Police Chief

Section 5.00, 6.00 and 12.06 of this Resolution shall not apply to the Police of Chief. Instead, employee benefits (including health and retirement benefits) for the Police Chief will be the same as those set forth in any collective bargaining agreement between the City and the Hayward Police Officers Association. Moreover, based on satisfactory performance as determined by the City Manager, salary adjustments will be equivalent to those set forth in the collective bargaining agreement between the City of Hayward and the Hayward Police Officers Association. In addition, the Police Chief is eligible to participate in the Police Educational Incentive Program on the same terms as members of the Hayward Police Management Unit. Except as specifically provided in this Section 12.08 all other provisions of this Resolution shall apply to the Police Chief.

This Section 12.08 shall remain in effect until thereafter amended or rescinded by the City Council.

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12.09 Duration

This Resolution is intended to provide authorization for salaries, benefits and other terms and conditions of employment for the period beginning July 1, 2015 and until this Resolution is thereafter amended or rescinded by the City Council.

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APPENDIX A - SALARY SCHEDULE

Job Code	Job Class		Steps	7/1/2015
U735	Executive	Assistant City Manager	1	78.15
			2	82.06
			3	86.16
			4	90.47
			5	94.99
P500	Executive	Chief of Police	1	81.92
			2	86.02
			3	90.32
			4	94.84
			5	99.58
U700	Executive	Director of Development Services	1	66.64
			2	69.97
			3	73.47
			4	77.14
			5	81.00
U725	Executive	Director of Finance	1	73.94
			2	77.64
			3	81.52
			4	85.60
			5	89.88
U705	Executive	Director of Human Resources	1	67.45
			2	70.82
			3	74.36
			4	78.08
			5	81.98
U720	Executive	Director of Information Technology/Chief Information Officer (CIO)	1	67.71
			2	71.10
			3	74.65
			4	78.38
			5	82.30
U710	Executive	Director of Library And Community Services	1	67.52
			2	70.90

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			3	74.45
			4	78.17
			5	82.08
U715	Executive	Director of Maintenance Services	1	67.62
			2	71.00
			3	74.55
			4	78.28
			5	82.19
U730	Executive	Director of Public Works	1	74.50
			2	78.23
			3	82.14
			4	86.25
			5	90.56
F800	Executive	Fire Chief	1	77.25
			2	81.11
			3	85.17
			4	89.43
			5	93.90
U210	Exempt	Assistant City Attorney	1	61.70
			2	64.79
			3	68.03
			4	71.43
			5	75.00
U320	Exempt	Assistant to City Manager	1	47.48
			2	49.86
			3	52.35
			4	54.97
			5	57.72
U310	Exempt	Community and Media Relations Officer	1	41.55
			2	43.63
			3	45.81
			4	48.10
			5	50.51
U200	Exempt	Deputy City Attorney I	1	46.36
			2	48.68
			3	51.11
			4	53.66

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			5	56.34
U205	Exempt	Deputy City Attorney II	1	50.99
			2	53.53
			3	56.21
			4	59.02
			5	61.98
U505	Executive	Deputy City Manager	1	64.02
			2	67.22
			3	70.58
			4	74.11
			5	77.82
			5	77.81
U500	Exempt	Deputy Director of Finance	1	60.95
			2	63.99
			3	67.20
			4	70.56
			5	74.09
U510	Exempt	Deputy Director of Public Works	1	66.05
			2	69.36
			3	72.83
			4	76.48
			5	80.30
U110	Exempt	Human Resources Analyst I	1	35.45
			2	37.22
			3	39.09
			4	41.05
			5	43.10
U115	Exempt	Human Resources Analyst II	1	39.00
			2	40.94
			3	42.99
			4	45.14
			5	47.40
U135	Exempt	Human Resources Manager	1	47.18
			2	49.54
			3	52.02
			4	54.62
			5	57.35

**UNREPRESENTED MANAGEMENT, HUMAN RESOURCES
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U400	Exempt	Operations Support Services Manager	1	67.76
			2	71.15
			3	75.43
			4	79.20
			5	83.15
U195	Exempt	Paralegal	1	32.89
			2	34.54
			3	36.27
			4	38.08
			5	39.98
U120	Exempt	Senior Human Resources Analyst	1	42.89
			2	45.03
			3	47.29
			4	49.66
			5	52.14
U315	Non-Exempt	Executive Assistant	1	35.83
			2	37.48
			3	39.17
			4	40.85
			5	42.65
U100	Non-Exempt	Human Resources Technician	1	28.31
			2	29.73
			3	31.21
			4	32.76
			5	34.40
U105	Non-Exempt	Human Resources Administrative Secretary	1	31.81
			2	33.39
			3	35.06
			4	36.81
			5	38.66

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APPENDIX B – EMPLOYEE STATUS

UNCLASSIFIED SERVICE

Pursuant to Article VIII of the City Charter and Chapter 2, Section 4 of the City's Municipal Code, the following classifications constitutes the City's Unclassified Service:

- Assistant City Manager
- Assistant to City Manager
- Chief of Police
- Deputy City Manager
- Director of Development Services
- Director of Finance
- Director of Human Resources
- Director of Library & Community Services
- Director of Maintenance Services
- Director of Public Works
- Director of Technology Services
- Executive Assistant
- Fire Chief

CLASSIFIED SERVICE

Pursuant to Article VIII of the City Charter and Chapter 2, Section 4 of the City's Municipal Code, all positions identified in Appendix A that are not part of the unclassified service shall be included in the City's classified service.



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: WS 16-034

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Library and Community Services Director

SUBJECT

Review and Discussion of Proposed Alameda County-Wide General Obligation Bond Issuance (County-Wide Housing Bond)

RECOMMENDATION

That the City Council reviews and comments on this staff report and the presentation provided in Attachment I; and provides guidance to Mayor, Council, and staff regarding the City's position, if any, on the proposed bond.

BACKGROUND

The Alameda County Board of Supervisors (BOS) has directed County staff to explore the possibility of placing a County-wide General Obligation Bond (GO Bond) measure on the November 2016 ballot for the purpose of generating revenue to support various housing-related programs and investments throughout Alameda County, including Hayward, in response to the current housing affordability crisis.

To inform and seek input on the GO Bond issuance proposal, the BOS Health Committee has been conducting a series of work sessions to discuss and consider housing bond policy and programmatic proposals with the goal of drafting the final bond measure language and authorizing resolution for the November ballot. City of Hayward staff has been attending these work sessions. At this time, the BOS is scheduled to vote on potential bond measure language at its meeting on June 14, 2016 - in advance of the elections filing deadline to place a County measure on the November 2016 ballot.

County Supervisors have also been conducting outreach efforts in their respective districts to seek public input on the housing bond and affordable housing-related matters through stakeholder and town hall meetings, none of which were scheduled to take place in Hayward. City staff has attended some of these meetings as well. A list of the Supervisors' town hall meetings is included with this report as Attachment II.

DISCUSSION

Staff from the Alameda County Community Development Agency (CDA) will provide a detailed presentation during the Council work session tonight about the proposed GO Bond. The presentation slides are included with this report as Attachment I. What follows is a summary of key aspects of the draft proposed GO Bond:

Bond Issuance Proposal

It is currently estimated that the bond issuance will be approximately \$500 million and that the bonds will be issued in three series, approximately two years apart as follows: \$200 million in 2017 and 2019, and \$100 million in 2021. At this amount, it is estimated that the increase on the residential homeowners' tax bill as a result of the bond indebtedness would be approximately \$12 per \$100,000 of the assessed value of each property. The average assessed value of properties in Alameda County is approximately \$400,000. Therefore, the bond is expected to raise approximately \$500,000,000.

It is currently proposed that the bond proceeds would be distributed among jurisdictions using a formula that guarantees an equitable, need- or population-based geographic distribution, although different allocation models have been proposed to date.

Programmatic Proposal

Based on stakeholder input and eligible uses of GO Bonds, critical housing needs addressed, etc., the following are the programs that CDA currently proposes to fund with the G.O. Bond proceeds:

- **Affordable Rental Housing Development Program:** new construction, acquisition, rehabilitation, and preservation of rental housing, including: a) construction and rehabilitation of permanent supportive housing, b) acquisition of substandard, vacant, or at-risk rental housing for conversion to affordable housing, and c) other programs that: i) leverage other federal, state or local funds, ii) ensure anti-displacement, and iii) ensure long-term or permanent affordability. The currently proposed set-aside for this program is approximately \$425 million.
- **Down Payment Assistance Loan Program:** shared-equity "silent-second" down-payment assistance loans of up to \$100,000 (or 15% of the sales price, whichever is lesser) for households earning between 80% and 120% of the Area Median Income (AMI). The currently proposed set-aside for this program is approximately \$50 million.
- **Home Accessibility Loan Program:** silent-second, deferred-payment loans of up to \$15,000 for very low and low-income (50% to 80% of AMI) seniors and people with disabilities to pay for accessibility improvements in their homes. The currently proposed set-aside for this program is approximately \$10 million.
- **Home Preservation Loan Program:** loans to assist low-income homeowners to stay in their homes. Program areas may include loans to pay for rehabilitation of owner-occupied homes. One-time payments of back taxes and/or overdue mortgage payments are also being considered. The currently proposed set-aside for this program is approximately \$15 million.

The funding allocation for development of affordable rental housing would consist of the bulk of the bond proceeds - an estimated 85% of the approximately \$500 million total bond proceeds. The targeted populations of these programs include seniors, homeless, and people with disabilities. The maximum household income limit of program beneficiaries would be between 30% and 60% of AMI.

It is envisioned that the funds for rental housing programs would be used as *gap* financing and that, for bond funds to be allocated to a project, the jurisdiction in which the project will be located would need to provide a local financial contribution or a match.

FISCAL IMPACT

If approved by the voters, the Alameda County-Wide GO Bond issuance would have no financial impact to Hayward's General Fund, and would potentially have a beneficial impact to the City's housing-related special revenue funds. The current GO Bond proposal requires local jurisdictions to provide a financial contribution toward rental projects that receive a funding allocation from the GO Bond. This would present a potential impact but also a leveraging opportunity for Hayward's affordable housing funds. Any local contribution to future specific projects would still require review and approval by Council.

PUBLIC CONTACT

Although this is the first presentation of the proposed measure in Hayward, County CDA staff has conducted extensive public outreach to inform community stakeholders about the GO Bond issuance proposal. These outreach efforts started in March. As part of the County HOME Consortium Technical Advisory Committee, the City's Library and Community Services division staff has received frequent updates on the development of the proposal.

County supervisors are hosting town hall meetings in their respective districts to gauge support, garner feedback, and seek input on the GO Bond proposal: the District 2 meeting is scheduled for Union City on Thursday, May 12. The BOS Health Committee has also been conducting a series of work sessions to discuss and consider housing bond policy and programmatic proposals. The BOS is scheduled to vote on a final bond measure language and authorizing resolution at its meeting on June 14, 2016 - in advance of the election filing deadline to place a County measure on the November 2016 ballot.

NEXT STEPS


Staff will continue to follow the housing bond proposal closely and will keep Council regularly apprised as the proposal develops. Should Council so direct, staff can do two things: assure that any Council concerns or preferences identified in this work session are communicated to County officials; and staff can bring back a formal policy position on the proposed measure for Council's consideration if and when the Board of Supervisors votes to place the measure on the November 2016 ballot.

File #: WS 16-034

Prepared by: Omar Cortez, Housing Development Specialist

Recommended by: Sean Reinhart, Director of Library and Community Services

Approved by:

A handwritten signature in black ink, appearing to read 'Fran David', with a stylized flourish at the end.

Fran David, City Manager

Attachments: Attachment I - Presentation Slides
Attachment II -Schedule of Supervisors' Town Hall Meetings



ALAMEDA COUNTY
Community Development Agency

OVERVIEW DRAFT FRAMEWORK FOR ALAMEDA COUNTY HOUSING BOND

May 2016

Presentation Outline

2

- Housing Crisis
- Process and Stakeholder Input
- Criteria for Bond Programs
- Overview of Draft Bond Program Framework
 - Homeowner Programs
 - Down Payment Assistance
 - Accessibility Improvements
 - Housing Preservation Fund
 - Rental Housing Programs
 - Rental Housing Development Program
 - Innovation & Opportunity Fund
- Next Steps



ALAMEDA COUNTY
Community Development Agency

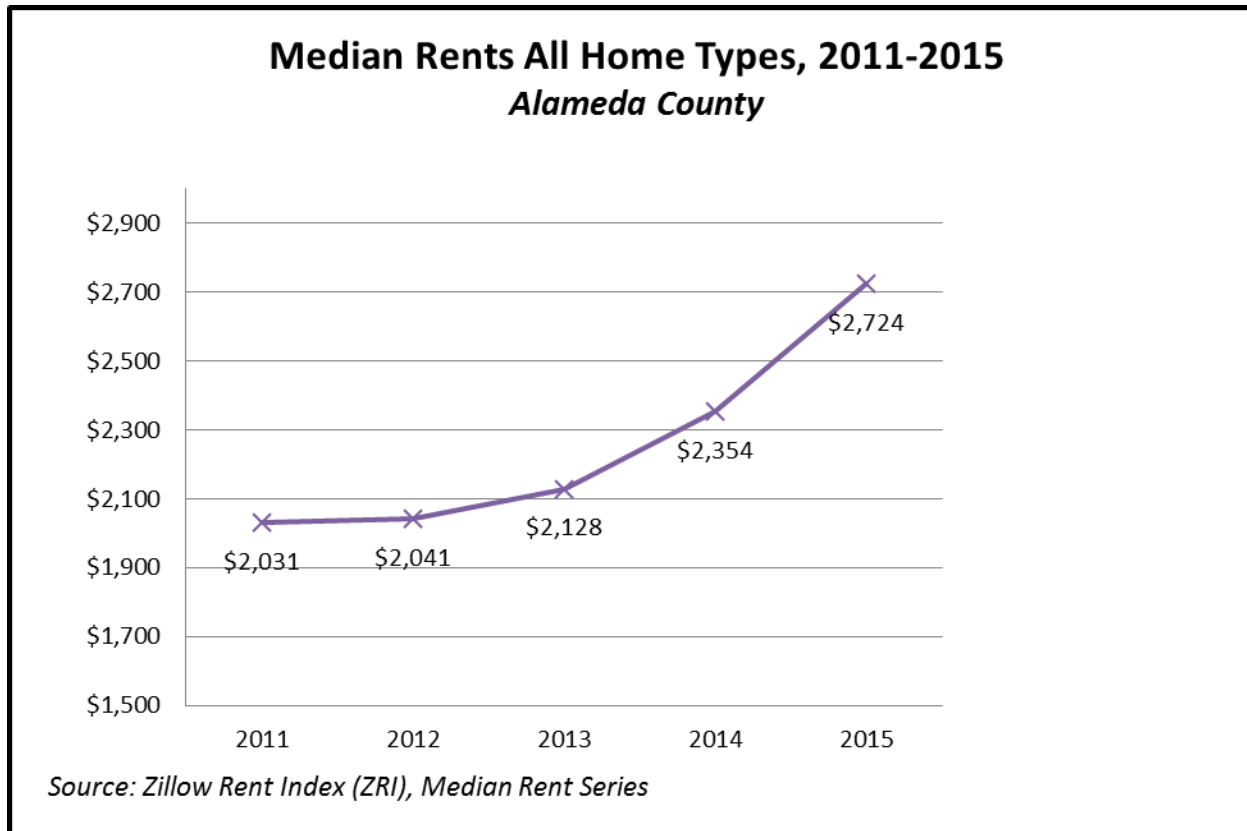
ALAMEDA COUNTY HOUSING CRISIS

May 2016

Affordable Housing Crisis

4

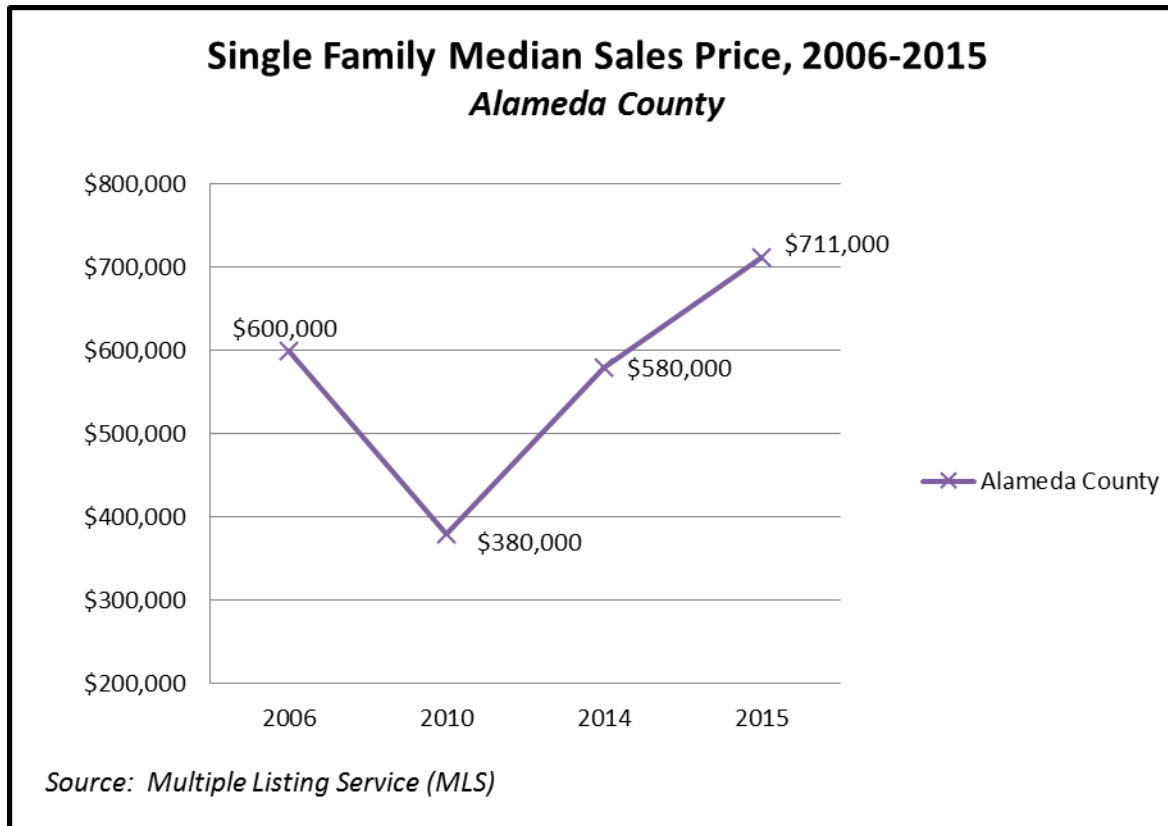
Rents Have Increased 34% since 2011 Countywide



Affordable Housing Crisis

5

Home Prices Have Increased 19% since 2006 Countywide

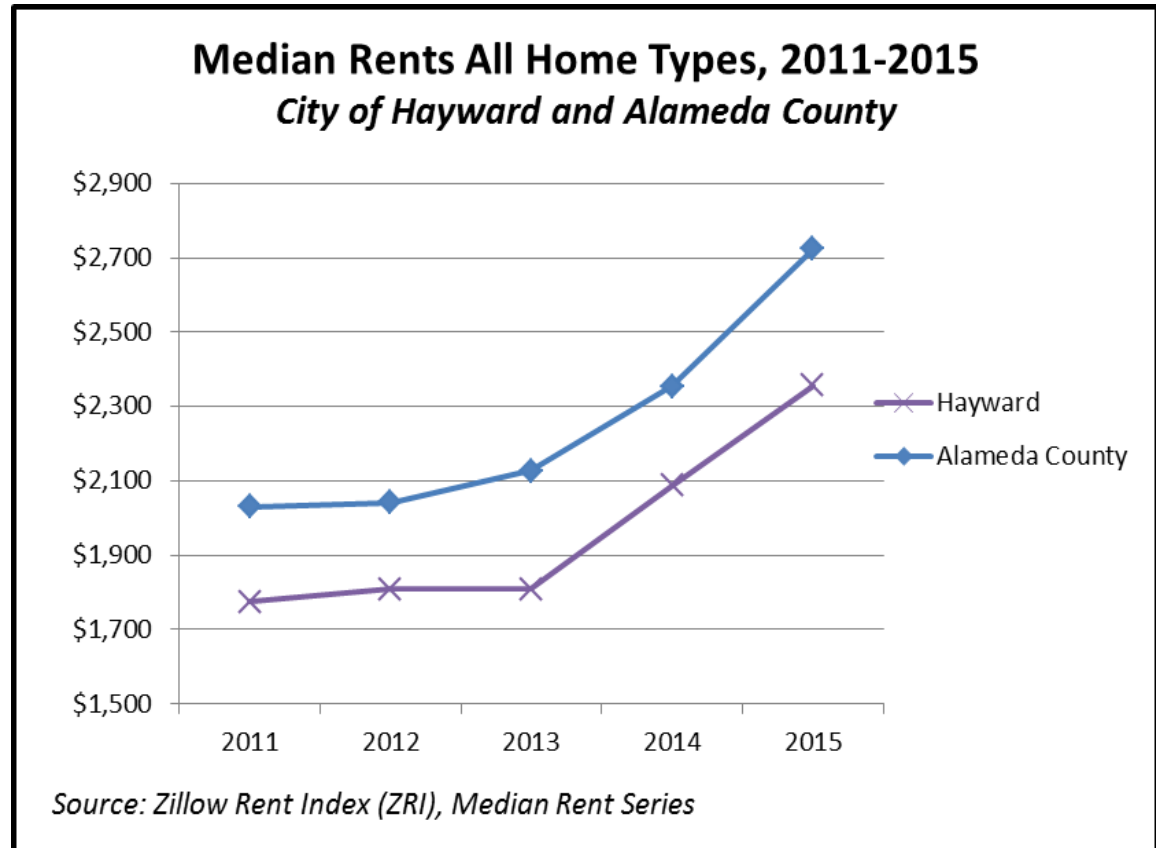


Housing Crisis in Hayward*

Hayward sales prices have risen 84% since the 2010 market bottom.

91% of Very Low Income renters pay over 30% of their incomes for rent, and 36% pay more than half of their incomes for rent.

Rents have increased 33% since 2011

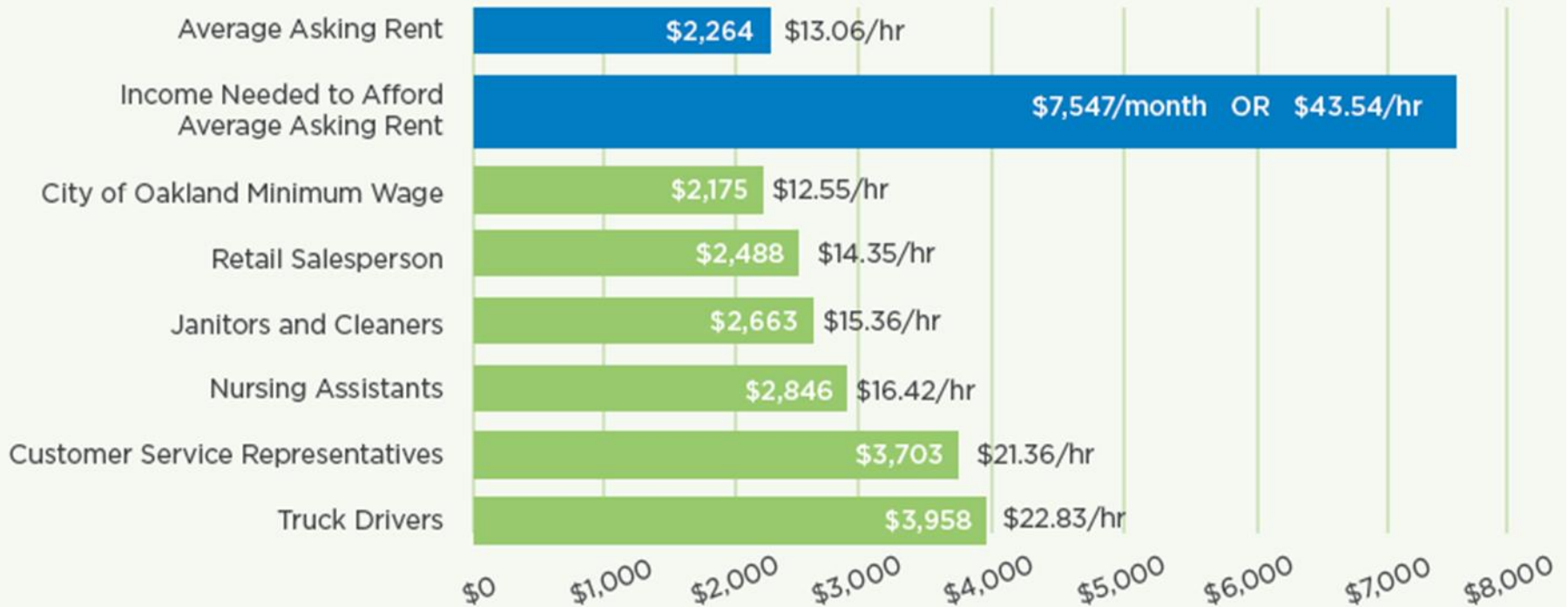


*Data includes Unincorporated Cherryland and Fairview

Incomes Not Keeping Up with Rents

7

ALAMEDA COUNTY RENTERS NEED TO EARN \$7,547 A MONTH TO AFFORD AVERAGE ASKING RENTS



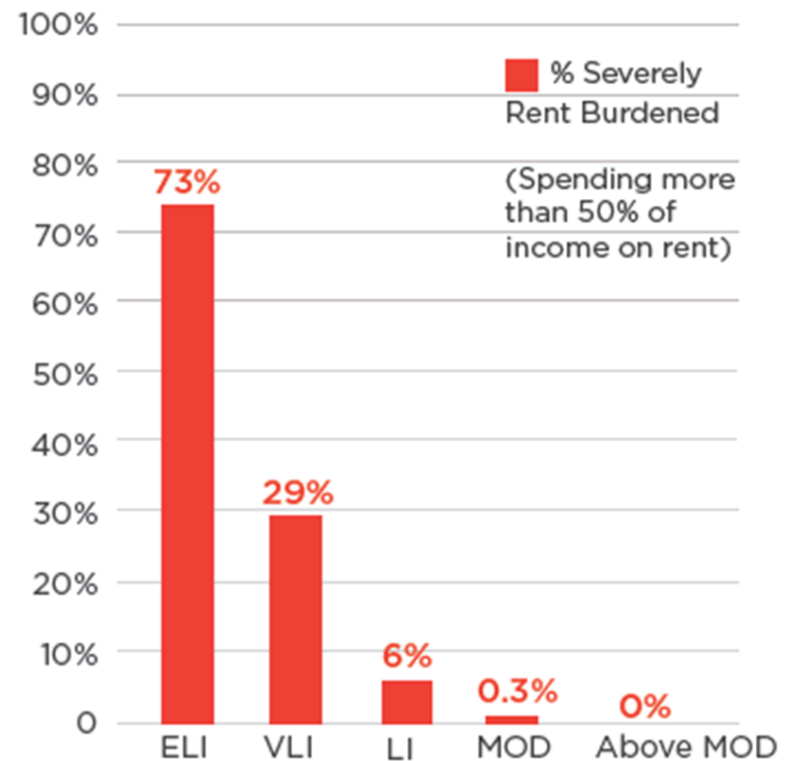
Source: CHPC Analysis of Real Answers Alameda County average rent data for the 1st Quarter 2016 and Bureau of Labor Statistics Average Annual Wage Data for CA Occupations 2015.

Incomes Not Keeping Up with Rents

8

- 29% of Very Low and 73% of Extremely Low Income households spend more than 50% of their incomes on rent.

PERCENTAGE OF SEVERELY BURDENED HOUSEHOLDS BY INCOME GROUP



Source: NLIHC analysis of 2014 PUMS data.

Affordable Housing Crisis

9

There is a 60,911 unit shortfall for homes affordable to very low- and extremely low-income households in Alameda County alone.

- California Housing Partnership Corporation, May 2016 Alameda County Housing Report

Impacts of the Affordable Housing Crisis

10

- Long term residents have to leave
- More traffic congestion
- Too much income spent on housing costs
- Overcrowding
- Harder to attract and retain employees
- Undermines safety net
- Homelessness

County Responding in Many Ways

11

- Continued State and Federal Advocacy
- “Boomerang Funds” for affordable housing development and helping homeless people
- Housing Bond



ALAMEDA COUNTY
Community Development Agency

HOUSING BOND PROCESS AND STAKEHOLDER INPUT

May 2016

Process Overview & Schedule

13

□ **March 2 – April 8, 2016 – Stakeholder Process**

County-facilitated stakeholder process to discuss county housing needs, receive input and feedback on desired programs, and engage other interested parties.

□ **April 10 – May 22 – Draft Bond Program**

Policy and programmatic proposals discussed with stakeholders, city housing staff and officials, County housing staff, and Supervisors to develop a proposed program for use of housing bond funds.

□ **May 2 – May 22 – Supervisorial District Town Hall Meetings**

District town hall meetings to be held in each Supervisorial district to inform and educate constituents about the housing bond, and to garner feedback.

Goal: to present the final housing bond measure language and authorizing resolution to be voted on by the full Board of Supervisors on June 14, 2016.

Stakeholder Input Process

14

□ **Board of Supervisors Committee Work Sessions:**

5 Sessions March - June

Final: June 6, 9:30 am, 1401 Lakeside Dr., 11th Floor

GSA Conference Room 1107

Stakeholder Meetings:

- **March 17th – Oakland**
- **April 13th – San Leandro**
- **May – Town hall meetings in Supervisorial Districts**
- **On-line Survey: www.tinyurl.com/alcohousingbond**
- **Email: alcohousingbond@acgov.org**
- **Website: www.acgov.org/board/housingbond.htm**

Stakeholder Input Highlights

Who Should the Housing Serve?

15

- House the most vulnerable
- Homeless people:
 - with disabilities, including mental illness
 - Chronically homeless people with substance abuse issues
 - Homeless families with children
 - Homeless youth/foster care youth
- People with Disabilities
 - Physical, mental, developmental
- Low-income seniors
- Extremely Low Income people
- Very Low Income people

Stakeholder Input Highlights

Who Should the Housing Serve, cont.

16

- Elderly homeowners and tenant families at risk of displacement
- Veterans
- Moderate-income renters
- Renters who don't qualify for Section 8
- Tenants
- Teachers and First Responders
- Working poor/Workforce housing
- First-time homebuyers

Stakeholder Input Highlights

Affordability/Income Levels

17

- **Deeply affordable housing for lowest income levels**
 - SSI income level (15% of Area Median Income - AMI)
 - 20% of funds for 20% of AMI
 - Extremely Low Income (30% AMI)
 - Very Low Income (50% of AMI)
 - Under 60% AMI
 - Under 80% AMI

- **Middle income (80-120% of AMI)**
 - Population mix in rental
 - Homeownership

- **Maintain long-term/permanent affordability**



CRITERIA FOR BOND PROGRAMS

May 2016

Criteria for Bond Program

19

- Eligible uses of G.O. Bond proceeds
- Addresses critical housing needs
- Simple to explain
- Simple to administer
- Assures all parts of the County benefit
- Allocates funds over time
- Builds on successful program models within Alameda County and elsewhere
- Leverage other funds where possible
- Allows for innovation and creativity

Basic Working Assumptions

20

- \$500 Million Total
- Issue bonds in 3 issuances, approximately 2 years apart, e.g.:
 - \$200 Million 2017
 - \$200 Million 2019
 - \$100 Million 2021
- Each Program Component to start at 1st issuance and continue through 2nd and 3rd



ALAMEDA COUNTY
Community Development Agency

DRAFT FRAMEWORK FOR ALAMEDA COUNTY HOUSING BOND

May 2016

Broad Goals of the Bond Program

22

- Help people who are struggling with housing costs
- Help homeless and other vulnerable populations with long-term affordable rental housing
- Help moderate and lower income Alameda County residents buy homes

Overview of Draft Program Framework

23

- Homeowner programs - \$75 million
 - Down Payment Assistance Loan Program
 - Accessibility Loan Program
 - Housing Preservation Loan Program

- Rental Housing Programs - \$425 Million
 - Rental Housing Development Fund
 - Innovation and Opportunity Fund



ALAMEDA COUNTY
Community Development Agency

DRAFT HOME OWNER PROGRAM COMPONENTS

May 2016

Homeowner Programs

25

- **Three Program Areas - \$75 million**
 - Down Payment Assistance Program
 - Senior/Disabled Home Accessibility Program
 - Home Preservation Loan Program

- **Common Components:**
 - Countywide Allocations
 - Revolving Loan Funds

Homeowner Programs

Down Payment Assistance Loan Program

26

- **Estimated Funding Amount: \$50 Million**
 - Goal: Assist middle income working families to purchase homes and stay in Alameda County

- **Program Parameters:**
 - Income limit: 80-120% of Area Median
 - e.g. Teachers, Electricians, Plumbers, Firefighters, Truck Drivers, EMT workers

- Design features to encourage program to benefit current Alameda County residents, for example:
 - Workforce Proximity Homeownership
 - Assist current residents to buy homes and stay in County
 - Teachers/First Responders

Homeowner Programs

Accessibility Loan Program

27

- Estimated Funding Amount: \$10 Million
- Goal: Assist Seniors and People with Disabilities to remain in their homes

- Program Parameters:
 - Income limit: 80% of Area Median
 - Accessibility improvements up to \$15,000

Homeowner Programs

Home Preservation Loan Program

28

- Estimated Funding Amount: \$15 Million
- Goal: Assist Low Income homeowners to retain their housing and stay in their homes

- Program Parameters:
 - Income limit: 50% or 80% of Area Median
 - Possible Program Areas:
 - Owner-Occupied Housing Rehabilitation
 - One-time back taxes and/or overdue mortgage payments



ALAMEDA COUNTY
Community Development Agency

DRAFT RENTAL HOUSING PROGRAM COMPONENTS

May 2016

Rental Housing Programs

30

- **Two Program Areas - \$425 Million**
 - ▣ Rental Housing Development
 - ▣ Innovation & Opportunity Fund

Rental Housing Program

Rental Housing Development Program

31

- Estimated Funding Amount: \$400 Million
- Goal: Create and preserve affordable rental housing for vulnerable populations, including workforce housing
- Program Parameters:
 - Income levels:
 - Most = 30-60% of Area Median Income (AMI)
 - Match with operating subsidies to target at least 20% of funds to 20% AMI or below
 - Possibly allow a portion of funds for up to 80% AMI in mixed income developments
 - Leverage tax credits, other state, federal and local funds
 - Require City financial contribution
 - Long-term affordability

Rental Housing Program

Rental Housing Development Program

32

- **Use of funds:**
 - ▣ **Development gap financing:**
 - Predevelopment and Development financing
 - New Construction, Acquisition, Rehabilitation
 - ▣ **Target populations:**
 - Homeless (chronic, families)
 - Seniors
 - Veterans
 - Workforce housing (including working poor)
 - People with disabilities (physical, developmental, mentally ill)

Rental Housing Development Program

Geographic Allocations of Funds

33

- **Based on:**
 - Simple to explain
 - Related to need
 - Assure that funds are available for projects throughout County

- **Geographic Allocation Model:**
 - Half of funds as a base allocation for use in each city*
 - Half of funds to regional pools to be drawn on by projects in any city in region

*including allocation to unincorporated county

Rental Housing Development Program

Geographic Allocation Model

34

Half of Funds to Base City Allocations

City Base Allocations By:	Total Population	
Alameda city	4.9%	\$9,746,699
Albany city	1.2%	\$2,445,077
Berkeley city	7.4%	\$14,855,841
Dublin city	3.1%	\$6,206,424
Emeryville city	0.7%	\$1,329,557
Fremont city	14.2%	\$28,421,727
Hayward city	9.6%	\$19,171,235
Livermore city	5.4%	\$10,739,893
Newark city	2.8%	\$5,619,809
Oakland city	25.9%	\$51,719,462
Piedmont city	0.7%	\$1,413,713
Pleasanton city	4.7%	\$9,312,893
San Leandro city	5.6%	\$11,208,352
Unincorporated	9.3%	\$18,600,773
Union City city	4.6%	\$9,208,545
Alameda County Total	100.0%	\$200,000,000

Half of Funds to Regional Pools

Regional Pools Allocations by:	% of Total	Need - Blend of Poverty and RHNA LI&VLI
North County	44.7%	\$89,325,065
Mid County	24.9%	\$49,803,134
East County	13.7%	\$27,332,372
South County	16.8%	\$33,539,429
Alameda County Total	100.0%	\$200,000,000

North Co: Albany, Berkeley, Emeryville, Oakland and Piedmont
Mid Co: Alameda, Hayward, San Leandro, and Unincorporated Co
East Co: Dublin, Livermore, and Pleasanton
South Co: Fremont, Newark and Union City

Rental Housing Program

Innovation & Opportunity Fund

35

- Estimated Funding Amount: \$25 Million
- Goal: Respond quickly to capture market opportunities, preserve and expand affordable housing, tenant anti-displacement

- Program Possibilities - Examples:
 - Rapid response high-opportunity pre-development and site acquisition loans
 - Purchase problem motels and convert to affordable housing

 - Bond-qualified rental anti-displacement opportunities
 - Acquire apartment buildings on market to renovate and make/retain affordability

- Countywide Allocation



ALAMEDA COUNTY
Community Development Agency

NEXT STEPS

May 2016

Next Steps

37

- Continue stakeholder input
 - Town Hall meetings
- Further develop and refine program options
- Prepare materials for Board consideration to place measure on November 2016 ballot

DISCUSSION

Alameda County Income Limits

Persons in Household	Extremely Low		Very Low		Low	Median	Moderate
	20%	30%	50%	60%	80%	100%	120%
1	\$13,660	\$20,500	\$34,150	\$40,980	\$52,650	\$68,300	\$81,960
2	\$15,600	\$23,400	\$39,000	\$46,800	\$60,150	\$78,000	\$93,600
3	\$17,560	\$26,350	\$43,900	\$52,680	\$67,650	\$87,800	\$105,360
4	\$19,500	\$29,250	\$48,750	\$58,500	\$75,150	\$97,500	\$117,000

Effective March 2016

Adjusted annually

Based on HUD Extremely (30%), Very Low (50%) and Low (80%) Income limits

Alameda County Housing and Community Development, April 2016



ALAMEDA COUNTY
Community Development Agency

DISCUSSION AND FEEDBACK

May 2016

Projected Additional Need for Affordable Housing: RHNA 2014-21

Alameda County					
Alameda County	Very Low 0-50%	Low 51-80%	Moderate 81-120%	Above Moderate 120%+	Total
Alameda	444	248	283	748	1,723
Albany	80	53	57	145	335
Berkeley	532	442	584	1,401	2,959
Dublin	796	446	425	618	2,285
Emeryville	276	211	259	752	1,498
Fremont	1,714	926	978	1,837	5,455
Hayward	851	480	608	1,981	3,920
Livermore	839	474	496	920	2,729
Newark	330	167	158	423	1,078
Oakland	2,059	2,075	2,815	7,816	14,765
Piedmont	24	14	15	7	60
Pleasanton	716	391	407	553	2,067
San Leandro	504	270	352	1,161	2,287
Union City	317	180	192	417	1,106
Alameda County Unincorporated	430	227	295	817	1,769
Total	9,912	6,604	7,924	19,596	44,036

Source: Association of Bay Area Governments (ABAG) 2013

Affordable Housing Crisis

42

Over Payment

Paying more than 30% of income towards rent is very common in all of Alameda County.

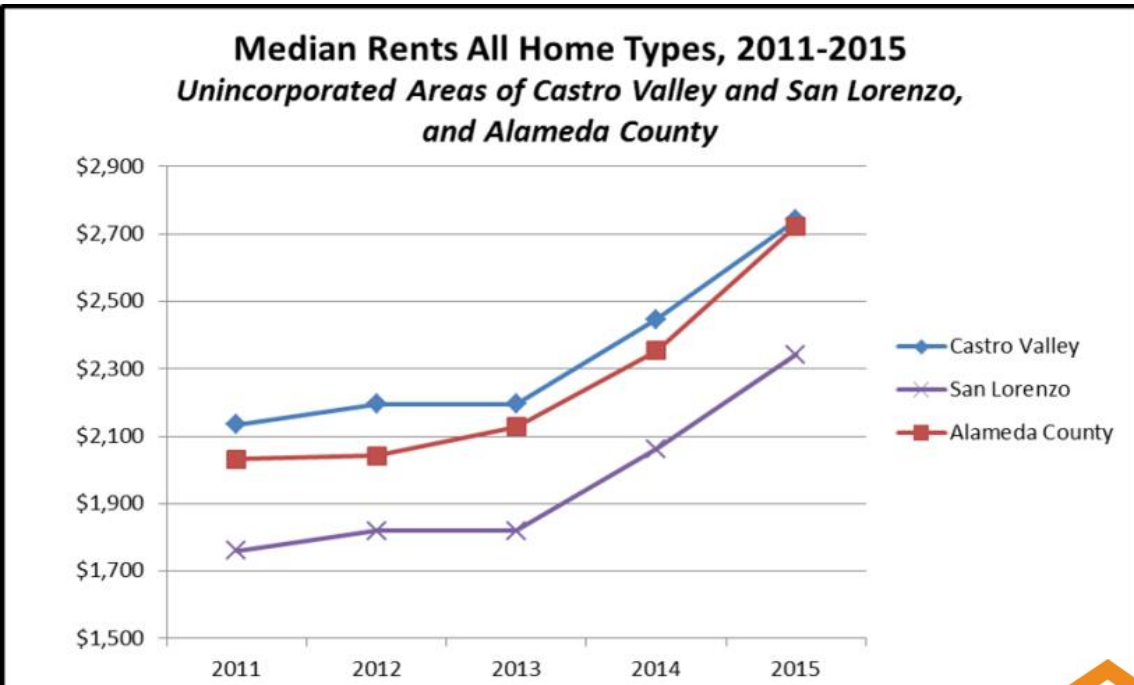
Berkeley	55.90%
Hayward	54.30%
Albany	53.40%
Oakland	52.60%
Union City	51.00%
Unincorporated	49.30%
Emeryville	48.10%
San Leandro	48.00%
Livermore	46.10%
Newark	44.70%
Alameda	42.50%
Fremont	38.80%
Dublin	38.50%
Pleasanton	35.80%
Piedmont	26.50%

Housing Crisis in Unincorporated County

Castro Valley sales prices have risen 48% and San Lorenzo have risen 59% since the 2010 market bottom.

76% of Very Low Income renters pay over 30% of their incomes for rent, and 35% pay more than half of their incomes for rent.

Rents have increased 29% in Castro Valley 31% in San Lorenzo since 2011



Source: Zillow Rent Index (ZRI), Median Rent Series





Housing Bond Town Hall

*Alameda County Supervisor Scott Haggerty and Supervisor Richard Valle
invite you to learn about the County's affordable housing bond*



Ask questions and share your input!

Thursday, May 12, 2016

6:00– 7:30 p.m.

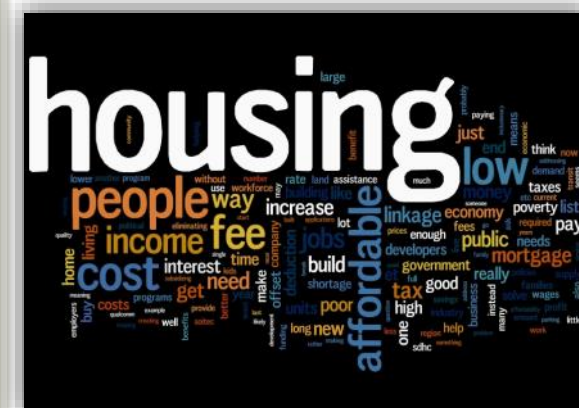
Council Chambers | Union City City Hall

34009 Alvarado-Niles Road, Union City, CA

*Learn about the draft proposal for the County's housing bond and
provide your feedback.*

Light food and refreshments will be served.

*Contact Ginny DeMartini at district2@acgov.org or (510) 259-1097 to RSVP
or for more information.*



Find another Housing Bond Town Hall near you:

Monday, May 9 | Oakland Chinatown | 5:30—7:00 PM

Tuesday, May 10 | Ashland Community Center | 7:00—9:00 PM

Thursday, May 12 | Union City Council Chambers | 6:00— 7:30 PM

Friday, May 13 | East Oakland Senior Center | 9:00—10:00 AM

Thursday, May 19 | Alameda City Hall—Council Chambers | 6:00—7:30 PM

Monday, May 23 | North Berkeley Senior Center | 6:00—8:00 PM

Tuesday, May 24 | Dublin City Hall | 6:00—7:30 PM

Thursday, May 26 | St. Benedict Catholic Church, Oakland | 6:30—8:30 PM

For additional information, visit: www.acgov.org/board/housingbond.htm



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: PH 16-044

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT: Public Hearing for the annexation of Blackstone at Cannery Place into Benefit Zone No. 13 of the City of Hayward Landscaping and Lighting Assessment District 96-1; and ordering the Levy of Assessments for fiscal year 2017

RECOMMENDATION

1. That the City Council hold a public hearing for the proposed Annexation of Blackstone at Cannery Place into Benefit Zone No. 13 of Landscaping and Lighting Assessment District 96-1.
2. That the City Council, after conclusion of the public input portion of the public hearing, close the balloting period, and direct the City Clerk to tabulate ballots received and announce results.
3. If majority protest does not exist, that the City Council adopts the attached Resolution (Attachment I):
 - a. Approving the Engineer's Report
 - b. Confirming Diagram and Assessments
 - c. Approving the annexation into Benefit Zone No 13
 - d. Levying the assessments for FY 2017

SUMMARY

The Engineer's Report (ER) for the Annexation of Blackstone at Cannery Place Property ("Annexation Area") to Consolidated Landscaping and Lighting District No. 96-1 ("District") is included as Attachment II and includes the following information: (1) An estimated budget for the Annexation Area; (2) A description of the improvements to be operated, maintained, and serviced by the District; (3) Special Benefits section including the General Benefit calculation and methodology; and (4) The assessment apportionment and list of the assessments proposed to be levied upon each assessable parcel within the Annexation Area.

BACKGROUND

The Landscaping and Lighting Act of 1972 (Streets and Highways §22500) is a flexible tool used by local government agencies to form Landscaping and Lighting Districts for the purpose of financing the costs and expenses of operating, maintaining and servicing landscaping (including parks) and lighting improvements in public areas.

In 1996, six separate Landscaping and Lighting Districts, Benefit Zones 1-6, were consolidated into one district, Consolidated Landscaping and Lighting District No. 96-1, by the adoption of Resolution No. 96-63. In subsequent years, Benefit Zones 7-13 were individually created and annexed into the District.

On February 24, 2016, SCI Consulting Group was hired to assist the City of Hayward with the formation and/or annexation of three benefit zones to the existing District. Blackstone at Cannery Place is one of the three developer owned projects, which consists of fifty-two single-family residences, 105 townhome-styled condos and Panhandle Park. Annexation into the District for the other two projects (Eden Shores Legacy development along Hesperian Blvd. and the La Vista development) will be presented to Council for consideration at later date(s).

The annexation of Blackstone at Cannery Place property into Benefit Zone No. 13 of the District is proposed to provide funding for the maintenance and improvements to Panhandle Park, as well as perimeter and setback landscaping, irrigation and lighting. City staff worked with SCI to prepare the attached documentation, as well as the ballot documents.

DISCUSSION

On May 3, 2016, the City Council approved the resolution preliminarily approving the Engineer's Report and levy assessment for FY 2017, and set the public hearing for May 17, 2016. This was the first step in the annexation of this subdivision into Benefit Zone No. 13 of the District. This is the final step, to hold the public hearing and approve the Engineer's Report, confirming the diagram of assessment that shows all the properties that are included in the District.

The purpose of this public hearing is to give all interested parties the opportunity to hear, and have heard, comments regarding the proposed assessments and assessment ballot proceeding. In addition, the balloting period officially closes at the conclusion of the public input portion of the public hearing.

Following the close of the public input portion of the public hearing, City Council should direct the City Clerk to commence tabulation of all valid ballots that were received prior to the close of the public input portion of the public hearing. After tabulation is complete, staff recommends that City Council consider - provided a majority protest does not exist - a resolution to levy the assessments for fiscal year 2017.

The annual assessments are based on the following developed rates per Single Family Equivalent (SFE). The maximum amounts shown in the Engineer's Report (Attachment II - pages 10 and 19) for fiscal year 2017 are as follows per SFE:

Zone A:	\$ 407.86
<u>Zone B:</u>	<u>\$ 428.25 (properties that face onto Panhandle Park)</u>
Total:	\$ 64,524.00

The Engineer's Report specifies a maximum amount based on the maintenance costs of fully constructed subdivision improvements. However, per agreement with the developer, Tri Pointe will be responsible for maintenance of the improvements until final tract acceptance scheduled for late 2018. As a result, the

assessments will be assessed at a lower rate to cover any real costs incurred by the City.

FISCAL IMPACT

There is no fiscal impact to the City's General Fund from this recommendation because expenditures are to be paid for by future property owners in the Blackstone development from the District fund accounts, as is the case for other developments in the Cannery and Zone 13 of the District.

NEXT STEPS

As the developer is the sole property owner involved in the balloting to create the District, and this approval is needed to meet their Conditions of Approval, it is highly unlikely that the District will not be approved. Also, the owner has indicated to staff that he supports the LLD annexation.

Therefore, if the City Council adopts the attached Resolution, Council would order the levy and the confirmation of the diagram and assessments prepared by and made a part of the Engineer's Report to pay the costs and expenses thereof.

Immediately upon the adoption of this resolution, but in no event later than the second Monday in August following such adoption for the fiscal year in which the assessments will initially be levied, the Council shall file a certified copy of the assessments and a certified copy of this resolution with the Auditor of the County of Alameda. Upon such filing, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount of assessment thereupon as shown in the assessment roll. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to Benefit Zone No. 13 of the District.

If Council does not approve the annexation of this property into the existing LLD Zone 13, then the conditions of approval will need to be modified by Council and maintenance responsibility of the improvements cited in the Engineer's Report would need to fall onto the Home Owners Association. In either scenario, the homeowners will be paying for maintenance, but the LLD allows more control and assurance that assessments will be collected. -

Prepared by: Peter Rei, PE, PLS, Contract Development Review Engineer

Recommended by: David Rizk, AICP, Development Services Director

Approved by:



Fran David, City Manager

File #: PH 16-044

Attachments:

Attachment I

Resolution

Attachment II

Engineer's Report for Blackstone at Cannery Place property

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAYWARD APPROVING ENGINEER'S REPORT, CONFIRMING DIAGRAM AND ASSESSMENT AND ORDERING LEVY OF ASSESSMENT FOR FISCAL YEAR 2016-17 FOR THE ANNEXATION OF BLACKSTONE AT CANNERY PLACE PROPERTY TO BENEFIT ZONE NO. 13 OF THE CITY OF HAYWARD CONSOLIDATED LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 96-1

WHEREAS, the City of Hayward provides for the maintenance and improvement of street lighting, open space, parks, landscaping, and detention basins through the City's Landscaping and Lighting Assessment District; and

WHEREAS, these maintenance services and improvements provide direct and special benefits to properties in the Landscaping and Lighting Assessment District; and

WHEREAS, the annexation of property to Benefit Zone No. 13 of the existing City of Hayward Consolidated Landscaping and Lighting Assessment District 96-1, was a condition of development for the property known as Blackstone at Cannery Place (the "Property"); and

WHEREAS, this proposed annexation would provide direct and special benefits to the Property by providing for the maintenance and improvement of street lighting, open space, parks, and setback landscaping for the Property; and

WHEREAS, the procedures for the proposed annexations of property provide owners of the Property with the opportunity to submit ballots for the proposed annexations and assessment levies that would fund the maintenance services and improvements; and

WHEREAS, this Council designated SCI Consulting Group as Engineer of Work and ordered said Engineer to make and file an Engineer's Report; and

WHEREAS, the report was duly made and filed with the Council and duly considered by this Council and found to be sufficient in every particular, whereupon it was determined that the report should stand as the Engineer's Report for all subsequent proceedings; and

WHEREAS, pursuant to Article XIID and Government Code §53753, a joint notice and mail ballot was duly and regularly given, including the notice that this Council would be conducting a public hearing on May 17, 2016, on the question of the proposed assessment district annexations; and

WHEREAS, on May 17, 2016, at the hour of 7:00 PM, at the City Council Chambers of the City of Hayward, 777 B Street, Hayward, California, 94541, the public hearing was duly and regularly held as noticed, and all persons interested and desiring to be heard were given an opportunity to speak and be heard, and all matters and things pertaining to the levies were fully

heard and considered by this Council, and all oral statements and all written protests or communications were duly considered; and

WHEREAS, at the public hearing the City Council tabulated the mail ballots and found that a majority protest as defined by Article XIID did not exist, and this Council thereby acquired jurisdiction to order the levy and the confirmation of the diagram and assessments prepared by and made a part of the Engineer's Report to pay the costs and expenses thereof.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hayward (the "City"), that:

1. The weighted assessment ballot submitted in favor of the annexation, and assessments by the owner of property proposed for inclusion in the Assessment District exceeded those weighted ballots submitted in opposition to the annexation, and assessments.
2. The property benefitted by the improvements and assessed to pay the costs and expenses thereof, and the exterior boundaries thereof, are as shown by maps thereof filed in the office of the Council, which maps are made a part hereof by reference thereto.
3. The Engineer's Report as a whole and each part thereof, to wit:
 - (a) The Engineer's estimate of the itemized and total costs and expenses of maintaining the improvements and of the incidental expenses in connection therewith; and
 - (b) The diagram showing the Assessment Districts, plans and specifications for the improvements to be maintained and the boundaries and dimensions of the respective lots and parcels of land within the Landscaping and Lighting Assessment District; and
 - (c) The assessment of the total amount of the costs and expenses of the proposed maintenance of the improvements upon the several lots and parcels of land in the Landscaping and Lighting Assessment District in proportion to the estimated special benefits to be received by such lots and parcels, respectively, from the maintenance, and of the expenses incidental thereto.
4. Final adoption and approval of the Engineer's Report as a whole, and of the plans and specifications, estimates of the costs and expenses, the diagrams and the assessments, as contained in the report as hereinabove determined and ordered, is intended to and shall refer and apply to the report, or any portion thereof as amended, modified, or revised or corrected by, or pursuant to and in accordance with, any resolution or order, if any, heretofore duly adopted or made by this Council.
5. The assessments to pay the costs and expenses for the maintenance of the improvements for FY 2016-17 are hereby levied.

6. The annexation of property into the existing Benefit Zone No. 13 of the City of Hayward Landscaping and Lighting Assessment District 96-1 is hereby approved.

7. The property shall be levied assessments according to the special benefits received pursuant to the assessment rate and methodology described in the Engineer's Report for the Assessment District.

8. Based on the oral and documentary evidence, including the Engineer's Report, offered and received at the hearing, this Council expressly finds and determines: (a) That each of the several lots and parcels of land will be specially benefitted by the maintenance of the improvements at least in the amount if not more than the amount, of the assessment apportioned against the lots and parcels of land, respectively; and (b) That there is substantial evidence to support, and the weight of the evidence preponderates in favor of, the aforesaid finding and determination as to special benefits.

9. Immediately upon the adoption of this resolution, but in no event later than the second Monday in August following such adoption for the fiscal year in which the assessments will initially be levied, the Council shall file a certified copy of the assessments and a certified copy of this resolution with the Auditor of the County of Alameda. Upon such filing, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount of assessment thereupon as shown in the assessment roll. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all laws providing for the collection and enforcement of County taxes shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to Benefit Zone No. 13 of the Landscaping and Lighting Assessment District 96-1 of the City of Hayward.

10. The monies representing assessments collected by the County shall be deposited in the City Treasury to the credit of the improvement funds previously established under the distinctive designations of the Assessment District. Monies in the improvement funds shall be expended only for the maintenance, servicing, construction or installation of the improvements.

IN COUNCIL, HAYWARD, CALIFORNIA May 17, 2016

ADOTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: COUNCIL MEMBERS:

ATTEST: _____
Miriam Lens, City Clerk, City of Hayward

APPROVED AS TO FORM:

Michael Lawson, City Attorney of the City of Hayward



CITY OF HAYWARD

ANNEXATION OF BLACKSTONE AT CANNERY PLACE PROPERTY TO

**LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT No. 96-1,
BENEFIT ZONE No. 13**

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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INTRODUCTION

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 Annexation of Blackstone at Cannery Place ("Blackstone" or the "Annexation Area") properties into the existing Benefit Zone No. 13 of the District is proposed to provide funding for the maintenance and improvements to Panhandle Park, as well as perimeter and setback landscaping, irrigation and lighting facilities ("Improvements") to specially benefit the properties in the Blackstone subdivision. Benefit Zone No. 13 currently encompasses four prior phases of the Cannery Place project. Blackstone is a residential development that will consist of 52 single-family residences and 105 townhome-styled condominiums on an 8.81 acre site that is located south of Burbank Elementary School at the intersection of Burbank Street and Filbert Street, as part of the existing Cannery Place development.

This annexation, described in this Engineer's Report, results from agreements or conditions of development approval between the City of Hayward and the property owner, Tri Pointe Homes. The City and property owner agreed on maintenance and Improvements to Panhandle Park and 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 2016-17 assessments and to determine the benefits received from the maintenance and Improvements by Blackstone property within the Annexation 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 XIII D 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 Improvements.

If the Council approves such Resolution, a notice of assessment and assessment ballot will be mailed to property owners within the Annexation 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 Annexation 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 May 17, 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 Blackstone Annexation Area, authorize the annexation, and approve the levy of the assessments for fiscal year 2016-17. 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 2016-17.

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. 13, 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 Annexation Area

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

1. The assessment revenue derived from real property in the Annexation Area is extended only for specifically identified Improvements and/or maintenance and servicing of those Improvements in the Annexation Area that confer special benefits to property in that Annexation Area.
2. The use of the Annexation 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 Annexation Area.
3. Due to their proximity to the assessed parcels, the Improvements and maintenance thereof financed with assessment revenues in the Annexation Area benefit the properties in the Annexation 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 the Annexation Area are more extensive and direct than a general increase in property values.
4. The assessments paid in the Annexation Area are proportional to the special benefit that each parcel within the Annexation 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 Annexation Area are allocated to each property within the Annexation Area based upon the estimated special benefits received from the Improvements.

DAHMS V. DOWNTOWN POMONA PROPERTY

On June 8, 2009, the 4th 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 1st 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 4th 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 Annexation Area; and the Improvements provide a direct advantage to property in the Annexation 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 Annexation 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

INTRODUCTION

The work and Improvements proposed to be undertaken by the City of Hayward and the annexation of Blackstone property to Benefit Zone No. 13 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 Annexation 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 Annexation Area include: turf, ground cover, shrubs, and trees, irrigation systems, drainage systems, sidewalks, curbs and gutters, signage, street lights, fencing, parks 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, sidewalks, curbs and gutters, signage, lighting, exercise equipment, park facilities, turf, ground cover, shrubs, trees, irrigation systems, fencing, masonry walls and soil retaining components, walkways, graffiti removal and painting, and all necessary appurtenances, and labor, materials, supplies, utilities and equipment, as applicable, for property within the Annexation 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, landscaping and irrigation in Panhandle Park, all paving (sidewalks, permeable, and vehicular), setback landscaping and irrigation including eco-mesh fencing along Filbert Street, and all paving (sidewalks, permeable, and vehicular), setback landscaping and irrigation along the frontages of Burbank Street and Palmer Avenue. Such landscaping consists of the care for groundcover, shrubs, trees, and vines, bio retention plants, weed abatement in planted

areas, upkeep and servicing of the irrigation system, and utility costs to service the landscaping. Additionally, to maintain paved and cobblestone pathways, faux bridge, storm water basins, shade structures, trash receptacles, exercise equipment and bocce ball court, and all other park amenities within Panhandle Park. Maintenance also includes graffiti removal, renovations and replacements.

SUMMARY FIGURE OF COSTS

The budget depicted in Figures 1, 2, 3 and 4, on the following pages reflects estimated costs for Fiscal Year 2016-17. As shown on Figure 4, total maintenance costs for the Blackstone annexation are anticipated to total **\$64,524**, equating to **\$407.86** per single family equivalent.

FIGURE 1 – 2016-17 ANNUAL BUDGETED LANDSCAPING COSTS

Task	Quantity	Units	Annual Maintenance Rate	Annual Maintenance Costs	Annual Replacement Rate	Annual Replacement Costs	Total Costs	Replacement Years	Unit Replacement Costs
Landscaping									
Grass Area (Sod)	9,561	sqft	\$0.50	\$4,780.50	\$0.13	\$1,274.80	\$6,055.30	15	\$2.00
Landscaped Area	29,734	sqft	\$0.40	\$11,893.60	\$0.05	\$1,486.70	\$13,380.30	15	\$0.75
Trees	124	each	\$50.00	\$6,200.00	\$14.00	\$1,736.00	\$7,936.00	25	\$350.00
Vines (Offsite Only)	27	each	\$50.00	\$1,350.00	\$6.67	\$180.00	\$1,530.00	15	\$100.00
Irrigation System	1	ls	\$2,000.00	\$2,000.00	\$2,500.00	\$2,500.00	\$4,500.00	10	\$25,000.00
Sub Totals:				\$26,224.10		\$7,177.50	\$33,401.60		
Total Annual Costs:							\$33,401.60		

FIGURE 2 – 2016-17 ANNUAL BUDGETED HARDSCAPE COSTS

Task	Quantity	Units	Annual Maintenance Rate	Annual Maintenance Costs	Annual Replacement Rate	Annual Replacement Costs	Total Costs	Replacement Years	Unit Replacement Costs
Sidewalks & Paving									
Sidewalk	21,060	sqft	\$0.05	\$1,053.00	\$0.02	\$421.20	\$1,474.20	50	\$1.00
Curb & Gutter	1,550	ft	\$0.20	\$310.00	\$0.50	\$775.00	\$1,085.00	50	\$25.00
Permeable Paving	9,100	sqft	\$0.05	\$455.00	\$0.02	\$182.00	\$637.00	50	\$1.00
Vehicular Paving	600	sqft	\$0.05	\$30.00	\$0.02	\$12.00	\$42.00	50	\$1.00
Cobblestone	1,260	sqft	\$0.10	\$126.00	\$0.04	\$50.40	\$176.40	50	\$2.00
Street Signs	10	each	\$25.00	\$250.00	\$10.00	\$100.00	\$350.00	25	\$250.00
Street Lights (includes power)	10	each	\$240.00	\$2,400.00	\$20.00	\$200.00	\$2,600.00	25	\$500.00
Park Improvements									
Bridge	1	ls	\$500.00	\$500.00	\$600.00	\$600.00	\$1,100.00	50	\$30,000.00
Benches	22	each	\$25.00	\$550.00	\$40.00	\$880.00	\$1,430.00	25	\$1,000.00
Table and Bench	4	each	\$50.00	\$200.00	\$80.00	\$320.00	\$520.00	25	\$2,000.00
Shade Structures	6	each	\$100.00	\$600.00	\$200.00	\$1,200.00	\$1,800.00	25	\$5,000.00
Trash Cans	11	each	\$25.00	\$275.00	\$175.00	\$1,925.00	\$2,200.00	10	\$1,750.00
Bike Rack	3	each	\$25.00	\$75.00	\$150.00	\$450.00	\$525.00	10	\$1,500.00
Exercise Equipment	1	ls	\$100.00	\$100.00	\$1,400.00	\$1,400.00	\$1,500.00	25	\$35,000.00
Bocce Court	1	ls	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$2,000.00	25	\$25,000.00
Subtotals				\$7,924.00		\$9,515.60	\$17,439.60		
Total Annual Costs:							\$17,439.60		

FIGURE 3 – 2016-17 ANNUAL BUDGETED MANAGEMENT OTHER COSTS

Task	Quantity	Units	Annual Rate	Annual Costs	Total Costs
Utilities and Administration					
Water	821	HCF	\$5.00	\$4,103.98	\$4,103.98
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
Subtotals				\$12,603.98	\$12,603.98
Total Annual Costs:					\$12,603.98

FISCAL YEAR 2016-17 ESTIMATE OF COST AND BUDGET

FIGURE 4 – 2016-17 COST ESTIMATE

City of Hayward - Blackstone at the Cannery Landscaping and Lighting District No. 96-01, Benefit Zone No. 13 Estimate of cost Fiscal Year 2016-17				
				<i>Total Budget</i>
Total Costs				
Total Annual Landscaping Costs (From Table 1)				\$33,402
Total Annual Hardscape and Other Costs (From Table 2)				\$17,440
Total Annual Management Costs (From Table 3)				\$12,604
County Collection Fee (1.7%)				\$1,079
Total Maintenance and Servicing and Related Expenditures				\$64,524
Total Maintenance and Servicing and Related Expenditures and Incidentals				
(Net Amount to be Assessed: Annual Costs - Existing Funds)				\$64,524
Budget Allocation to Property				
	Number of Parcels	Total SFE Units	Assessment per SFE	Total Assessment
Zone A:	133	133	\$407.86	\$54,245.63
Zone B:	24	25.20	\$428.25	\$10,278
	157	158.20		\$64,524

METHOD OF ASSESSMENT APPORTIONMENT

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 Annexation Area and the methodology used to apportion the total assessment to the properties within the Annexation Area.

The method used for apportioning the assessment is based upon the relative special benefits to be derived by the properties in the Annexation 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 Annexation 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 with the two zones described below within the Annexation Area
4. Determination of the relative special benefit per property type
5. 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 Blackstone parcels proposed for annexation to Benefit Zone No. 13 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 Annexation Area properties in Benefit Zone No. 13 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, sidewalks, signs, street lights and park improvements 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 Blackstone annexation into Benefit Zone No. 13 of the Landscaping and Lighting Assessment District No. 96-1. These types of special benefit are summarized as follows:

- A. Improved access to landscaped areas and other permanent public improvements such as Panhandle Park and the Blackstone perimeter setback landscaping.
- B. Proximity to improved landscaped areas and other permanent public improvements such as Panhandle Park and Blackstone perimeter setback landscaping.
- 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 Annexation Area, specifically increase the utility and usefulness of the property within the Annexation Area. For example, the assessments will provide funding to improve and maintain Panhandle Park and the setback landscaping adjoining the properties in the Annexation Area. Such improved and well-maintained park amenities and 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:

Total Benefit	=	General Benefit	+	Special Benefit
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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 Blackstone 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 Blackstone 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:

General Benefit	=	Benefit to Real Property Outside the Assessment District	+	Benefit to Real Property Inside the Assessment District that is Indirect and Derivative	+	Benefit to the Public at Large
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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 a park).” In this proposed Assessment, as noted, properties in the Annexation 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 Annexation Area or to the public at large.

In the 2010 *Beutz* case, the 4th Appellate Court rejected an assessment for parks in large part because the general benefits were not calculated and quantified. In its decision, the 4th 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 Annexation 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 ANNEXATION AREA

In summary, real property located within the boundaries of the Annexation 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 Annexation Area, not other properties nor the public at large. The Annexation 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 Annexation 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 Annexation 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 Annexation Area receive almost all of the special benefits from the Improvements, because properties in the Annexation Area enjoy unique and close proximity and access to the Improvements that are enjoyed less by other properties or the public at large. The Panhandle Park and landscaping Improvements are specifically designed to benefit the properties in the Annexation Area.

Furthermore, there are multiple, proximate parks and other improvements outside of the Annexation Area, funded by other sources, that provide most of the park and landscaping benefits to nearby parcels that are outside of the Annexation Area.

For example:

- The large Cannery Park on Burbank Street that is adjacent to, and northwest, of the Annexation Area provides a wide variety of park Improvements at a higher service level than Panhandle Park.
- The large Burbank Elementary School on Burbank Street that is adjacent to, and north, of the Annexation Area provides a wide variety of hardscape and other park Improvements at a higher service level than Panhandle Park, although access may be more limited.
- The ample new parklands along Palmer Avenue that are adjacent to, and south, of the Annexation Area provides a wide variety of park Improvements at a higher service level than Panhandle Park.
- The landscaping along the east side of Filbert Street is only visible and enjoyed by properties within the Annexation Area and not to properties with back yard facing Filbert Street.

In other words, the Panhandle Park and landscaping Improvements maintained by the proposed Assessments specially benefit the properties within the Annexation but other nearby improvements primarily benefit other proximate properties.

However, there are certain properties that are located outside the boundaries of the Annexation Area on the west edge along Parkhurst Street that will benefit from improved views of Panhandle Park and other Annexation Area landscaping. These properties may receive some benefit from the Improvements. The amount of benefit conferred to properties just outside the Annexation Area boundaries, must be deducted from the total benefit and not assessed to property in the Annexation Area.

A 50% reduction factor is applied to the benefit received by these properties because they are all geographically on only one side of the Improvements. Additionally, to access the Improvements the owners of those properties would have to drive twice the average distance from the Improvements compared to owners of properties in the Annexation Area.

Assumptions:

23 parcels Along Parkhurst Street outside the district but within the views, proximity and access of Panhandle Park

157 parcels in the Annexation Area

50% relative benefit compared to property within the Annexation Area

Calculation:

Benefit to property outside the Annexation Area= $(23 / (23 + 157)) * 0.5 = 6.3\%$

Although it can reasonably be argued that Improvements inside, but near the Annexation Area boundaries are offset by similar park and recreational improvements provided outside, we use the more generous approach of finding that 6.3% of the Improvements may be of benefit to property outside the Annexation Area.

BENEFIT TO PROPERTY INSIDE THE DISTRICT THAT IS INDIRECT AND DERIVATIVE

The “indirect and derivative” benefit to property within the Annexation Area is particularly difficult to calculate. A solid argument can be presented that all benefit within the Annexation Area 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 to and views of the Improvements enjoyed by benefiting properties in the Annexation Area.

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 Annexation Area’s park and recreational facilities are used and enjoyed by individuals who are not residents, employees, customers or property owners in the Annexation Area. 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 5% of the use of similar parks and recreation areas is by the public at large. When people outside the Annexation Area use parks, they diminish the availability of parks for people within the Annexation Area. Therefore, another 5% of general benefits are allocated for people within the Annexation Area. Finally, another 5% is added for the general benefit of general public pedestrians, cyclists, and motorists travelling along Burbank Street, Filbert Street, Parkhurst Street, and Palmer Avenue that enjoy the improved views and landscaping. Combining these three elements of general benefit, we find that 15% of the benefits from the Improvements are general benefits to the public at large.

TOTAL GENERAL BENEFITS TO BE FINANCIALLY CONTRIBUTED FROM OTHER FUNDS IS 25%

Using a sum of these three measures of general benefit, we find that approximately 21.3% 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 =

- 6.3% (Outside the district)
- + 0.0% (Inside the district - indirect and derivative)
- + 15.0% (Public at Large)

= 21.3% (Total General Benefit and Special Benefit paid from other funds)

Although this analysis finds that 21.3% of the Assessment may provide general benefits and special benefit that would need to be paid from funds other than the assessment, the Assessment Engineer establishes a requirement for a minimum contribution from sources other than the Assessments rounded up to 25.0%. This additional allocation above the measure of general benefits will serve to provide additional coverage for any other general benefits.

SOURCE OF FINANCIAL CONTRIBUTIONS FROM OTHER FUNDS TO SATISFY THE 25% 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 Annexation 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 and maintains a storm drainage system along the border of the Annexation 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 Annexation 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 along the border of the Annexation 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 20%, based upon the relative cost to construct and maintain this critical local infrastructure. In others words, if the Annexation Area were required to construct and maintain the local public streets, the budget would increase by at least 20%.

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 10%. In others words, if the Annexation Area were required to construct all the Improvements, the annual budget would increase by at least 10%.

Source of Financial Contributions from Other Funds to Satisfy 25% Requirement

	10.0% (Storm drainage system)
+	10.0% (Public roads)
+	20.0% (Amortized value of initial construction)
	= 40.0% (Total General Benefit paid from other funds)

In other words, the Annexation requires 25% contribution to offset the general benefits conferred by the Improvements, and there is a 40% contribution from City of Hayward supporting local infrastructure, along with the amortized value of initial construction. This 40% contribution more than satisfies the general benefit requirements.

ZONES OF BENEFIT

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

For the most part, the special benefits from the Improvements within the Annexation Area do not vary based on proximity of the parcels to the Improvements because the increased benefits of greater proximity to the Improvements are generally offset by a parallel increase

in negative factors such as higher levels of traffic, noise, etc. that comes with increased proximity.

However, the properties in very close proximity to Panhandle Park facing Parkhurst Street do receive some additional benefit, due to the views and extension of open space provided to those homes by Panhandle Park. Therefore, the majority of the parcels in the Annexation Area are assigned to what will be known as Benefit Zone A, and the properties which enjoy this increased special benefit from being directly adjacent to Panhandle Park will be assigned to what will be known as Benefit Zone B.

The increased special benefit in Benefit Zone B is calculated as follows:

The Engineer has determined that the increase in the special benefits enjoyed by the parcels in Benefit Zone B, due to direct views of Panhandle Park, is 10%. However, this additional special benefit is offset by a parallel increase in negative factors, primarily noise. Therefore, the additional special benefit in Zone B is reduced by 50% to 5%, and these parcels will be assessed an additional 5%, accordingly.

ASSESSMENT APPORTIONMENT

The assessments are apportioned among all lots and parcels within the Annexation 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.

Blackstone is a residential development project consisting of 52 single family residences, 105 townhome style condominiums, and City-owned park property. 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 unit, including both the single family residences and townhome style condominiums, are assigned 1.0 SFE. (The single family residences and townhome style condominiums are generally of similar size and generally house the same number of occupants and therefore are assessed the same SFE value.)

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 Annexation 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 Annexation Area after the Improvements are installed, and costs are incurred by the Annexation 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 Annexation of Blackstone property to Benefit Zone No. 13 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 Annexation Area and an assessment of the estimated costs of the improvements upon all assessable parcels within the Annexation 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 Annexation Area.

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

The amount to be paid for Improvements and expenses incidental thereto, that are to be paid by the annexation of Blackstone property to Benefit Zone No. 13 of the Landscaping and Lighting Assessment District No. 96-1, for the Fiscal Year 2016-17, are detailed below.

FIGURE 5 – SUMMARY COST ESTIMATE FOR BLACKSTONE ANNEXATION TO BENEFIT ZONE NO. 13 FOR FISCAL YEAR 2016-17

Budget Item	Cost
Total Annual Costs	\$63,445
Incidentals	\$1,079
Total Budget	\$64,524

As required by the Act, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Blackstone Annexation Area. The distinctive number of each parcel or lot of land in said property proposed for annexation into existing Benefit Zone No. 13 of the said 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 Blackstone Annexation 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 Blackstone Annexation 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%.

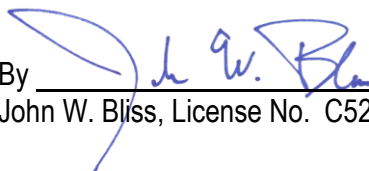
Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Alameda for the fiscal year 2016-17. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record 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 2016-17 for each parcel or lot of land within said Landscaping and Lighting Assessment District No. 96-1.

Dated: May 3, 2016



Engineer of Work

By 
John W. Bliss, License No. C52091

CITY OF HAYWARD

BLACKSTONE AT THE CANNERY, BENEFIT ZONE NO. 13

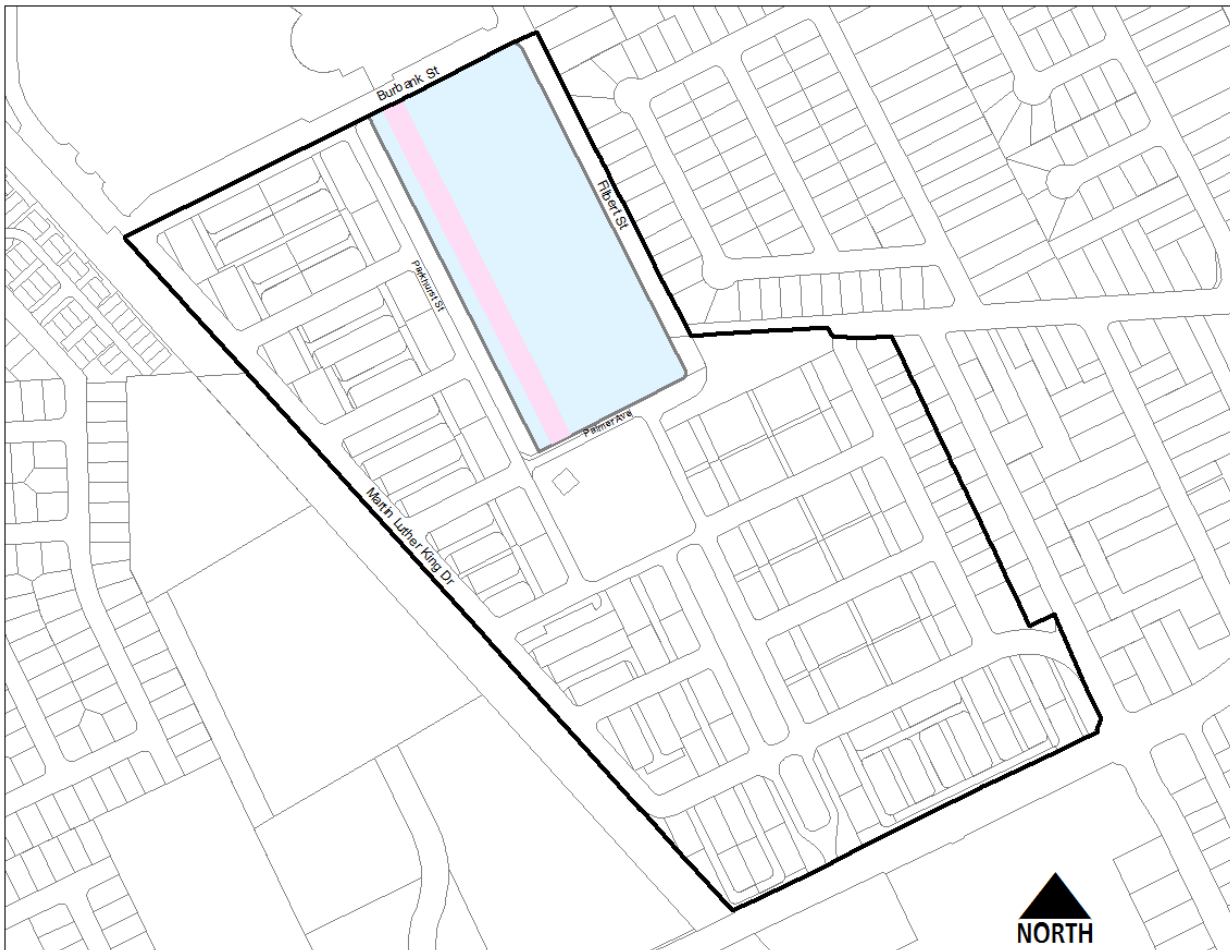
ANNEXATION TO EXISTING CITY OF HAYWARD LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT 96-01

ENGINEER'S REPORT, FY 2016-17



ASSESSMENT DIAGRAM

The boundaries of the Blackstone Annexation Area proposed to be annexed into Benefit Zone No. 13 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

-  Zone 13: Cannery Place
Blackstone Annexation
-  Zone A
-  Zone B

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
BLACKSTONE ANNEXATION TO BENEFIT ZONE NO. 13
ASSESSMENT DIAGRAM

ASSESSMENT ROLL

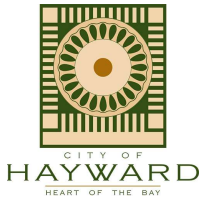
An Assessment Roll (a listing of all parcels proposed to be annexed into Benefit Zone No. 13 of the Landscaping and Lighting Assessment District No. 96-1, and the amount of the assessments) is shown below.

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
431 -0109-003-04	TRI POINTE HOMES INC	\$64,524.00
	Totals	\$64,524.00

Note: The assessments listed above indicate amounts *at buildout* and are based on the developed property rate of \$407.86 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.



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: LB 16-025

DATE: May 17, 2016

TO: Hayward Geologic Hazard Abatement District (GHAD) Board of Directors

FROM: Development Services Director

SUBJECT

Board Consideration of appointment of the Chairperson, Clerk, Treasurer, Manager and Legal Counsel of the Hayward Geologic Hazard Abatement District (GHAD)

RECOMMENDATION

That the Hayward GHAD Board of Directors adopts the attached resolution appointing the Chair and Officers of the District.

BACKGROUND

In 2005, the Hayward City Council conditionally approved the 179-unit La Vista development (Tract 7620), with a project condition of approval, and executed Development Agreement section, requiring that a Geologic Hazard Abatement District (GHAD) be formed to address on-site geologic hazards associated with the development. State law authorizes GHADs to be formed to prevent, mitigate, abate or control geologic hazards. GHADs are typically financed by assessing property owners within their boundaries, subject to the restrictions of Proposition 218.

On November 17, 2015, the City Council approved Resolution No. 15-224, committing the City of Hayward to be subject to the GHAD law and directed the City Clerk to forward a copy of the resolution to the State Controller, which was done.

On January 26, 2016, a [work session on GHADs <https://hayward.legistar.com/LegislationDetail.aspx?ID=2555222&GUID=6795B255-EA43-4E96-9AAB-20AD166E3D94>](https://hayward.legistar.com/LegislationDetail.aspx?ID=2555222&GUID=6795B255-EA43-4E96-9AAB-20AD166E3D94) was held before the City Council, during which staff and consultant Eric Harrell of ENGEIO Incorporated provided an overview of GHADs and answered questions from the City Council. One key point that was discussed at the work session is that a preferred practice is to have as many GHAD staff as possible be hired consultants rather than City employees. This arrangement provides the maximum separation of financial responsibility between the GHAD and the City of Hayward as financial issues arise in the future. The extent of the City of Hayward's liability increases in proportion to the amount of control and involvement it has with the GHAD. From a legal perspective, it is advisable to minimize the City of Hayward's control and involvement at the GHAD staff level.

On February 2, 2016, in response to a petition filed by the owner of the La Vista development, in accordance with Public Resources Code Sections 26552 and 26554, the Hayward City Council approved

Resolution No. 16-016, which scheduled a Public Hearing for March 1, 2016, to consider formation of the Hayward GHAD.

On March 1, 2016, in accordance with Public Resources Code Section 26567 and 26583, the Hayward City Council adopted Resolution No. 16-030(Attachment II), approving and ordering formation of the Hayward GHAD and appointed itself to act as the Hayward GHAD Board of Directors (Board).

DISCUSSION

GHAD Board Chair

As one of its duties, the GHAD Board must identify a Board Chair. The Board Chair would be authorized to execute all resolutions and official actions by the GHAD Board, to lead meetings of the GHAD Board, and to carry out the responsibilities delegated to the Chair by the GHAD Board.

To allow for the position of Chairperson to be continuously occupied and for convenience so that GHAD Board meetings can occur when Hayward City Council meetings are held, staff recommends that the Mayor serve as the Chairperson of the GHAD Board. If the Mayor is not available to serve as the Chairperson of the GHAD Board, the Mayor Pro Tempore should serve in this position.

1. Required GHAD Officers

Pursuant to Public Resources Code sections 26584 and 26585, the GHAD Board must also appoint, respectively, a Clerk and a Treasurer of the Hayward GHAD (Attachment III). As stated in Hayward City Council Resolution 16-030, the GHAD is responsible for hiring its own staff (or contracting with parties to perform staff services), including all workers involved in the operation, maintenance, replacement, and repair of the specific facilities and improvements that the GHAD is responsible for maintaining. City employees cannot perform such services for GHAD facilities and improvements unless the GHAD and the City enter into a contract that stipulates that City employees are acting as GHAD employees when providing services for the GHAD.

Staff recommends that the GHAD Board contract to perform all staff services for the GHAD, based on the unique and technical expertise needed for these roles and to avoid confusion between the functions and financial affairs of the GHAD and those of the City.

Selection Process for GHAD Officers

It is important to note that the Public Resources Code specifically exempts GHADs from the normal competitive consultant selection process which the City of Hayward normally uses. Hence, the Hayward GHAD Board of Directors may proceed, if it wishes, with selection of whomever it chooses to serve as officers of the Hayward GHAD without going through a competitive selection process.

Due to the limited number of firms that perform such work, staff recommends that the GHAD Board direct staff to negotiate contracts with consultants who have prior experience in managing GHADs for all GHAD officers to perform all staff services for the GHAD without proceeding with a competitive consultant selection process.

GHAD Clerk/GHAD Legal Counsel

After the current GHAD Board meetings related to GHAD formation are completed, it is typical to have the GHAD Board meet a few times a year to be provided with an update on any technical, financial, or legal matters affecting the GHAD. Examples of typical GHAD meeting issues are: consideration and adoption of the yearly budget for the GHAD; annexations of new developments into the existing Hayward GHAD; response to possible damage caused by a geologic event (landslide, earthquake etc.); and to act upon any other GHAD matters that may be necessary.

Whenever the GHAD Board is required to meet, the agenda management function will be administered by the GHAD Clerk. In order to learn more about how much work is required by the GHAD Clerk, staff contacted the GHAD Clerks from several existing GHADs in the Bay Area. What was learned is that there is no one way that the GHAD Clerk duties are managed. In fact, there are a variety of staffing arrangements at different GHADs. In some cases, the City Clerk is appointed as the GHAD Clerk; in others, the GHAD Clerk is a contracted position outside of the City/County, and in others, the GHAD Clerk position is combined into one position with the GHAD Legal Counsel.

In the case of the combined GHAD Clerk/GHAD Legal Counsel, that person functions as the GHAD Clerk at all meetings similar to how the City Clerk functions for the City Council and also reviews all GHAD Board of Directors agenda items from a legal perspective similar to how the City Attorney provides legal advice to the City Council.

City Attorney and Development Services staffs jointly contacted the Hayward City Clerk, the GHAD Clerk for the Orinda GHAD (Orinda City Clerk), the GHAD Clerk for the Moraga GHAD (Moraga City Clerk) and Ms. Patricia Curtin (combined GHAD Clerk/GHAD Legal Counsel for several GHADs including the Leona Quarry GHAD in Oakland) to learn how they provide Clerk services to their respective GHAD Boards.

Based on those discussions, staff determined that the demands on the time of the Hayward GHAD Clerk will likely grow in the future as other developments are annexed into the Hayward GHAD or as other issues arise that the Hayward GHAD needs to address. These additional GHAD Clerk duties will add to an already busy workload for the City Clerk. For these reasons, staff recommends contracting the GHAD Clerk to an outside consultant.

During staff's discussions with Ms. Patricia Curtin, it was obvious that she is very knowledgeable of both the administrative, procedural and legal issues that are commonly encountered by a GHAD. As stated earlier, Ms. Curtin is currently serving as the combined GHAD Clerk/GHAD Legal Counsel for several Bay Area GHADS and she is also actively involved in the statewide organization that seeks to improve the implementation of the Public Resources Code sections that govern GHADs. Ms. Curtin has also written several technical and legal papers concerning both GHAD management and GHAD legal issues. Based on Ms. Curtin's unique qualifications (see Attachment IV), staff recommends that the GHAD Clerk and GHAD Legal Counsel be combined into one position and that the GHAD Board instruct staff to prepare a contract, for Hayward GHAD Board of Directors approval, with Patricia Curtin to serve as the combined GHAD Clerk/GHAD Legal Counsel for the Hayward GHAD.

GHAD Treasurer

As stated earlier, the GHAD Treasurer position is a required position for all GHADs per the Public Resources Code. As there are considerable funds that are amassed over time from the assessments that the parcel owners pay, it is very important that the GHAD Treasurer be skilled in the management and investment of these funds.

During the research for this report, staff contacted several GHADs in the Bay Area to inquire how the GHAD Treasurer position is staffed. What was learned is that there are a variety of ways that individual GHADs select the GHAD Treasurer. In some GHADs, a senior fiscal employee of the City or County serves as the GHAD Treasurer. In others, the GHAD contracts with an outside firm to manage the financial matters of the GHAD. In general, the smaller the GHAD, the more likely it is that a City/County staff member serves as the GHAD Treasurer, and the larger the GHAD, the more likely it is that the GHAD Treasurer is an outside consultant.

Since the Hayward GHAD will have 179 units once the La Vista Plan of Control is approved, and it is highly likely that there will be additional developments that will be annexed into the Hayward GHAD in the future, staff recommend that the GHAD Treasurer position be contracted to an outside financial management firm with experience in GHAD financial affairs.

Staff further recommends that the Hayward GHAD Board of Directors direct staff to prepare a contract, for Hayward GHAD Board of Directors approval, with [Watermark Asset Management, Inc.](http://www.watermarkasset.com/) to serve as the Hayward GHAD Treasurer. Since 2009, Watermark Asset Management has served as the GHAD Treasurer for six GHADs in Contra Costa County (Blackhawk, California Tradewinds, Canyon Lakes, Hillcrest Heights, Wendt Ranch, and Wiedemann Ranch) where the members of the Contra Costa County Board of Supervisors serve as the GHAD Boards of Directors. In addition, in 2011, Watermark Asset Management, Inc. was appointed to serve as the Treasurer for the Orinda GHAD and in 2015 was appointed to serve as the Moraga GHAD Treasurer (see Watermark's qualifications, Attachment IV).

At a future Board meeting, Watermark Asset Management, if selected as the GHAD treasurer, will provide the GHAD Board with proposed investment guidelines, fees, and policies for consideration and adoption by the Hayward GHAD Board of Directors.

2. Recommended GHAD Officers

GHAD Manager

In addition to the required GHAD officers mentioned above, Public Resources Code Section 26586 allows the Board to appoint other officers and delegate powers to these officers as appropriate to the GHAD's circumstances. Each of the GHADs that staff contacted employs a GHAD Manager with the authority to administer the day-to-day operations of the GHAD. The GHAD Manager is most frequently a consultant who is very experienced in how GHADs are administered, although in some cases the GHAD Manager is a City/County employee.

Based on discussions with various GHADs, it became clear to staff that ENGEO Incorporated is, by far, the most frequently selected firm to serve as GHAD Manager. ENGEO is currently serving as the GHAD Manager for a number of GHADs in the Bay Area, including Wiedemann Ranch, Wendt Ranch, Orinda (Wilder), Broad Beach, Santa Paula, Leona Quarry, Oakland Area, and Moraga. The Boards of Directors for these GHADs include the members of the Contra Costa County Board of Supervisors, the Orinda City Council, the Santa Paula City Council, the Oakland City Council, and the Moraga Town Council.

Based on its superior experience in the management of GHADs and to provide for the competent administration of the Hayward GHAD operations, staff recommends that the GHAD Board direct staff to prepare a contract, for Hayward GHAD Board of Directors approval, with [ENGEO Incorporated](http://www.engeo.com/) to serve as the Hayward GHAD Manager.

Initial GHAD Management Responsibility

As required by law, the developers of the La Vista project are responsible for managing and maintaining all facilities and improvements until the Hayward GHAD accepts responsibility for those improvements. Until the GHAD accumulates a pre-determined amount of financial reserves, the developer remains responsible for funding the GHAD, and payment of all GHAD liabilities. Once this reserve is achieved, responsibility for the GHAD financial affairs will transfer from the developer to the Hayward GHAD.

Based on a review of the development schedule for the La Vista project, it is likely that initial Hayward GHAD assessments will not be levied until fiscal year 2017 and the first GHAD assessment revenues will likely become available to the Hayward GHAD in December 2017. As a result, assumption of the responsibility for the monitoring, maintenance, and management activities by the Hayward GHAD (versus the developer) is not expected to occur until early in calendar year 2018 at the earliest. During this initial period of assessment accumulation, all GHAD costs will be solely the responsibility of the developer until such time as the Hayward GHAD assumes responsibility for the monitoring, maintenance and management of the GHAD.

ECONOMIC AND FISCAL IMPACTS

Before the GHAD assumes management and financial responsibility

The GHAD is initially funded 100% through the developer. At a later date, the responsibility for funding all GHAD management and financial responsibility will transfer to the Hayward GHAD. By law, this transfer of management and financial responsibility will occur a minimum of one year after the issuance of the first residential building permit and the meeting of the required financial reserve amount. The financial reserve amount is determined by the GHAD Treasurer and is achieved through the collection of yearly assessments levied on all properties within the GHAD. Therefore, there will be no impact on the City General Fund.

After the GHAD accepts monitoring and maintenance responsibilities, the GHAD will continue to fund GHAD monitoring, maintenance and management activities through the annual levying of assessments on all of the property owners within the GHAD.

GHAD yearly budget and financial reserve information

One of the first responsibilities of the GHAD Treasurer will be to present the proposed budgets for fiscal year 2017 to the Hayward GHAD Board of Directors.

In addition, the GHAD Treasurer will present the required financial reserve for the Hayward GHAD to the GHAD Board for review and approval. As stated earlier, this financial reserve amount is the trigger that allows transfer of management and financial responsibility from the developer to the Hayward GHAD.

Anticipated yearly cost for consultant GHAD officers

Until such time as the Hayward GHAD Board approves contracts with consultants to perform duties as Hayward GHAD officers, the actual cost of these services is unknown. Staff contacted the GHAD Manager for the Leona Quarry GHAD in Oakland to ask about the yearly consultant costs. The adopted fiscal year 2016 budget for the Leona Quarry in Oakland for consultant GHAD management, accounting and outside professional services is \$84,800 (or approximately 10% of the yearly GHAD budget). Staff believes that the costs for the Hayward GHAD will likely be similar to the Leona Quarry GHAD.

Once the Council has determined whether to contract for the officers of the GHAD outlined in this report, staff will negotiate contracts with each entity and return to Council for approval of these contracts. Council may at that point choose to make a different determination about the staffing mechanism for the GHAD based on the costs of the proposed contracts.

ENVIRONMENTAL REVIEW

Under State law, GHAD formation is exempt from review under the California Environmental Quality Act (CEQA) (Pub. Res. Code § 26559). Also, improvements caused to be undertaken under the GHAD Law and all activities in furtherance or in connection therewith are exempt from review under CEQA (Pub. Res. Code § 26601).

PUBLIC CONTACT

The property owner of the La Vista development, the Hayward Area Recreation and Park District (HARD), and the owners of all properties adjacent to the La Vista Development were notified in writing of the March 1, 2016 Public Hearing to create the Hayward GHAD. Planning staff did not receive any correspondence from any party objecting to the creation of the Hayward GHAD, nor were any objections raised by the public during the March 1, 2016 Public Hearing. No additional outreach was conducted for this item.

NEXT STEPS

Future required actions of the Hayward GHAD Board of Directors will include:

- Approval of contracts for the GHAD Clerk/Legal Counsel, GHAD Treasurer, and GHAD Manager
- Consideration of proposed investment guidelines and policies provided by the GHAD Treasurer
- Consideration and adoption of the Hayward GHAD yearly budgets for the remainder of fiscal year 2016 and for fiscal year 2017
- Consideration and adoption of the La Vista Plan of Control
- Consideration and approval of the Engineer's Report for the Hayward GHAD
- Authorization of a Notice to Order an Assessment
- Holding a Public Hearing to consider adoption of the assessments
- Approval of a yearly budget for the Hayward GHAD (after the GHAD accepts monitoring, maintenance and ownership responsibilities from the La Vista developer)

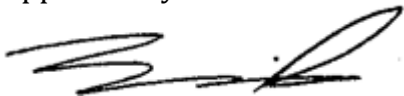
Once the GHAD staff members/contractors are in place, and the initial assessments are approved, it is anticipated that the GHAD Board will need to meet yearly to adopt the GHAD budget and perhaps one to two times per year to conduct other GHAD business.

Prepared by: Peter Rei, PE, PLS Contract Development Review Engineer

Reviewed by: Sara Buizer, AICP, Planning Manager

Recommended by: David Rizk, Development Services Director

Approved by:



Fran David, City Manager

Attachments:

Attachment I Resolution appointing Chairperson, Clerk/Legal Counsel, Treasurer and Manager of the Hayward GHAD

Attachment II Resolution 16-030

Attachment III Public Resources Code Sections 26583 through 26586

Attachment IV Resumes/Qualifications for Patricia Curtin, Watermark Asset Management, and Engeo, Inc.

HAYWARD GEOLOGIC HAZARD BOARD OF DIRECTORS
RESOLUTION NO.16-_____

RESOLUTION APPOINTING THE CHAIRPERSON, CLERK/LEGAL
COUNSEL, TREASURER, AND MANAGER OF THE HAYWARD
GEOLOGIC HAZARD ABATEMENT DISTRICT (GHAD)

WHEREAS, on March 1, 2016, the City Council adopted Resolution 16-030, approving and ordering formation of the Hayward Geologic Abatement District (GHAD) as described in the GHAD Plan of Control for the La Vista subdivision (Tract 7620) and appointed itself to act as the GHAD Board of Directors (the “Board”); and

WHEREAS, a Board member should be appointed to serve as the Chairperson; and

WHEREAS, the GHAD Board of Directors, to allow for the position of Chairperson to be continuously occupied, desires that the Mayor should serve as the Chairperson of the GHAD Board of Directors. If the Mayor is not available to serve as the Chairperson of the GHAD Board of Directors, the Mayor Pro Tempore should serve in this position; and

WHEREAS, the Hayward City Council, provided in Resolution 16-030 adopted on March 1, 2016, that the GHAD will be responsible for hiring its own staff (or contracting with parties to perform such staff services), including all workers who will undertake operation, maintenance, replacement, repair, and other activities of the GHAD, and no City employees shall perform such services for GHAD facilities and improvements unless the GHAD and the City enter into an agreement that makes clear that City employees are acting as GHAD employees when providing services for the GHAD; and

WHEREAS, pursuant to Public Resources Code Section 26584, the Board of Directors must appoint a Clerk; and

WHEREAS, the GHAD Board of Directors desires to appoint Patricia Curtin to act as both the Hayward GHAD Clerk and Hayward GHAD Legal Counsel; and

WHEREAS, pursuant to Public Resources Code Section 26585, the Board of Directors must appoint a Treasurer; and

WHEREAS, the GHAD Board of Directors desires to appoint Watermark Asset Management Incorporated to act as the Hayward GHAD Treasurer based on its experience and credentials in providing such services to other GHADs; and

WHEREAS, pursuant to Public Resources Code Section 26586, the Board of Directors must appoint other officers of the GHAD and delegate such powers of the District as may be appropriate in the circumstances; and

WHEREAS, the Board of Directors desires to appoint ENGEO Incorporated to act as the Hayward GHAD Manager based on its experience and credentials in providing such services to other GHADS.

NOW, THEREFORE, BE IT RESOLVED that the Hayward GHAD Board of Directors hereby orders that:

1. The Mayor or Mayor Pro Tempore, if the Mayor is not available to serve, is appointed to act as the Chairperson of the Hayward GHAD Board.
2. Patricia Curtin is appointed as both the Hayward GHAD Clerk and the Hayward GHAD Legal Counsel.
3. Watermark Asset Management is appointed as the Hayward GHAD Treasurer.
4. The Hayward GHAD Board of Directors further authorizes the GHAD Treasurer to collect, hold, invest, appropriate and expend GHAD funds as necessary for carrying out the GHAD operations in accordance with budgets approved by the GHAD Board.
5. Engeo Incorporated is appointed as the Hayward GHAD Manager.
6. The Hayward GHAD Board of Directors further authorizes the GHAD Manager to be responsible for the day-to-day management of the Hayward GHAD in accordance with all applicable state and federal statutes, the GHAD Plans of Control, and all Board policies, guidelines, and budgets adopted by the Hayward GHAD Board.
7. The recitals are incorporated herein by this reference.
8. This Resolution shall become effective immediately upon its passage and adoption.

IN COUNCIL, HAYWARD, CALIFORNIA March 22, 2016

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-030

Introduced by Council Member Peixoto

RESOLUTION APPROVING THE CREATION OF THE
HAYWARD GEOLOGIC HAZARD ABATEMENT
DISTRICT (GHAD) AND APPOINTING THE CITY
COUNCIL OF THE CITY OF HAYWARD AS THE
GHAD BOARD OF DIRECTORS

WHEREAS, on November 17, 2015 the Hayward City Council adopted Resolution 15-224 declaring that the City is subject to the provisions of the GHAD Law and directed the City Clerk to forward a copy of this resolution to the State Controller; and

WHEREAS, the City has conditioned the La Vista development to be included within a GHAD and which shall be the territory incorporated into the Hayward GHAD to be further defined by the plat and legal description within the Plan of Control to be adopted by the GHAD Board ; and

WHEREAS, on February 2, 2016 the City considered and adopted Resolution No. 16-016 accepting the Resolution for Formation of the Hayward GHAD and set a hearing on the formation for March 1, 2016 at 7:00pm at the Hayward City Hall located at 777 B Street, Hayward, CA 94541; and

WHEREAS, notice of the Public Hearing on the formation of the Hayward GHAD was given in accordance with the provisions of Public Resources Code sections 16558 and 26561 through 26563; and

WHEREAS, a Public Hearing before the City Council on the formation of the Hayward GHAD was held on March 1, 2016 at 7:00 p.m.; and

WHEREAS, prior to the time set for the Public Hearing, no owner of real property within the proposed GHAD had made a written objection to its formation in accordance with the provisions of Public Resources Code Section 26564; and

WHEREAS, at the March 1, 2016 hearing, no owners of more than 50 percent of the assessed valuation of the real property within the proposed Hayward GHAD objected to the GHAD's formation; and

WHEREAS, upon adoption of this Resolution, the Hayward GHAD shall be immediately formed as a governmental district, a political subdivision of the State of California, governed in accordance with Public Resources Code Sections 26500, et seq., and as a legal entity entirely distinct and separate from the City of Hayward;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby orders that:

1. The City Council approves and orders the formation of the Hayward GHAD as described in Resolution 16-016.
2. In accordance with Public Resources Code Section 26567, the City Council appoints itself as the Board of Directors for the Hayward GHAD.
3. In addition to all other legal requirements, the GHAD will be responsible for hiring its own staff (or contracting with parties to perform such staff services), including all workers who will undertake operation, maintenance, replacement, repair and other activities of the GHAD, and no City employees shall perform such services for GHAD facilities and improvements unless the GHAD and the City enter into a Joint Powers Agreement that makes clear that City employees are acting as GHAD employees when providing services for the GHAD.
4. At a future GHAD Board meeting the GHAD Board will consider a separate Resolution for adoption of the La Vista Plan of Control and to initiate the establishment and authorization of an assessment on the La Vista development included in the GHAD.
5. These proceedings are exempt from the provisions of the California Environmental Quality Act (Public Resources Code Section 2100 et seq.) in accordance with Public Resources Code Section 21080(b)(4).
6. The custodians and locations of the documents or other materials which constitute the record of proceedings upon which the City Council's decision is based are the City Clerk and the City Clerk's Office at 777 B. Street, Hayward, California respectively.
7. The recitals are incorporated herein by this reference.
8. This Resolution shall become effective immediately upon its passage and adoption.

IN COUNCIL, HAYWARD, CALIFORNIA March 1, 2016

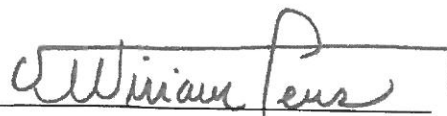
ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS: Zermeño, Mendall, Jones, Peixoto, Lamnin, Márquez
MAYOR: Halliday

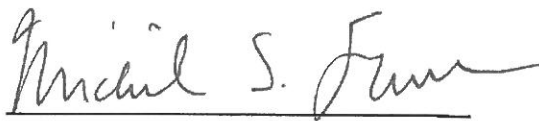
NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ATTEST: 
City Clerk of the City of Hayward

APPROVED AS TO FORM:


City Attorney of the City of Hayward



California

LEGISLATIVE INFORMATION

Code: Section: [Up^](#) [Add To My Favorites](#)**PUBLIC RESOURCES CODE - PRC****DIVISION 17. GEOLOGIC HAZARD ABATEMENT DISTRICTS [26500 - 26654]** (*Division 17 added by Stats. 1979, Ch. 1118.*)**CHAPTER 3. Nature and Powers of the District [26570 - 26586]** (*Chapter 3 added by Stats. 1979, Ch. 1118.*)**ARTICLE 4. Officers [26583 - 26586]** (*Article 4 added by Stats. 1979, Ch. 1118.*)

26583. Following the four-year term of the initially appointed board of directors formed pursuant to Section 26567 and composed of owners of real property within the district, the board of directors shall be composed of five elected directors. The term of office of directors shall be four years. The expiration of the term of any director shall not constitute a vacancy and he or she shall hold office until his or her successor has qualified. Elections shall be called and conducted, and the results canvassed, returned, and declared pursuant to the Uniform District Election Law (Part 4 (commencing with Section 10500) of Division 10 of the Elections Code). This section shall not apply to a district where the legislative body has appointed itself as the board of directors.

(Amended by Stats. 1994, Ch. 923, Sec. 177. Effective January 1, 1995.)

26584. The board of directors shall appoint a clerk of the district.

(Added by Stats. 1979, Ch. 1118.)

26585. The board of directors shall appoint a treasurer of the district.

(Added by Stats. 1979, Ch. 1118.)

26586. The board of directors may appoint other officers of the district and delegate thereto such powers of the district as may be appropriate in the circumstances.

(Added by Stats. 1979, Ch. 1118.)



Patricia E. Curtin Attorney

Phone: 510.834.6600
 Fax: 510.808.4729
 Email: pcurtin@wendel.com



Experience

With 25 years of focused experience, Patricia advises clients on applicable planning, zoning and environmental laws, prepares land use applications, and obtains project approvals, including environmental and regulatory permits. Patricia's practice emphasizes local government and land use law representing both private and public sector clients.

Patricia serves as legal counsel to ten Geologic Hazard Abatement Districts (GHADs). In addition, she counsel's other GHADs and similar entities on specific GHAD related issues and represents property owners, cities and counties in forming GHADs. She also serves as Secretary to the California Association of GHADs. The Association of GHADs is a non-profit organization dedicated to improving, enhancing and promoting the effectiveness of GHADs in California and promoting the utilization of GHADs in the prevention, mitigation, abatement, and control of geological hazards. She has written several articles and papers on issues relating to GHAD formation and implementation.

Patricia has presented and written extensively on local government and land use-related topics. She is one of two authors of a national land use publication, "State and Local Government Land Use Liability." (West Group)

Practice Areas

- Land Use
- Public Agency
- Environmental
- Real Estate

Education

- University of the Pacific, Sacramento, McGeorge School of the Law; J.D. (1987)
- California State University, Chico; B.A., Political Science (1984)

Related Affiliation

- California Association of Geologic Hazard Abatement Districts (GHAD)
 Founding Member and Secretary

Admissions

State Bar of California
United States Court of Appeals, Ninth Circuit
United States District Court, Northern District of California
United States Supreme Court

GHAD-Related Speaking and Teaching

- "Overview of Geologic Hazard Abatement Districts" (June 2011)
- "Frequently asked Questions on Geologic Hazard Abatement Districts" (June 2011)
- "3rd Annual Land Use Update," *Contra Costa County Planning Directors* (March 9, 2007)
- "Geologic Hazard Abatement Districts and Update on Land Use Law," *Lorman Education Service* (November 3, 2006)
- "Geologic Hazard Abatement Districts, Overview of Land Use Regulation", *Lorman Education Service* (September 21, 2006)



Treasurer for the Hayward Geologic Hazard Abatement District (GHAD)

A GHAD is an independent, state-level public agency that oversees geologic hazard prevention, mitigation, abatement and control. A "geologic hazard" is broadly defined as an actual or threatened landslide, land subsidence, soil erosion, earthquake, fault movement or any other natural or unnatural movement of land or earth.

GHADs are funded through supplemental property assessments commonly included on a property tax bill. The ongoing revenue stream, combined with reserves when available, funds current operations and reserve accumulation. The funds dedicated to operations are invested in cash-like instruments with an emphasis on liquidity and preservation of principal. The reserve fund, should it be available, covers unexpected events and generates income for future use.

Treasurer Role

In its role as Treasurer, Watermark Asset Management, Inc. provides the following services:

- Design and implementation of an Investment Policy Statement (IPS) for each GHAD
- Investment of GHAD revenues and reserve funds
- Coordination, review and monitoring of cash disbursements
- Monthly and quarterly performance and flow reporting
- Recommendation and utilization of asset custodians

Watermark Asset Management, Inc.

- Fee only, independent investment advisory firm, founded in 1997
- Manages over \$300 million in assets for individuals, corporations, company retirement plans and non-profit organizations
- SEC Registered Investment Advisory Firm (RIA)
- Currently serving as Treasurer for ten Contra Costa and Alameda County GHADs
- A GHAD Treasurer since 2009

Watermark Advisors

- **Mark Miller** is a principal and the co-founder of Watermark Asset Management, Inc. Prior to establishing Watermark in 1997, Mark had over 20 years in real estate, insurance, retirement and investment experience. Mark holds a BA in English from Stanford and MS in Financial Planning from the College for Financial Planning.
- **Dan King** joined Watermark in 2014 as investment consultant and portfolio manager. He manages client relationships and is responsible for trading, account rebalancing and investment advice. With over 15 years of investment experience, Dan most recently managed portfolios for Schwab's Private Client Group; designing, implementing and monitoring investment strategies. Dan has a BS in Marketing from Northern Illinois University and a MBA from University of Phoenix.
- **Kelly Mason** joined Watermark in 2015 as a Financial Advisor. She brings over 30 years of financial services experience with Schwab and Wells Fargo in providing investment services to institutional and retail clients. She has a BA in Speech from UC Santa Barbara.

ENGEO

Expect Excellence

ENGEO is the noted authority on GHAD policy and law. We have been instrumental in the establishment of over 25 GHADs. Our professionals routinely provide comprehensive planning, management, instrumentation design, and installation and monitoring solutions for myriad sites with geotechnically challenging conditions.

Our expert geotechnical engineering and engineering geology, combined with our experience in available monitoring technologies, make ENGEO an integral component to project success.

GHAD-related Services

- Management
- Financial Modeling
- Landslide Repair and Monitoring
- Drainage
- Erosion Monitoring
- Creek Restoration
- Retaining Wall Design
- Levee Design
- Water Quality



Attachment IV

GHAD Expertise

ENGEO offers a fully integrated, multi-disciplined team of geologists, hydrologists, geotechnical, environmental, and civil engineers to accomplish the work. We currently manage 11 GHADs and provide the engineering, maintenance and monitoring for several. ENGEO has been instrumental in the establishment and/or management of the following GHADs (not an all-inclusive list):

- Blackhawk GHAD
- Canyon Lakes GHAD
- Leona Quarry GHAD
- Moller Ranch GHAD
- Oakland Area GHAD
- Orinda GHAD
- Weidemann Ranch GHAD
- Wendt Ranch GHAD
- Dougherty Valley GHAD
- Broad Beach GHAD
- Fallon Village GHAD
- Schaefer Ranch GHAD
- Fallon Crossing GHAD
- River Islands GHAD – pending

- ✓ Geotechnical Engineering
- ✓ Environmental Engineering
- ✓ Engineering Geology
- ✓ Water Resources & Hydrology

- ✓ Special Inspection & Materials Testing
- ✓ Construction Management Support
- ✓ Geologic Hazard Abatement Districts (GHAD)
- ✓ Entitlement & Permitting Support

Our GHAD Experts



**Uri Eliahu, GE
President**

ENGEEO President Uri Eliahu is a recognized authority in establishing and managing Geologic Hazard Abatement Districts and is a Founding Director and President of the California Association of GHADs. Mr. Eliahu coordinated the establishment of most of Northern California's Geologic Hazard Abatement District properties, including the largest GHADs in the state. In all, he has overseen the formation of more than 25 GHADs. Under his leadership, ENGEEO has become Northern California's premier provider of geotechnical engineering, environmental consulting and water resources services for public and private clients.

Mr. Eliahu's areas of expertise include GHAD law and GHAD management, slope stabilization, landslide remediation, flood control, creek restoration and foundation design. He is a leading expert on entitlement and regulatory permitting processes. During his career, Mr. Eliahu has lent his expertise to a wide range of complex projects in a number of settings.



**Joe Tootle, GE
Principal**

Mr. Tootle has more than 20 years of experience in Project Management, levee design, flood control structures, riparian corridor restoration, probabilistic seismic hazard analysis, large hillside grading design, pavement design, hydrologic evaluation, and development of foundation criteria. He joined ENGEEO in 1999.

For the past several years, Mr. Tootle has been a participating member of the Urban Levee Design Criteria development committee. The committee's purpose is to develop levee design criteria for Urban and Urbanizing areas that require a 200-year level of protection as defined in Senate Bill 5.



**Jeffrey Adams, PhD, PE
Associate**

Dr. Adams provides development-related consulting services for a variety of public and private clients. His specific technical expertise includes applications in geotechnical and environmental engineering. Dr. Adams advises clients on a range of technical and regulatory compliance issues, including geotechnical and environmental mitigation, Geologic Hazard Abatement District (GHAD) formation, and local, state, and federal permitting. Specific to GHADs, Dr. Adams assists clients with a range of formation and operation issues, including technical review, financial analysis and modeling, budget facilitation, and report preparation. Additionally, Dr. Adams has promulgated his GHAD expertise through numerous presentations at seminars and conferences to a wide range of audience members, including engineers, developers, attorneys, and public officials.



**Eric Harrell, CEG
Associate**

Mr. Harrell joined ENGEEO in 1988 and has extensive experience as a Geologist and as a Manager for Geologic Hazard Abatement Districts (GHADs). Mr. Harrell is involved with the formation, annexation, and management of Geologic Hazard Abatement Districts (GHADs) in Contra Costa, Alameda, and Solano Counties. He prepares Plans of Control, Engineer's Reports, budgets, and resolutions for the formation and annexation of GHADs. He is also responsible for the day-to-day management of five GHADs which includes budgeting, contracting, monitoring, maintaining, and repairing activities.



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: LB 16-034

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Director of Utilities and Environmental Services

SUBJECT

Zero Net Energy Policy for Municipal Buildings

RECOMMENDATION

That Council adopts the attached draft resolution (Attachment I) to establish a Zero Net Energy Policy for municipal buildings.

SUMMARY

This report discusses adoption of a policy recommended by the Council Sustainability Committee that, if adopted, would require new municipal buildings, as well as significant retrofits of existing municipal buildings to be designed and constructed as zero net energy (ZNE) buildings. This policy would be consistent with and implement current General Plan policies and would help prepare Hayward for upcoming changes to the state Building Code.

BACKGROUND

A ZNE building is one where the value of the energy produced at the property is equal to the value of the energy it consumes, averaged over the course of a year. More specifically, the California Energy Commission (CEC) defines ZNE as follows:

“A Zero-Net-Energy Code Building is one where the net amount of energy produced by on-site renewable energy resources is equal to the value of the energy consumed annually by the building, at the level of a single “project” seeking development entitlements and building code permits, measured using the California Energy Commission’s Time Dependent Valuation metric.”

Benefits of ZNE buildings are listed in the State’s *California ZNE Communications Toolkit* (Attachment II). In addition to the benefits listed, many ZNE buildings utilize operable windows and daylight for lighting needs, which can result in buildings that are more comfortable for occupants. Calculations using the Time Dependent Valuation (TDV) method are based on a series of annual hourly values for electricity cost and monthly costs for natural gas. TDV encourages building designers to design buildings that perform better during periods of high energy cost.

While the CEC is California's primary energy policy and planning agency and is responsible for forecasting future energy needs, promoting energy efficiency and conservation, and developing renewable energy resources, the California Public Utilities Commission (CPUC) regulates privately owned electric, natural gas, telecommunications, water and transportation companies. The CPUC's Codes and Standards program works with the California Building Standards Commission to continuously improve the Title 24 Building Energy Efficiency Standards.

As the regulatory body overseeing regular updates to the state Building Code, the CPUC in 2008 adopted a Long Term Energy Efficiency Strategic Plan, which includes the following goals:

- all new residential buildings will be ZNE by 2020
- all new and 50% of existing state-owned public buildings will be ZNE by 2025
- all new and 50% of existing commercial buildings will be ZNE by 2030

Municipal buildings fall under commercial codes, so would be subject to the ZNE requirement starting in 2030. California's Building Codes are updated every three years. The above goals are expected to become requirements as the codes are updated. For example, the goal for all new residential buildings to be ZNE by 2020, is expected to be included in the 2020-2022 Code, which will be adopted in 2019. California's ZNE goals are a part of the state's overall strategy to achieve the greenhouse gas (GHG) reductions required by AB 32 (also known as the Global Warming Solutions Act of 2006). Since 2008, the State has been actively working to achieve the ZNE goals by gradually increasing the state's building energy efficiency standards (Title 24). ZNE requirements will be phased into future versions of the California Building Standards Code, so there is no need to adopt a resolution to implement the ZNE requirements for residential and commercial buildings. Municipal buildings are subject to commercial building standards and new municipal buildings will likely be required to be ZNE starting in 2030.

In April 2012, Governor Brown issued Executive Order B-18-12 requiring all new State buildings and major renovations beginning design after 2025 be constructed as ZNE facilities with an interim target for 50% of new facilities beginning design after 2020 to be ZNE. The Order also requires State agencies to take measures toward achieving ZNE for 50% of the square footage of existing state-owned building area by 2025.

To achieve ZNE, a building must first be designed to be very energy efficient, and then include sufficient on-site renewable power generation, typically solar photovoltaic and solar hot water. An example ZNE home is shown in the diagram in Attachment III and includes, extra insulation, high performance windows, LED lighting, a smart thermostat, high efficiency appliances, and a solar photovoltaic system. While the CEC's definition of ZNE allows use of natural gas if it will be offset by production of renewable energy, most ZNE buildings being constructed today are using all electric appliances so that they can be "carbon free".

In Hayward, the City Council has required a high level of energy efficiency in new construction in private and public construction. In July 2008, Council adopted an ordinance requiring all new municipal building or Renovation projects that equal or exceed 20,000 square feet in area or \$5 million in construction costs to be LEED Silver certified. LEED (Leadership in Energy and Environmental Design) certification requires

a high level of energy efficiency and green building materials, but it does not require renewable energy. Such was the case with the recently completed Fire Station 7 and the airport administration building. These buildings were built to LEED standards, but did not include installation of renewable energy.

General Plan Policies - Hayward's General Plan, adopted on July 1, 2014, includes the following policies and implementation programs related to zero net energy in municipal buildings:

NR 2.5 Municipal Greenhouse Gas Reduction - The City shall reduce municipal greenhouse gas emissions by 20% below 2005 baseline levels by 2020, and strive to reduce community emissions by 61.7% and 82.5% by 2040 and 2050 respectively.

NR-4.10 Public Renewable Energy Generation - The City shall ensure that all new City-owned facilities are built with renewable energy, as appropriate to their functions, and shall install renewable energy systems at existing facilities where feasible.

NR-4.11 Green Building Standards - The City shall require newly constructed or renovated public and private buildings and structures to meet energy efficiency design and operations standards with the intent of meeting or exceeding the State's zero net energy goals by 2020.

PFS-2.3 Sustainable Practices - The City shall serve as a role model to business and institutions regarding purchasing decisions that minimize the generation of waste, recycling programs that reduce waste, energy efficiency and conservation practices that reduce water, electricity and natural gas use, and fleet operations that reduce gasoline consumption.

PFS-2.7 Energy Efficient Buildings and Infrastructure - The City shall continue to improve the energy efficiency of City buildings and infrastructure through implementation of the Municipal Green Building Ordinance, efficiency improvements, equipment upgrades, and installation of clean, renewable energy systems.

Sustainability Committee - The Council Sustainability Committee had directed staff to bring ZNE to the Committee for review and consideration of a recommendation to Council for adoption of a policy. On September 10, 2015, staff presented a report to the Committee recommending:

- all new City buildings that begin design after 2025 be ZNE
- all existing City buildings for which renovations exceeding 50% of the building's value and that begin design after 2025 be ZNE
- lesser improvements to existing City buildings should include efficiencies and technologies that facilitate achieving ZNE by 2030.

The timeframes in staff's recommendation were consistent with the State's adopted policy. After review and discussion of the recommendations, the Committee expressed a strong desire to see the requirements go into effect as soon as possible. The Committee recommended that the policy be implemented beginning in either January 2016 or January 2017.

Given the fact that the state's ZNE requirements for commercial buildings have not been adopted yet, the Committee noted that it may be more feasible to do ZNE if the generation does not have to be all built on-

site. That is, for buildings where it is not feasible to install sufficient renewable energy on-site, the shortfall may be provided at another City property. The Committee voted unanimously to recommend that Council adopt the policy included in the attached resolution.

Several cities in Alameda County have policies or ordinances similar to Hayward's, requiring new buildings to be LEED certified, but none have ZNE policies. Some cities have included ZNE requirements on a per-project basis. The City of Berkeley completed a new ZNE library in early 2014. Hayward's new 21st Century Library will be all electric and will be the City's first ZNE building. The City of Fremont is contemplating ZNE for their new civic center, and the City of Albany is considering ZNE for a new maintenance center/corporation yard.

The only jurisdiction in California that has a ZNE policy is Santa Barbara County. In February 2014, the Santa Barbara County Board of Supervisors adopted a resolution requiring all new County-owned facilities and major renovations beginning design after 2025 be constructed as ZNE facilities.

DISCUSSION

To carry out the General Plan policies listed above and to achieve the City's GHG emission reduction goals, all new municipal buildings will need to be ZNE and existing buildings will need to be renovated to be ZNE. As stated in General Plan policy PFS 2.3 above, "the City shall serve as a role model to business and institutions". If the City can demonstrate successful construction and operation of ZNE buildings, then private developers may follow suit before mandated to do so.

The technology and the knowledge necessary to create ZNE buildings are available now. While there are additional costs associated with construction of a ZNE building, there are also very real benefits to doing so, including life-cycle cost savings, setting an example for others, and helping to meet the City's GHG emission reduction goals. In addition, it is more cost-effective to design a new ZNE building than it will be to retrofit an existing building. There are, however, several challenges associated with achieving ZNE. In order to get input from professionals in the field, staff contacted an architectural firm with experience in designing ZNE municipal buildings. Their response was that a ZNE policy would be a very ambitious and admirable goal, however the City should consider the following:

- Different building types (offices, libraries, maintenance facilities, etc.) have significantly different levels of energy use intensity (EUI), there is growing data available to illustrate what building types are realistic candidates to achieve ZNE.
- Renovations with tight budgets/small scope may prove particularly difficult to achieve this goal, as there is a significant financial effort required to improve overall existing building performance.
- There are other "flavors" of benchmarking that can establish projects as "ZNE Capable" or "High performing buildings" that prepare you for potential better future renewable energy technology.
- Although there are other alternatives (wind, geothermal, hydro), generally speaking PVs are the primary viable option for onsite power generation. Cities do have a unique position to negotiate alternate energy contracts with utilities, leveraging multiple buildings into an aggregated service contract.
- The more stories the building, the more challenging ZNE becomes due to limited roof area for PVs proportional to floor area.

- Some sites are shaded by geography or other buildings limiting solar power potential.
- Although the cost of PVs has been dropping over the last decade, the construction market is volatile and costs could rise unexpectedly to coincide with a project.
- There is a corresponding increase in design and engineering effort that needs to be taken into consideration.
- Plug loads have as much to do with achieving this goal as the building design - one donated “energy hog” refrigerator could blow the energy budget on a smaller project.
- Projects with intense “Process Loads” (such as large trash compactors and other high demand equipment), represent a challenging issue for ZNE.

The proposed policy would apply to all new buildings and significant retrofits of existing buildings. As currently proposed, Fire Stations 2 through 5 will have approximately 70% of their energy needs met by on-site solar photovoltaic systems as a result of the improvements being made with measure C funds. While the Utilities & Environmental Services Department is in full support of the currently proposed retrofits, if the proposed policy were already in place, these fire stations would be required to be retrofitted such that they become ZNE. That is, either provide 100% of the value of the energy needs on-site, or construct any deficit on an off-site location.

While the CEC’s definition of ZNE (provided in the Background section) addresses both electricity and natural gas, staff recommends focusing on electricity use, but also minimizing the use of natural gas appliances. In order to meet our long term GHG reduction goals, the use of natural gas appliances (for space heating, water heating, cooking, etc.) will need to be minimized or eliminated. Many ranges in City facilities (including all fire stations) use natural gas, which is more desirable for cooking and can be offset with equivalent electricity production.

As recommended by the Sustainability Committee, staff recommends that Council adopt the attached resolution requiring:

- all new municipal buildings designed and constructed after January 1, 2017 be ZNE
- all new and existing municipal buildings for which renovations exceed 50% of the building’s value and are designed and constructed after January 1, 2017 be ZNE
- lesser improvements to existing municipal buildings should include efficiencies and technologies that facilitate achieving Zero Net Energy by 2030.

As suggested by the Committee, for projects where the site, energy demand, or other aspects of a city building may make it infeasible or prohibitively expensive to achieve ZNE onsite, staff recommends that the building or site shall provide as much renewable energy as is feasible and the balance of the energy demand shall be offset by newly installed renewable energy facilities at other City-owned properties.

FISCAL IMPACT

The costs associated with transforming the City’s buildings to ZNE will be determined as each project is designed. Costs will decrease over time as the cost of solar photovoltaic panels continues to decline and

as more builders gain experience constructing ZNE projects. As noted above, ZNE requires a combination of high energy efficiency as well as the installation of renewable energy. When the 2016 Building Codes go into effect on January 1, 2017, the additional efficiency needed to reach ZNE will be reduced.

According to the New Buildings Institute, several studies have found the incremental cost of ZNE buildings to be up to 15% more than conventional construction costs (http://newbuildings.org/sites/default/files/ZNE_CommsToolkit_FAQ_CA.pdf). This incremental cost is for design and construction only, and does not consider the life-cycle cost savings of lower energy costs to operate the building over time.

In the case of Fire Stations 2 through 5, Engineering & Transportation Department staff indicated that the cost increase associated with ZNE would be in the range of 26 to 32% when compared with conventional construction. This added cost would result in a payback periods ranging from forty-two to seventy-one years. Fire Station 1 was built in 1996 and does not include renewable energy. The improvements to Fire Station 1 are not related to energy efficiency or renewable energy and as such, solar PV and energy efficiency measures are not included in the retrofit project.

The percentage of incremental cost depends on which energy efficiency improvements are included in the calculation. If the costs for new windows, roofs, and mechanical systems are considered part of the standard retrofit, then the cost increase for ZNE may be in the range of 8 to 11% with payback periods ranging from fifteen to twenty-two years. It is important to note that even if the payback is a long period of time, the added cost of ZNE may still pay for itself during the service life of the building even if a simple PV panel replacement would be necessary after twenty-five years.

For residential construction, according to the CPUC, “Recent studies have indicated that the efficiency components of a new ZNE home have an incremental cost, after incentives, of just \$2-\$8 per square foot.” (<http://www.californiaznehomes.com/#!/faq/cirw> <http://www.californiaznehomes.com/>). The studies further indicate that “custom home builders who are developing ZNE homes right now indicate that there are nominal additional costs and that the key issue to achieve ZNE is design and quality construction.”

SUSTAINABILITY FEATURES

Energy: Electricity/natural gas/other fossil fuels.

The proposed policy would minimize electricity use, minimize use of natural gas, and in some cases, completely eliminate or avoid the use of natural gas and other fossil fuels. A ZNE policy would be consistent with the General Plan policies listed in the Background section of this report.

Air: Air emissions of pollutants.

Minimizing the use of electricity supplied from the grid and the use of fossil fuels will result in a corresponding reduction in pollutants including GHG gas emissions.

Purchasing: Consistent with the City’s Environmentally Preferred Purchasing Policy.

The City’s EPPP seeks to minimize the City’s contributions to climate change and pollution and to

File #: LB 16-034

protect and conserve natural resources. ZNE buildings will be consistent with these goals and the EPPP in general.

NEXT STEPS

If Council adopts the attached resolution, staff will ensure it is implemented beginning in January 1, 2017.

Prepared by: Erik Pearson, Environmental Services Manager

Recommended by: Alex Ameri, Director of Utilities and Environmental Services

Approved by:



Fran David, City Manager

Attachments:

Attachment I
Attachment II
Attachment III

Draft Resolution
Fact Sheet: ZNE for Policymakers & Local Governments
Diagram of a ZNE Home

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

Introduced by Council Member _____

RESOLUTION REQUIRING CITY BUILDINGS TO BE ZERO NET ENERGY

WHEREAS, the City of Hayward City Council adopted a Climate Action Plan with goals to reduce municipal greenhouse gas emissions by 20% below 2005 baseline levels by 2020, and strive to reduce community emissions by 61.7% and 82.5% by 2040 and 2050 respectively; and

WHEREAS, California Governor Brown issued Executive Order B-18-12 requiring all new State buildings and major renovations beginning design after 2025 be constructed as Zero Net Energy facilities with an interim target for 50% of new facilities beginning design after 2020 to be zero net energy; and

WHEREAS, the City of Hayward's General Plan includes policy NR-4.10, Public Renewable Energy Generation, which states "The City shall ensure that all new City-owned facilities are built with renewable energy, as appropriate to their functions, and shall install renewable energy systems at existing facilities where feasible."; and

WHEREAS, the City of Hayward's General Plan includes policy NR-4.11, Green Building Standards, which states "The City shall require newly constructed or renovated public and private buildings and structures to meet energy efficiency design and operations standards with the intent of meeting or exceeding the State's zero net energy goals by 2020."

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that all new City buildings that begin design after January 1, 2017, shall be zero net energy; and

BE IT FURTHER RESOLVED that all existing City buildings for which renovations exceeding 50% of the building's value and that begin design after January 1, 2017, be zero net energy; and

BE IT FURTHER RESOLVED that lesser improvements to existing City buildings should include efficiencies and technologies that facilitate achieving zero net energy by 2030; and

BE IT FURTHER RESOLVED that for buildings where it is not possible to install on-site renewable energy sufficient to qualify as ZNE, the building shall be "ZNE Capable". ZNE

Capable means that the building achieves energy efficiency performance similar to a ZNE building, but it does not have sufficient on-site power generation to qualify as ZNE; and

BE IT FURTHER RESOLVED that for buildings where it is not possible or not feasible to install on-site renewable energy sufficient to qualify as ZNE, the building or site shall provide as much renewable energy as is feasible and the balance of the electrical demand shall be offset by newly installed renewable energy facilities at other City-owned properties.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

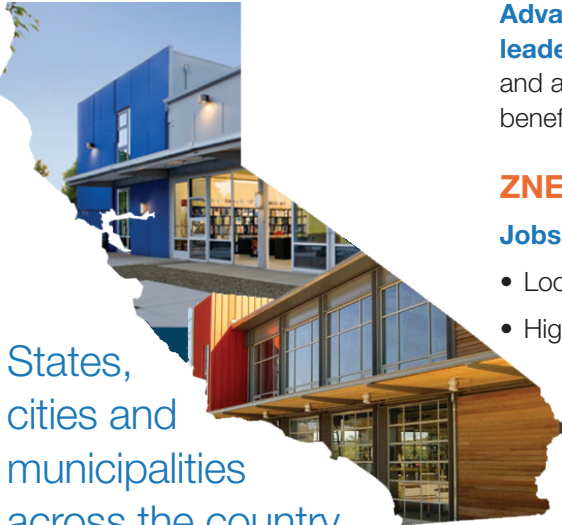
ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

ZNE for Policymakers & Local Governments

A ZNE building produces as much energy as it consumes over the course of a year



States, cities and municipalities across the country are integrating zero net energy building into energy policies, codes and standards.

Policymakers are using ZNE as a way to bring public buildings into the 21st century and put money back into classrooms.

Advancing ZNE policy means advancing economic development, energy leadership, ingenuity and resilience. Planning for a ZNE future creates practical and achievable energy solutions for residents, and economic and environmental benefits for a city itself.

ZNE Policy Provides Multiple Benefits

Jobs, Skills & Economic Development

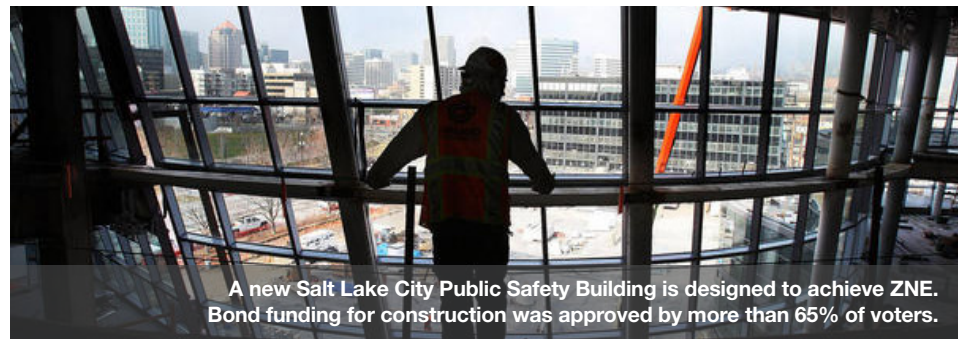
- Local jobs and tax growth from more local construction
- Higher quality building stock that helps property values
 - Skill development and career opportunities for residents
 - Attract companies that provide ZNE-related products and services
 - Create opportunities for a thriving clean energy industry with products that can be exported worldwide

Energy Independence & Local Resiliency

- Meet energy needs locally, achieve reach codes and sustainability goals
- Local communities become stronger and more resilient during severe weather events and natural disasters
- Increased stability of budgets and protection from uncertainty of changing energy costs.

Health & Productivity

- Support healthier environments and higher productivity with reduced net monthly costs
- Create schools and public buildings with lower operating costs allowing the savings to be used for needed services and programs



A new Salt Lake City Public Safety Building is designed to achieve ZNE. Bond funding for construction was approved by more than 65% of voters.



California Governor Jerry Brown

Setting Big Bold Goals for ZNE

The energy used in buildings accounts for the second largest contribution to California's greenhouse gas emissions. The California Global Warming Solutions Act of 2006 requires the State to reduce greenhouse gas emissions to 1990 levels by 2020 and beyond. To address these climate and energy-related issues, the California Public Utilities Commission (CPUC) adopted the California Energy Efficiency Strategic Plan in 2008 which sets ambitious goals to achieve zero net energy buildings, including:

- All new residential shall be ZNE by 2020
- 50% of existing commercial shall be ZNE by 2030
- All new commercial shall be ZNE by 2030

Governor Jerry Brown led by example when he signed an executive order (B-18-12) requiring State buildings to reduce consumption and meet the [following] ZNE targets:

- 50% of new State buildings shall be ZNE by 2020
- All new State buildings shall be ZNE by 2025

How is California Working to Achieve ZNE?

The California Public Utilities Commission has been working with interested stakeholders to develop ZNE Action Plans for commercial and residential buildings, codes and standards, and research and technology. These plans have helped engage regulators, building designers, energy efficiency

How Can Local Governments Help Move Buildings to ZNE?

- 1 Establish data policies for annual benchmarking and disclosure policies, and aggregate energy use data to set local energy reduction targets.
- 2 Set local ZNE goals for your municipality or region (including government and other public buildings).
- 3 Create incentives for ZNE (e.g. funding, fast-track permitting, technical assistance, awards, etc.).
- 4 Educate planning, development and sustainability staff about ZNE and available incentive programs.
- 5 Adopt the CalGreen energy code and align local codes to remove any barriers to ZNE.
- 6 Create training for building departments and alignment of planning, urban design and zoning.
- 7 Provide ZNE resources, trainings and other assistance for designers, builders, and contractors.

experts, environmental nonprofits, and other leaders to advance policy approaches and develop tools. These leaders have also helped clarify definitional issues, advance critical policy, identify technology gaps, and create a Path to Zero outreach and education campaign.

Resources for more information:

California Public Utilities Commission ZNE Information
www.cpuc.ca.gov/PUC/energy/Energy+Efficiency/Zero+Net+Energy+Buildings.htm

New Buildings Institute ZNE Resources
<http://newbuildings.org/zero-net-energy-resources>

Example of a Zero Net Energy Home



Source: Absolute Zero: U.S. is Closer to Building Zero-Net Energy Communities. Government Technology. <http://www.govtech.com/federal/Absolute-Zero-Net-Energy-Communities.html>



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: LB 16-053

DATE: May 17, 2016

TO: Mayor and City Council

FROM: Library and Community Services Director

SUBJECT

Authorization of Issuance of Multi-Family Housing Revenue Bonds (Acquisition and Rehabilitation of Glen Berry and Glen Eden Affordable Housing Developments) 2016 Series A and Execution of Related Documents

RECOMMENDATION

That the City Council:

- a) Adopts the attached resolution authorizing the issuance of up to \$15,000,000 in tax-exempt multifamily housing revenue bonds, to assist a new ownership entity controlled by Eden Housing, Inc. in the acquisition and rehabilitation of Glen Berry and Glen Eden, both currently owned by Eden Housing, Inc. or its Affiliates-and operated as affordable housing developments; and
- b) Authorizes the City Manager to execute implementing documents in connection with the proposed bond issuance.

BACKGROUND

On October 27, 2015, Council approved financing for the acquisition and rehabilitation of two Eden Housing Inc.-owned affordable housing developments in Hayward comprising a total of eighty six units of multifamily rental housing affordable to low and very low-income families (the "Project"). The report associated with this approval may be found at the following link: [CITY OF HAYWARD - File #: PH 15-091 <https://hayward.legistar.com/LegislationDetail.aspx?ID=2502631&GUID=B4A7A96B-E335-4443-94A1-23CA8A677777&Options=&Search=&FullText=1>](https://hayward.legistar.com/LegislationDetail.aspx?ID=2502631&GUID=B4A7A96B-E335-4443-94A1-23CA8A677777&Options=&Search=&FullText=1). Table A shows the names of the two properties, their addresses, and the number of units in each of them:

Table A: The Properties Comprising the Project

Property Name	Location	Number of Units
Glen Berry	625 Berry Avenue	50
Glen Eden	561 A Street	36
	Total:	86

Included in the City-approved financing are a series of loans (the “City Loans”) that the City provided to Eden Housing Inc. (“Eden”) to fund the properties at different stages of development. To facilitate the rehabilitation of the Project, the City Loans will be restructured. The criteria utilized by staff for restructuring the City Loans were described in detail at the October 27, 2015 meeting. As a result of the restructuring, the remaining City financing for the project will total approximately \$1.97 million. In order to make the project financially feasible, Eden has also requested that the City issue Tax-Exempt Multi-Family Housing Revenue Bonds (the “Bonds”) for the Project. The issuance of the Bonds will have no financial impact to the General Fund and the General Fund is not responsible for repayment of the Bonds. The City will receive nearly \$18,000 annually for monitoring and administrative fees.

DISCUSSION

Project Financing. In addition to the City-approved financing, the Project financing includes approximately \$15 million in Bonds that will be largely repaid (at the end of construction) from permanent funding sources, including approximately \$11.3 million of non-competitive 4% Low Income Housing Tax Credits (Tax Credits). The Bonds and the Tax Credits make up the largest sources of external financing for the Project. A significant amount of Bonds (\$3.13 million) will remain as new permanent financing for the Project, as further described below. The following is an estimate of new permanent funding sources for the Project:

Table B: New Permanent Sources of Funding for the Project

New Permanent Sources	Amount
Tax Exempt Bonds	\$3,131,000
Capital Contribution - Tax Credits/Limited Partner	\$11,293,419
Total:	\$14,424,419*

* The new permanent sources above are those which directly relate to funding the rehabilitation of the Project, ancillary costs, and bond-issuance related costs, and exclude soft funding sources (i.e., the City loans).

Project Acquisition. Since a re-syndication is part of the financing structure of the Project, a new ownership entity (a partnership) will have to be created to comply with Tax Credit regulations. In other words, although Eden or one of its affiliates is currently the Tax Credit *general partner* or ownership entity that manages the properties and provides the tax benefits to a *limited partner*, a new Tax Credit ownership entity (also an affiliate of Eden) will replace the current partnership. For this reason, the Project involves an acquisition.

The Bonds. Eden has requested that the City serve as issuer for the Bonds in an amount not to exceed \$15,000,000. In order to do so, in addition to approving the restructuring of the City Loans, at the October 27, 2015 meeting, the City Council conducted a Tax Equity and Fiscal Responsibility Act of 1985 (TEFRA) public hearing and approved a resolution of inducement for federal tax purposes, authorizing the issuance of Bonds for the Project, subject to the final approval of the City Council as recommended in this report. The Bonds are qualified private activity bonds which require an allocation of the private

activity volume cap from the State. Thus, on October 27, 2015 staff also requested authorization from the City Council to apply to the California Debt Limit Allocation Committee (CDLAC) for an allocation of the private activity bond volume cap.

On March 16, 2016, CDLAC adopted a resolution granting an allocation of private activity bond volume cap to the City upon review of the application and a determination that the Project meets the program requirements. Eden has accepted a proposal from Wells Fargo Bank, N.A. ("Wells Fargo") to purchase the Bonds on a private-placement basis. The Master Pledge and Assignment Agreement between the City and Wells Fargo (as agent for the City and as bondholder) provides that the City does not back the Bonds and is not liable to make bond payments under any circumstances. Thus, the City is free of any responsibility or obligation to pay principal or interest on the Bonds. In addition, the City's credit worthiness is not involved in or affected by this transaction. In other words, the Bonds would be limited, special obligations of the City, meaning that the City simply acts as a conduit for the Bond issuance process and is not financially responsible for repayment.

The above-described bond-issuance and ownership structure guarantees that in case of a default of the general partner (Eden Housing or its affiliates) under the conditions of the bond-loan documents (including non-payment of the bond loan), Wells Fargo, as lender, may pursue the remedies stipulated in those documents only against the general partner. The default-related provisions of the bond loan documents also require that the general partner (Eden Housing or its affiliates) cures the default within specific timeframes and that Wells Fargo notifies the City of the default. The latter provision is to allow the City, in partnership with Wells Fargo, if necessary, to pursue the remedies included in its own Loan documents in order to guarantee, among other things, that the Project's long-term affordability restrictions remain in place.

Affordable homes for families for fifty-five years. As mentioned above, the Bonds will be complemented by non-competitive 4% Tax Credits. When used together, both programs provide the most favorable financing for the Project to effectively leverage the City's investment. In addition to this, most of the sources listed in the above table require soft repayment terms. This will enable the Project to rent approximately 45% of the units at rents affordable to families earning up to 50% of the Area Median Income (AMI). The rest of the units will be affordable to low-income families (those earning up to 60% of AMI in this case). Current Alameda County low- and very low-income limits for a four-person household are \$46,750 and \$71,600, respectively.

The different layers of Project financing (relating to the Bonds, Tax Credits, City Loans and existing State of California funding) will result in the recordation of several covenants against the Project. These covenants will overlap or complement each other, which will guarantee that all the units remain affordable for fifty-five years to income-eligible families.

The attached bond resolution conditionally authorizes the issuance of the Bonds and authorizes the City Manager to execute the associated Bond documents, which are on file in the Office of the City Clerk. The resolution also names the law firm of Jones Hall as bond counsel and CSG Advisors Incorporated as financial advisor to the City in connection with the issuance of the Bonds.

ECONOMIC IMPACT

An extensive list of the Project's benefits for the community was included in the staff report to Council regarding the TEFRA Hearing and approval of the restructuring of the City Loans (see the October 27, 2015 staff report referenced above). However, it is important to note that addressing the Project's rehabilitation needs will improve the properties' operating performance and ensure their long-term affordability and viability, thus promoting Council priorities and the City's Housing Element goals. The Project financing also results in approximately \$12 million of investment towards the physical improvement of the Project properties and, by extension, in the local economy.

FISCAL IMPACT

The issuance of the Bonds does not represent a financial impact to the General Fund and the General Fund is not responsible for repayment of the Bonds. The City will receive nearly \$18,000 annually for bond issuance and administrative fees. These fees will offset some of the City staff costs associated with implementation and monitoring of the Project. All costs associated with issuance of the Bonds will be reimbursed through bond proceeds, including the City's financial advisors and legal counsel on affordable housing and bond counsel fees.

PUBLIC CONTACT

To comply with the Internal Revenue Code of 1986 (the Code), a Notice of the TEFRA hearing was published in the Daily Review on October 13, 2015. Consistent with the notice, the public hearing was later held by the City Council on October 27, 2015, when the restructuring of the existing City Loans was discussed and approved by Council. The formal approval of the bond documents by the City Council is the last legally-mandated public outreach step required for the issuance of the Bonds to take place. This requirement will be met if Council approves staff's recommendation in this report.

NEXT STEPS

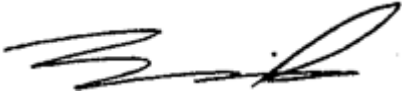
If Council adopts the attached resolution, authorizing the issuance of the Bonds and the execution of the bond documents by the City Manager, the Project will be able to move forward. If Council approves the resolution, closing of the Project financing is expected to occur in July. Construction would commence soon thereafter and is projected to be completed in the early spring of 2017 as current Project financial projections call for a ten-month construction schedule.

File #: LB 16-053

Prepared by: Omar Cortez, Housing Development Specialist

Recommended by: Sean Reinhart, Library and Community Services Director

Approved by:

A handwritten signature in black ink, appearing to read "Fran David".

Fran David, City Manager

Attachments:

Attachment I

Resolution Authorizing the Issuance of Bonds and Related
Actions

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-___

Introduced by Council Member _____

RESOLUTION OF THE CITY OF HAYWARD
AUTHORIZING THE ISSUANCE, SALE AND DELIVERY
OF CITY OF HAYWARD MULTIFAMILY HOUSING
REVENUE BONDS (GLEN BERRY AND GLEN EDEN
APARTMENTS) 2016 SERIES A, AUTHORIZING THE
EXECUTION AND DELIVERY OF A MASTER AGENCY
AGREEMENT, A MASTER PLEDGE AND ASSIGNMENT
AND A REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIVE COVENANTS WITH
RESPECT TO EACH DEVELOPMENT, AND
AUTHORIZING THE EXECUTION AND DELIVERY OF
AND APPROVING OTHER RELATED DOCUMENTS AND
APPROVING OTHER RELATED ACTIONS IN
CONNECTION THEREWITH

WHEREAS, Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code, as the same may be amended (the "Act"), and City of Hayward Ordinance No. 81-023, adopted on June 16, 1981 and codified at Article 10 of Chapter 8 of the City of Hayward Municipal Code, as the same may be amended (the "Ordinance" and together with the Act, the "Bond Law") authorizes the City of Hayward (the "City") to incur indebtedness for the purpose of financing the acquisition, construction/rehabilitation and development of multifamily rental housing facilities to be occupied in whole or in part by persons of low and very low income; and

WHEREAS, the City has been requested to issue its Multifamily Housing Revenue Bonds (Glen Berry and Glen Eden Apartments) 2016 Series A (the "Bonds") in accordance with the Bond Law, the proceeds of which are proposed to be used to make a loan to GBGEH, L.P., a California limited partnership (the "Borrower"), to finance the acquisition and rehabilitation of 86 units of multifamily rental housing located on two sites in Hayward, California, including (i) 50 units located at 625 Berry Avenue known as Glen Berry Apartments, and (ii) 36 units located at 561 A Street known as Glen Eden Apartments, (each, a "Development" and, collectively, the "Project"); and

WHEREAS, there have been placed on file with the City Clerk prior to this meeting the following documents and agreements in furtherance of the transactions described above:

- (1) A proposed form of Master Agency Agreement (the "Agency Agreement"), between the City, Wells Fargo Bank, National Association, as agent (the "Agent");
- (2) A proposed form of Master Pledge and Assignment (the "Pledge and Assignment"), among the City, the Agent and Wells Fargo Bank, National Association, as holder of the Bonds (the "Holder"); and
- (3) A proposed form of Regulatory Agreement and Declaration of Restrictive Covenants between the City and the Borrower (the "Regulatory Agreement");

WHEREAS, the City has received an application from the California Debt Limit Allocation Committee (“CDLAC”) for an allocation of private activity bond volume cap in an amount sufficient to provide for the issuance of the Bonds (the “Allocation”):

WHEREAS, all other conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds as contemplated by this resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Act.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward, as follows:

Section 1. The City hereby finds and declares that the above recitals are true and correct.

Section 2. Pursuant to the Act and the Pledge and Assignment, the issuance of bonds in one or more series is hereby authorized, and such bonds shall be designated: “City of Hayward Multifamily Housing Revenue Bonds (Glen Berry and Glen Eden Apartments) 2016 Series A” (the “Bonds”) including, if and to the extent necessary, one or more series and/or sub-series and/or taxable bonds, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$15,000,000. The Bonds shall be executed by the manual or facsimile signature of the City Manager of the City, and attested by the manual or facsimile signature of the City Clerk of the City, in the form set forth in and otherwise in accordance with the Pledge and Assignment. The Bonds, when executed, shall be delivered to or upon the order of the Holder.

In no event shall the amount of Bonds issued exceed the actual amount of the Allocation awarded by CDLAC.

Section 3. The form of Pledge and Assignment on file with the City Clerk is hereby approved. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Pledge and Assignment in said form, with such additions thereto or changes therein as are recommended or approved by the City Manager upon consultation with bond counsel to the City, the approval of such additions or changes to be conclusively evidenced by the execution and delivery by the City of the Pledge and Assignment.

Section 4. The form of Agency Agreement on file with the City Clerk is hereby approved. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Agency Agreement in said form, with such additions thereto or changes therein as are recommended or approved by the City Manager upon consultation with bond counsel to the City, the approval of such additions or changes to be conclusively evidenced by the execution and delivery by the City of the Agency Agreement.

Section 5. The form of Regulatory Agreement on file with the City Clerk is hereby approved. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver a Regulatory Agreement with respect to each Development, in said form, with such additions thereto or changes therein as are recommended or approved by such officers upon consultation with bond counsel to the City, the approval of such additions or changes to be conclusively evidenced by the execution and delivery by the City of the Regulatory Agreements.

Section 6. The law firm of Jones Hall, A Professional Law Corporation, is hereby named as bond counsel to the City in connection with the issuance of the Bonds. The financial advisory firm of CGS

Advisors, Inc. is hereby named as financial advisor to the City in connection with the issuance of the Bonds. The fees and expenses of bond counsel and the financial advisor are to be paid solely from the proceeds of the Bonds or directly by the Borrower.

Section 7. All actions heretofore taken by the officers and agents of the City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the proper officers of the City, including the City Manager, are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this Resolution and resolutions heretofore adopted by the City and in order to carry out the Program, including but not limited to those certificates, agreements, deeds of trust and other documents described in the Agency Agreement, the Pledge and Assignment, the Regulatory Agreements, and the other documents herein approved and any certificates, agreements or documents as may be necessary to further the purpose hereof, including, but not limited to, any subordination agreement required to be executed in connection with the proposed financing, but which shall not create any obligation or liability of the City other than with respect to the revenues and assets derived from the proceeds of the Bonds.

Section 8. This resolution shall take effect immediately upon its adoption.

IN COUNCIL, HAYWARD, CALIFORNIA, May 17, 2016.

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward