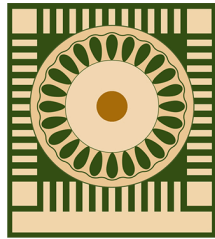


# **CITY OF HAYWARD**

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
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CITY OF  
**HAYWARD**  
HEART OF THE BAY

## **Agenda**

**Tuesday, July 11, 2017**

**7:00 PM**

**Council Chambers**

## **City Council**

**Mayor Barbara Halliday**  
**Mayor Pro Tempore Elisa Márquez**  
**Council Member Francisco Zermeño**  
**Council Member Marvin Peixoto**  
**Council Member Al Mendall**  
**Council Member Sara Lamnin**  
**Council Member Mark Salinas**

**SPECIAL CITY COUNCIL MEETING****CALL TO ORDER Pledge of Allegiance: Council Member Salinas****ROLL CALL****CLOSED SESSION ANNOUNCEMENT****PUBLIC COMMENTS**

*The Public Comment section provides an opportunity to address the City Council on items not listed on the agenda 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 17-107](#)     Minutes of the City Council Meeting on June 13, 2017  
  
      **Attachments:**    [Attachment I Draft Minutes of 06/13/2017](#)
  
2.     [MIN 17-103](#)     Minutes of the Special Joint City Council/Hayward  
                          Redevelopment Successor Agency/Hayward Housing Authority  
                          Meeting on June 20, 2017  
  
      **Attachments:**    [Attachment I Draft Minutes of 06/20/2017](#)
  
3.     [MIN 17-108](#)     Minutes of the Special Joint City Council/Hayward Housing  
                          Authority Meeting on June 27, 2017  
  
      **Attachments:**    [Attachment I Draft Minutes of 06/27/2017](#)
  
4.     [CONS 17-401](#)     Adoption of Ordinance Amending Chapter 10, Article 6 of the  
                          Hayward Municipal Code to Establish a New Airport Overlay  
                          Zoning Regulations  
  
      **Attachments:**    [Attachment I Staff Report](#)  
                              [Attachment II Summary of Ordinance Published on 07/07/17](#)

5.        [CONS 17-405](#)      Adoption of Federal and State Legislative Priorities Program

**Attachments:**    [Attachment I Staff Report](#)  
                          [Attachment II Resolution](#)  
                          [Attachment III Legislative Program](#)

#### **JOINT CITY COUNCIL/PLANNING COMMISSION 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.*

6.        [WS 17-018](#)        Downtown Specific Plan - Design Charrette Outcome, Update & Discussion (Report from Interim Development Services Director Bristow)

**Attachments:**    [Attachment I Staff Report](#)  
                          [Attachment II Task Force Meeting #4 Summary Notes](#)

#### **WORK SESSION**

7.        [WS 17-035](#)        Biennial Review of the Community Development Block Grant Program and Recommended Reallocations of One-Time Available Fund Balance in FY 2018 and FY 2019 (Report from Library and Community Services Director Reinhart)

**Attachments:**    [Attachment I Staff Report](#)  
                          [Attachment II Draft Resolution](#)

**PUBLIC HEARING**

8. [PH 17-067](#) Recommended FY 2018 and FY 2019 Water and Sewer Service Rates (Report from Director of Utilities & Environmental Services Ameri)

**Attachments:** [Attachment I Staff Report](#)  
[Attachment II Resolution](#)  
[Attachment III May 16 2017 CC Agenda Report](#)  
[Attachment IV Updated Water Rate Comparisons](#)  
[Attachment V Updated Sewer Rate Comparison](#)  
[Attachment VI Proposition 218 Notice Water Sewer Rates](#)

**LEGISLATIVE BUSINESS**

9. [LB 17-023](#) Introduction of an Ordinance that Would Amend the Currently Adopted Hayward Building Code by Establishing Expedited Permitting Procedures for Electric Vehicle Charging Stations as Required by California Government Code Section 65850.7 (AB 1236) (Report from Interim Development Services Director Bristow)

**Attachments:** [Attachment I Staff Report](#)  
[Attachment II Ordinance](#)  
[Attachment III Single-Family Residential Handout](#)  
[Attachment IV Commercial & Multi-Family Handout](#)

10. [LB 17-031](#) Designation of Voting Delegates and Alternates for the League of California Cities 2017 Annual Conference (Report from City Clerk Lens)

**Attachments:** [Attachment I Staff Report](#)  
[Attachment II Resolution](#)  
[Attachment III Annual Conference Information](#)

**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, July 18, 2018, 7:00 PM****PUBLIC COMMENT RULES**

*Any member of the public desiring to address the Council shall limit her/his address to three (3) minutes unless less or further time has been granted by the Presiding Officer or in accordance with the section under Public Hearings. The Presiding Officer has the discretion to shorten or lengthen the maximum time members may speak. 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 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.*

*Assistance will be provided to those requiring language assistance. To ensure that interpreters are available at the meeting, interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400.*



# CITY OF HAYWARD

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**File #:** MIN 17-107

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**DATE:** July 11, 2017

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Minutes of the City Council Meeting on June 13, 2017

**RECOMMENDATION**

That the City Council approves the minutes of the City Council meeting on June 13, 2017.

**ATTACHMENTS**

Attachment I Draft Minutes of June 13, 2017



**MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD**  
**Council Chambers**  
**777 B Street, Hayward, CA 94541**  
**Tuesday, June 13, 2017, 7:00 p.m.**

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

**ROLL CALL**

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

**CITY COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS**

There was consensus for the Council to provide the City Manager with direction related to Eden Shores Development and the need to reevaluate the formula for calculating the release of home permits.

**CLOSED SESSION ANNOUNCEMENT**

Mayor Halliday announced that prior to the Closed Session the Council unanimously voted to add the City Attorney and City Clerk performance evaluations to the closed session pursuant to California Government Code Section 54954.2(b)(2). Mayor Halliday noted the City Council discussed two items: 1) public employment pursuant to Government Code 54957 regarding performance evaluation for City Manager, City Attorney, and City Clerk; and 2) conference with labor negotiators pursuant to Government Code 54957.6, regarding all groups; and took no reportable action.

**PRESENTATION**

Mayor Halliday read a proclamation declaring June 2017 and every June thereafter as Elder Abuse Awareness Month; and June 15, 2017 and every June 15 thereafter as Elder Abuse Awareness Day. Ms. Dena Aindow, Senior Elder Consultant with the Alameda County District Attorney's Elder Protection Unit, and Ms. Stephanie Marsili, Alameda County Adult Protection Services Supervisor with the Alameda County Social Services Agency, accepted the proclamation on behalf of each agency.

**PUBLIC COMMENTS**

Council Member Lamnin disclosed she is the president of one of the congregations of the Eden Area Interfaith Council and was not involved with the information that the group presented at the Council meeting on June 6, 2017, regarding the sanctuary city designation.

Mr. Ralph Farias Jr., Hayward resident, emphasized the need to address homelessness issues in Hayward.

Mr. Bud Eckert, Hayward resident, spoke about the ordeal experienced by immigrants who cross the Mexican border and those that cross the United States border.

Mr. Jim Drake, Hayward resident, spoke about the City's budget deficit, and the shrubs that should be planted along the rear wall property in his neighborhood.

Mr. George UBL, Westwood Manor resident, provided a document for the record in opposition to the Planned Development at 24765 Hesperian Boulevard, and spoke about an Access Hayward request to clean debris at La Playa Drive.

Mr. Javier Delgadillo, Hayward resident, spoke about issues related to decontrolled units, rent control protection, and relocation assistance.

Mr. S.J. Samiul (aka Citizen Sam), reported that his property was vandalized and construction companies were working on Saturdays. Mr. Samiul also shared various photographs.

Mr. Jerry Turney, Hayward airport tenant, submitted a document for the record and spoke about the 2007 Market Rent Study and the hangar rent increases.

Ms. Kate Turney, submitted a document for the record and spoke about hangar rents and the profit generated by them.

## **CONSENT**

1. Minutes of the City Council Meeting on May 23, 2017 **MIN 17-092**

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 May 23, 2017.

2. Transportation Development Act Article 3 Funds FY 2018: Wheelchair Ramps - Authorization to File Application **CONS 17-327**

Staff report submitted by Public Works Director Fakhrai, dated June 13, 2017, was filed.

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

Resolution 17-075, "Resolution Supporting Submission of Claim to the Metropolitan Transportation Commission (MTC) for the Allocation of Fiscal Year 2018 Transportation Development Act (TDA) Article 3 Pedestrian/Bicycle Project Funding for the Installation of Wheelchair Ramps"





**MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD**  
**Council Chambers**  
**777 B Street, Hayward, CA 94541**  
**Tuesday, June 13, 2017, 7:00 p.m.**

- 
3. Execution of Cooperation Agreement for FYs 18-20 Between the City of Hayward and the County of Alameda to Participate in the Alameda County HOME Consortium **CONS 17-358**

Staff report submitted by Library and Community Services  
Director Reinhart, dated June 13, 2017, was filed.

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

Resolution 17-076, "A Resolution Authorizing the Continued Participation of the City of Hayward in the Alameda County Home Consortium for Home Funds and Authorizing Execution of the Necessary Documents to Maintain the Eligibility of the Consortium for Home Program Funds in Accordance with the National Affordable Housing Act of 1990"

**PUBLIC HEARING**

4. Public TEFRA Hearing as Required by the Internal Revenue Code of 1986, and Adoption of a Resolution Authorizing the Issuance of Bonds by the California Statewide Communities Development Authority for the Maple and Main Apartments (Report from Library and Community Services Director Reinhart) **PH 17-055**

Staff report submitted by Library and Community Services  
Director Reinhart, dated June 6, 2017, was filed.

Library and Community Services Director Reinhart announced the report and introduced Housing Development Specialist Cortez who provided a synopsis of the report.

There being no public comments, Mayor Halliday opened and closed the public hearing at 7:47 p.m.

Council Member Mendall offered a motion per staff recommendation and Council Member Salinas seconded the motion.

In response to Council Member Lamnin's inquiry, Mr. John Penkower with the California Statewide Communities Development Authority (CSCDA) explained the language in the resolution related to the issuance of any refunding bonds.

Council Member Márquez supported the motion noting that she was pleased that the project integrated affordable housing in the downtown.

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

Resolution 17-077, "Resolution of the City Council of the City of Hayward Approving the Issuance by the California Statewide Communities Development Authority of Multifamily Housing Revenue Bonds for the Maple and Main Apartments"

## **WORK SESSION**

5. Review of Draft Strategic Initiatives Two-Year Action Plans: Complete Streets, Complete Communities, and Tennyson Corridor (Report from City Manager McAdoo) **WS 17-032**

Staff report submitted by Assistant City Manager Hurtado, Public Works Director Fakhrai, Development Services Director Rizk, Deputy Development Services Director Bristow, Fire Chief Contreras, and Library and Community Services Director Reinhart, dated June 13, 2017, was filed.

City Manager McAdoo provided an overview of the Complete Streets, Complete Communities, and Tennyson Corridor strategic initiatives and introduced Education Services Manager Vien and Management Analyst McNamara who provided a synopsis of the Tennyson Corridor action plan.

Mayor Halliday opened the public comments section at 8:16 p.m.

The following individuals expressed support for the Tennyson Corridor action plan.

Ms. Julia Lang, Downtown Streets Team representative, spoke favorably about the collaboration the Team has had in South Hayward.

Ms. Susie Hufstader, Bike East Bay representative, emphasized the need for the Tennyson Corridor Strategic Initiative goals to have metrics for accountability.

Ms. Silvia Brandon-Perez, Hayward resident, spoke about the need to address homelessness, rent control, and tenant protection.

Mayor Halliday closed the public comments section at 8:22 p.m.

The Council thanked staff for the Tennyson Corridor action plan and collaborative efforts.

Discussion ensued among Council Members and City staff regarding the performance measure related to the percent Council Members who vote to approve the Vision Plan.



**MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD**  
**Council Chambers**  
**777 B Street, Hayward, CA 94541**  
**Tuesday, June 13, 2017, 7:00 p.m.**

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Council Members expressed general support of the five goals and related performance measures for the Tennyson Corridor action plan and provided the following recommendations: create a sense of community, pride, and safety for South Hayward; add a performance measure under Goal 2 related to funding received for pedestrian and bicyclist safety; add to the leverage of existing groups Palma Ceia and long/short term healthcare facilities; prioritize Goal 2-Objective 4 (improve safety through increased lighting); ensure that recycling/green waste cans are available in the neighborhood related to Goal 3-Objective 2 (dumping and littering); evaluate directing housing rehabilitation funds for problematic landlords; collaborate with HARD and local stakeholders to achieve Goal 4; evaluate bus stops related to Goal 5 (increase community resiliency); consider holding Council meetings in South Hayward and offering interpretative assistance in predominant languages; focus on catalyst sites; focus on addressing current issues and mitigating them; conduct outreach in predominant languages; continue the work accomplished by HUSD students; engage different religious groups; change the name of Leidig Court to Cesar Chavez Street; create an outdoor Cesar Chavez plaza; include recommendations from the Tennyson Community Committee; consider changing the speed limit for the Corridor to a level that promotes safety; gather data on the racially and ethnically diverse population and use it to create a sense of space; develop a brand that redefines the image with elements unique to the Corridor; consider loans to encourage redevelopment and commercial space; create a Corridor that is cohesive and attractive in appearance; attract businesses that are family and youth friendly such as a bike shop; and be thoughtful in the approach when interacting with community members related to Code enforcement matters.

Planning Manager Buizer and Community Services Manager Bailey provided a synopsis of the Complete Communities action plan. Environmental Services Manager Pearson and Senior Transportation Engineer Parikh provided a synopsis of the Complete Streets action plan.

Mayor Halliday opened the public comments section at 9:17 p.m.

Ms. Tina Hand, Bay East Association of Realtors' representative, offered her assistance in helping the City achieve the proposed strategic initiative goals.

Ms. Silvia Brandon-Perez, Hayward resident, suggested that the city encourage the streamlining of permits for Accessory Dwelling Units (ADU) to help with housing needs.

Ms. Susie Hufstader, Bike East Bay representative, recommended that a Central County Complete Streets Design Guidelines checklist be completed for every major corridor and made available on the City website; have specific metrics for proposed goals, and complete the Bicycle Master Plan to qualify for funding opportunities.

Mayor Halliday closed the public comments section at 9:26 p.m.

Council Members were in general agreement with the goals and associated performance measures for Complete Streets and Complete Communities action plans. Council Members offered the following suggestions: evaluate if Accessory Dwelling Units (ADU) will further impact parking issues; have a conversation about housing density in major corridors; focus on catalyst sites; promote ethnicity and historical diversity through signage in multiple languages; provide cost improvements for bike lanes to better prioritize goals; reprioritize the order of the goals under Complete Communities so that Goal 3 (develop a regulatory toolkit for policy makers) comes before Goal 2 (provide a mix of housing stock); reevaluate performance measures for Goal 3 under Complete Communities and consider measures such as park-in-lieu fees; be transparent with the development community about expectations; consider providing child care at community meetings; prioritize low cost traffic calming pedestrian measures; have metrics about operations throughout the corridors; incentivize the diverse mix of housing, jobs and recreation throughout the City; focus on the outcome in terms of participation; leverage community partners; continue to evaluate best use of resources; have metrics related to homelessness for Goal 2 (housing); evaluate all funding related to housing; place emphasis on creating more affordable housing; have concrete goals and performance measures for preventing displacement; list missing amenities/necessities in the neighborhoods and have a vision for achieving them; get a timeline for completion of the Bicycle Pedestrian Master Plan; consider modifying the Loop and institute roundabouts in needed streets; explore tiny homes as housing alternatives; have protections in place for renters; ensure that housing developments have inclusionary housing units; work on fixing past density and land use decisions; and create a mechanism for allowing neighborhoods input related to AUD permit applications.

6. Proposed FY 2018 Operating Budget - Work Session 3 (Report from Finance Director Claussen) **WS 17-031**

Staff report submitted by Finance Director Claussen, dated June 13, 2017, was filed.

Finance Director Claussen provided a synopsis of the report related to the proposed Library and Community Services staffing.

Discussion ensued among Council Members and City staff related to the three options for library staffing in FY 2018; Sunday operating hours at the new library; and the \$32,000 for the maintenance of additional collection of new books and ongoing replacement of materials for the new library. Council Members recommended that staff work with the consultant, Management Partners, to identify possible funding sources for the additional staff positions, and to continue to collaborate with the California State University, East Bay, Friends of the Library, and others to engage volunteers.

There was general agreement to approve the addition of 1.0 FTE Librarian position (Option 2).



**MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD**  
**Council Chambers**  
**777 B Street, Hayward, CA 94541**  
**Tuesday, June 13, 2017, 7:00 p.m.**

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Finance Director Claussen provided a synopsis of the report related to the City's Passport Program.

Discussion ensued among Council Members and City staff related to the four options for continuing the Passport Program, and the fee set by the U.S. Department of State of \$25 per application.

There was general agreement to continue the Passport Program in the City Clerk's office with existing resources (Option 2) and evaluate if the demand for passports continues.

There being no public comments, Mayor Halliday opened and closed the comment section at 10:51 p.m.

7. Capital Improvement Program FY 2018 - FY 2027 (Report from Director of Public Works Fakhrai) (Continued from June 6, 2017) **WS 17-030**

Staff report submitted by Public Works Director Fakhrai, dated June 13, 2017, was filed.

Public Works Director Fakhrai announced the report and introduced Senior Civil Engineer Briggs who provided a synopsis of the report.

Discussion ensued among Council Members and City staff about the cost for the construction of the 21<sup>st</sup> Century Library and Community Learning Center.

Council Members offered the following recommendations: build out the Fire Training Center; one member recommended placing a limit of \$40 million for the Training Center and \$80 million for the Police Department while another member suggested having them undertaken by the Council Infrastructure Committee; be mindful of safety and lighting throughout the community; engage partners that will help close budget gaps; provide the Council Infrastructure Committee summarized and comprehensive information related to the Capital Improvement Program; consider the acoustics in the Rotunda and shades for the windows as unfunded need; and review having hydrogen powered vehicles.

There being no public comments, Mayor Halliday opened and closed the public comments section at 11:16 p.m.

## LEGISLATIVE BUSINESS

### 8. Introduction of Ordinance Updating Various Sections of the Hayward Municipal Code (Report from City Attorney Lawson and City Clerk Lens) **LB 17-022**

Staff report submitted by City Attorney Lawson and City Clerk Lens, dated June 13, 2017, was filed.

City Attorney Lawson provided a synopsis of the staff report and addressed the two inquiries related to the elimination of procedures for keeping paper records related to pawnbrokers. City Attorney Lawson noted there were two changes to Exhibit A of the proposed ordinance: 1) retain the current language in Section 2-1.10(a) and (b) related to the compensation for members of the City Council on page 7; and 2) change the word in Section 4-1.58 from “proscribed” to “prescribed” on page 17.

In response to Council Member Salinas’ inquiry about bingo and regulations around 50/50 drawings, City Attorney Lawson noted that game of chance is regulated by State laws.

There being no public comments, Mayor Halliday opened and closed the public hearing at 11:23 p.m.

It was moved by Council Member Mendall, seconded by Council Member Lamnin, and carried unanimously, with the two amendments to Exhibit A: 1) retain the current language in Section 2-1.10(a) and (b) related to the compensation for members of the City Council; and 2) change the word in Section 4-1.58 from “proscribed” to “prescribed,” and adopt the following:

Introduction of Ordinance 17-\_, “An Ordinance Amending Certain Hayward Municipal Code Sections of Chapter 1, Chapter 2, Chapter 3, Chapter 4, Chapter 5, Chapter 6, Chapter 7, Chapter 8, Chapter 9, Chapter 10 and Chapter 11”

## CITY MANAGER’S COMMENTS

City Manager McAdoo commented on three items: 1) an investigation about the inappropriate taco pun posted in an official tweet on June 6, 2017, a social media policy, and an implicit bias training; 2) the first 2017 Downtown Street Party on June 15, 2017; and 3) a youth trash capture and watershed education project funded with an EPA grant.

## COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Mayor Halliday reported on her attendance at various events: 1) school production at Russ Elementary School where students performed “Taming of the Shrew” by Shakespeare and a performance by the Mt. Eden High School Choir on June 10, 2017; Bishop Macklin’s 65<sup>th</sup> Birthday and Episcopal Elevation Celebration at the San Francisco Marriott on June 9, 2017; and the commencement ceremony at California State University, East Bay, for the College of



**MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD**  
**Council Chambers**  
**777 B Street, Hayward, CA 94541**  
**Tuesday, June 13, 2017, 7:00 p.m.**

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Business and Economics and the College of Education and Allied Studies on June 11, 2017, where the 43<sup>rd</sup> treasurer of the United States, Rosie Rios, was the honorary recipient of a Doctor of Laws degree.

**ADJOURNMENT**

Mayor Halliday adjourned the meeting at 11:35 p.m., in memory of Ms. Pearl Arhontes.

Ms. Pearl Arhontes was born and lived in Hayward; was active in organizations such as the Native Daughters of the Golden West and the Hayward Area Historical Society; and operated Craft Peddlers in the Bay Area. Mayor Halliday asked staff to work with the Hayward Area Historical Society and find a suitable place to plant a tree in memory of Pearl Arhontes.

**APPROVED:**

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Barbara Halliday  
Mayor, City of Hayward

**ATTEST:**

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Miriam Lens  
City Clerk, City of Hayward



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** MIN 17-103

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**DATE:** July 11, 2017

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Minutes of the Special Joint City Council/Hayward Redevelopment Successor Agency/Hayward Housing Authority Meeting on June 20, 2017

**RECOMMENDATION**

That the City Council approves the minutes of the Special Joint City Council/Hayward Redevelopment Successor Agency/Hayward Housing Authority meeting on June 20, 2017.

**ATTACHMENTS**

Attachment I Draft Minutes of June 20, 2017





**MINUTES OF THE SPECIAL JOINT CITY COUNCIL/HAYWARD  
REDEVELOPMENT SUCCESSOR AGENCY/HAYWARD HOUSING AUTHORITY  
MEETING OF THE CITY OF HAYWARD  
Council Chambers  
777 B Street, Hayward, CA 94541  
Tuesday, June 20, 2017, 7:00 p.m.**

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

**ROLL CALL**

Present: Council/HRSA/HHA MEMBERS Zermeño, Márquez, Mendall, Peixoto,  
Lamnin, Salinas  
MAYOR/CHAIR Halliday  
Absent: None

**CLOSED SESSION ANNOUNCEMENT**

City Attorney Lawson announced the Council convened in closed session regarding three items: 1) conference with labor negotiators pursuant to Government Code 54957.6; 2) public employment pursuant to Government Code 54957 regarding performance evaluation for City Manager, City Attorney and City Clerk; and 3) conference with legal counsel pursuant to Government Code 54956.9 regarding pending litigation: a) Russell City Energy Company v. City of Hayward, California Court of Appeal Case No. A144749, b) City of Hayward v. PG&E, California Public Utilities, Case No.: C16-11-001 and c) Hayward Smart Growth Coalition, etc. v. City of Hayward, Alameda County Superior Court, RG 17861554; and there was no reportable action. Mr. Lawson added that the Council added to the Closed Session pursuant to Government Code 54954.2(b)(2) regarding a case City of Hayward v. California State University Trustees, and took no reportable action.

**PRESENTATIONS**

Mayor Halliday, Council Member Lamnin and Council Member Márquez read a proclamation honoring the American Association of University Women (AAUW), Hayward-Castro Valley Branch, for their outstanding contributions and longtime service to the City of Hayward. Ms. Liz Bathgate and Ms. Helene Carr, AAUW representatives, accepted the proclamation.

**PUBLIC COMMENTS**

Ms. Wynn Grcich, Hayward resident, spoke about an article in the Bay Area Newsgroup dated June 11, 2017, regarding Senate Bill 649 that would turn California utility poles into cell phone towers.

Mr. Charlie Peters, Clean Air Professionals representative, asked Council to review the issue of changing the June 20, 2017 Council closed session agenda without notice, and submitted documents for the record.

Mr. Bud Eckert, Hayward resident, spoke about the sanctuary city discussion during the Council meeting on June 6, 2017.

Ms. Kate Turney spoke about the Hayward airport hangar rents and submitted document for the record.

Mr. Jerry Turney, Hayward airport tenant, spoke about the Hayward airport market study and the airport hangar rent increase, and submitted document for the record.

Ms. Heather Reyes, Hayward Arts Council president, thanked the City for its support to the organization to maintain its five galleries.

Mr. Jim Drake, Hayward resident, noted that the Taco Restaurant on Harder Road serves beer, and asked the Council to look into this.

Mr. Stephen Schott, Hayward resident, requested that the City consider transportation and transit infrastructure costs and assessment of fees on new developments, and cumulative impacts of all developments as it considers Complete Streets and Complete Communities initiatives.

## **CONSENT**

Consent Item No. 2 was pulled for comment.

1. Minutes of the City Council Meeting on June 6, 2016 **MIN 17-093**  
It was moved by Council Member Zermeño, seconded by Council Member Márquez, and carried unanimously, to approve the minutes of the City Council meeting on June 6, 2017.
2. One Bay Area Grant (OBAG) 2 Local Streets and Roads Rehabilitation Funds - Resolution of Local Support **CONS 17-350**

Staff report submitted by Public Works Director Fakhrai, dated June 20, 2017, was filed.

Council Member Mendall highlighted the project to enhance Main Street between McKeever Street and D Street would allow the City to add more parking, widen sidewalks, and create opportunities for businesses in the area to provide outside seating.

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



**MINUTES OF THE SPECIAL JOINT CITY COUNCIL/HAYWARD  
REDEVELOPMENT SUCCESSOR AGENCY/HAYWARD HOUSING AUTHORITY  
MEETING OF THE CITY OF HAYWARD  
Council Chambers  
777 B Street, Hayward, CA 94541  
Tuesday, June 20, 2017, 7:00 p.m.**

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Resolution 17-083, "Resolution of Local Support Authorizing the Filing of an Application for Funding Assigned to MTC and Committing Any Necessary Matching Funds and Stating Assurance to Complete the Project"

3. FY 2017 & FY 2018 Pavement Preventive Maintenance & Resurfacing Project - Award of Construction Contract **CONS 17-353**

Staff report submitted by Public Works Director Fakhrai, dated June 20, 2017, was filed.

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

Resolution 17-078, "Resolution Approving Award of Contract for FY 2017 & FY 2018 Pavement Preventive Maintenance & Resurfacing Project, Project No. 05209 & 05212 to DeSilva Gates Construction LP"

4. FY 2017 & FY 2018 Pavement Rehabilitation Project - Award of Construction Contract **CONS 17-355**

Staff report submitted by Public Works Director Fakhrai, dated June 20, 2017, was filed.

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

Resolution 17-079, "Resolution Approving Award of Contract for FY 2017 & FY 2018 Pavement Rehabilitation Project, Project No. 05205, 05207, 05209, 05266, 05212, 05245, & 05215 to DeSilva Gates Construction LP"

5. Approval of a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Chuck Finnie Communications for Communications and Media Relations Professional Services **CONS 17-360**

Staff report submitted by City Manager McAdoo, dated June 20, 2017, was filed.

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

Resolution 17-080, "Resolution Authorizing the City Manager to Negotiate and Execute a Professional Services Agreement with Chuck Finnie Communications for Communication and Media Relations Professional Services, in an Amount Not To Exceed \$160,000"

6. Approval of a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Rolling Orange for Website Development and Maintenance Professional Services **CONS 17-361**

Staff report submitted by City Manager McAdoo, dated June 20, 2017, was filed.

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

Resolution 17-081, "Resolution Authorizing the City Manager to Negotiate and Execute a Professional Services Agreement with Rolling Orange for Website Development and Maintenance Professional Services, in an Amount Not to Exceed \$105,000"

7. Adoption of Ordinance Amending Certain Hayward Municipal Code Sections of Chapter 1, Chapter 2, Chapter 3, Chapter 4, Chapter 5, Chapter 6, Chapter 7, Chapter 8, Chapter 9, Chapter 10, and Chapter 11 **CONS 17-376**

Staff report submitted by City Clerk Lens, dated June 20, 2017, was filed.

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

Ordinance 17-09, "An Ordinance Amending Certain Hayward Municipal Code Sections of Chapter 1, Chapter 2, Chapter 3, Chapter 4, Chapter 5, Chapter 6, Chapter 7, Chapter 8, Chapter 9, Chapter 10 and Chapter 11"

8. Downtown Business Improvement Area Annual Report and Proposed Budget for FY 2018 **CONS 17-380**

Staff report submitted by Economic Development Manager Hinkle, dated June 20, 2017, was filed.

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



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Resolution 17-082, "Resolution Accepting the Annual Report and Declaring Intention Not to Levy Annual Charges for the Downtown Hayward Business Improvement Area (DBIA) for Fiscal Year 2018"

**WORK SESSION**

9. Review of the 2017 Point-in-Time Count and Survey of Homeless Persons in Alameda County and Hayward (Report from Library and Community Services Director Reinhart)  
**WS 17-034**

Staff report submitted by Library and Community Services Director Reinhart, dated June 20, 2017, was filed.

Library and Community Services Director Reinhart provided a synopsis of the report and introduced EveryOne Home Executive Director Elaine de Coligny who provided a summary of the results of the 2017 Point-in-Time Count and survey of homeless persons in Alameda County and Hayward.

Mayor Halliday opened the public comments section at 8:14 p.m.

Ms. Heather Reyes, Hayward resident, spoke about the 23 veterans in Hayward who are currently unsheltered and her outreach efforts to veterans organizations in Hayward.

Mayor Halliday closed the public comments section at 8:18 p.m.

Discussion ensued among Council Members, City staff and EveryOne Home Executive Director de Coligny regarding: the commitment of Measure A funds for affordable housing and permanent supportive housing for chronically homeless persons; the City's annual allocated amount of \$835,000 from local and federal funds to support programs and projects that address homelessness; the change in the methodology used in the 2017 count; the need for both the state and federal government to create new sources of revenue for affordable housing; and the collection of information and the assurance of confidentiality when conducting the survey.

Council Members offered the following recommendations: prevent homelessness by building smaller housing units; include in a future report a reference list of key pieces of literature on the topic; advocate for the possibility of making winter warming shelters more permanent on a seasonal basis; and come back to Council with specific recommendations on how the City can use available funds and leverage it with County bonds.

Council Member Lamnin disclosed she serves as a chair of the Task Force to End Hunger and Homelessness, which is the lead agency in the Hayward Homeless Count.

## **PUBLIC HEARING**

10. Adoption of a Resolution Associated with a Proposed Single-Family Residence on a Vacant 0.87-Acre Hillside Lot Located at 26446 Parkside Drive, Requiring Site Plan Review and Grading Permit Approval, Application No. 201505614; and the Adoption of a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program. Richard Janzen (Applicant) on behalf of Neng Zhang (Property Owner) (Report from Development Services Director Rizk) **PH 17-062**

Staff report submitted by Development Services Director Rizk, dated June 20, 2017, was filed.

Development Services Director Rizk announced the report and introduced Assistant Planner Martinez who provided a synopsis of the report.

In response to Council Member Lamnin's inquiry regarding Conditions of Approval No. 11, Assistant Planner Martinez noted it had a typographical error and its language would be corrected from "Nonresidential" to "Residential."

Discussion ensued among Council Members and City staff regarding the Geotechnical Report provided by the applicant for evaluation by the City as part of the project.

There being no public comments, Mayor Halliday opened and closed the public hearing at 9:07 p.m.

Council Mendall offered a motion per staff recommendation with an amendment to Conditions of Approval No. 11 by changing its language and replacing "Nonresidential" with "Residential" to read as follows: ". . . Reproduce the "Nonresidential Occupancies Application Checklist" onto the plan sheets . . ."

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 with a typographical change to Conditions of Approval No. 11 that replaces "Nonresidential" with "Residential":

Resolution 17-084, "Resolution Adopting the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program and Approving Site Plan Review Application No. 201505614 and Related Grading Permit Pertaining to Construction of a New Single-Family Residence at 26446 Parkside Drive"



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**11. Gann Appropriations Limit for FY 2018 (Report from Director of Finance Claussen) PH  
17-061**

Staff report submitted by Finance Director Claussen, dated June 20, 2017, was filed.

Finance Director Claussen provided a synopsis of the report.

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

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

Resolution 17-085, "Adoption of Appropriations Limit for Fiscal Year 2018 Pursuant to Article XIII B of the Constitution of the State of California"

**12. Public Hearing for the Proposed FY 2018 Operating Budget for the City of Hayward, Hayward Redevelopment Successor Agency, and Hayward Housing Authority; and the FY 2018 Capital Improvement Program Budget; and Approval of the FY 2018 Operating Budget and Appropriations for FY 2018; Approval of the FY 2018 Capital Improvement Program Budget and Appropriations for FY 2018; Approval of the Hayward Redevelopment Successor Agency Budget; Approval of the Hayward Housing Authority Budget (Report from Finance Director Claussen) PH 17-064**

Staff report submitted by Finance Director Claussen, dated June 20, 2017, was filed.

Finance Director Claussen provided a synopsis of the report.

There being no public comments, Mayor/Chair Halliday opened and closed the public hearing at 9:21 p.m.

The Council thanked staff and everyone involved in the preparation of the City's budget and noted staff will continue to work with Management Partners to identify strategies to help reduce the City's budget gap.

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

Resolution 17-086, “Resolution Approving the Operating Budget of the City of Hayward for Fiscal Year 2018; Adopting Appropriations for Fiscal Year 2018, Except for General Fund Community Agency Funding”

Resolution 17-087, “Resolution Approving and Appropriating the Community Agency Funding Recommendations for Fiscal Year 2018”

Resolution 17-088, “Resolution Approving Capital Improvement Projects for Fiscal Year 2018”

RSA Resolution 17-02, “Resolution of the City Council of the City of Hayward, Acting as the Governing Board of the Successor Agency for the Redevelopment Agency of the City of Hayward, Approving the Budget of the Redevelopment Successor Agency of the City of Hayward and Adopting Appropriations for Fiscal Year 2018”

HA Resolution 17-01, “Resolution Confirming the Proposed Hayward Housing Authority Budget for Fiscal Year 2018”

## **LEGISLATIVE BUSINESS**

### **13. Adoption of Strategic Initiatives Two-Year Action Plans: Complete Streets, Complete Communities, and Tennyson Corridor (Report from City Manager McAdoo) **LB-17-028****

Staff report submitted by City Manager McAdoo, dated June 20, 2017, was filed.

City Manager McAdoo provided a synopsis of the report.

Mayor Halliday opened the public comments section at 9:38 p.m.

Ms. Angela Andrews, South Hayward resident, spoke about the need to incorporate access to healthy food and public safety in the Tennyson Corridor action plan.

Mayor Halliday closed the public comments section at 9:41 p.m.

The Council expressed appreciation for the work of staff and was pleased with the collaboration across departments. Council Members offered the following recommendations: add a metric to reflect a change in the number of traffic accidents under Objective No. 1 in Complete Streets; include impact on the issues under the Community Agency Funding process metric; add an education component under Complete Communities; and make affordable housing a priority.





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

Resolution 17-089, "Resolution Adopting the Council Strategic Initiatives of Complete Streets, Complete Communities, and Tennyson Corridor and the Adoption of Two-Year Action Plans for Fiscal Years 2018 and 2019"

14. Adoption of Resolutions Approving Extensions and Modifications to Employment Agreements with the City Manager, City Attorney and City Clerk and Authorizing the Mayor to Execute those Agreements and the Home Loan Purchase Agreement on Behalf of the Council (Report from Human Resources Director Collins) **LB 17-025**

Staff report submitted by Human Resources Director Collins, dated June 20, 2017, was filed.

Human Resources Director Collins provided a synopsis of the report.

Mayor Halliday noted that according to recent law, employment agreements for the City Manager, City Attorney and City Clerk should be discussed and voted separately.

There being no public comments, Mayor Halliday opened and closed the public comments section at 9:52 p.m.

Council Member Salinas offered a motion to adopt the resolution approving the extension and modification of the City Manager's employment agreement and Council Member Márquez seconded the motion.

Council Members supported the motion and favored the home loan for the following reasons: it is an investment of public funds and the City benefits from the high interest rate; there is no cost associated with the loan; it is a creative way of rewarding good performance; and it will help explore the Home Loan Assistance Program for employees who are interested in living in Hayward.

Council Member Peixoto stated the City Manager's contract extension was different from the City Attorney's and City Clerk's contract in that it includes a home loan. Mr. Peixoto expressed concern that the loan was not an appropriate use of public funds and was not an option available to the public. He did not support the motion, but noted that this was not a reflection of the City Manager's outstanding performance.

It was moved by Council Member Salinas, seconded by Council Member Márquez, and carried with the following vote, to adopt the following:

AYES: Council Members Zermeño, Márquez, Mendall,  
Lamnín, Salinas  
MAYOR Halliday  
NOES: Council Member Peixoto  
ABSENT: None  
ABSTAINED: None

Resolution 17-090, "Resolution Approving the Extension and Modification of the City Manager's Employment Agreement and Authorizing the Mayor to Execute the Agreement and the Home Loan Purchase Agreement on Behalf of the Council"

Council Member Márquez offered a motion to adopt the resolution approving the extension and modification of the City Attorney's employment agreement and Council Member Mendall seconded the motion.

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

Resolution 17-091, "Resolution Approving the Extension and Modification of the City Attorney's Employment Agreement and Authorizing the Mayor to Execute the Agreement on Behalf of the Council"

Council Member Zermeño offered a motion to adopt the resolution approving the extension and modification of the City Clerk's employment agreement and Council Member Salinas seconded the motion.

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

Resolution 17-092, "Resolution Approving the Extension and Modification of the City Clerk's Employment Agreement and Authorizing the Mayor to Execute the Agreement on Behalf of the Council"

### **CITY MANAGER'S COMMENTS**

There were none.

### **COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS**

Council Member Márquez encouraged everyone to attend the Keep Hayward Clean & Green Community Clean-Up and Park Beautification event on June 24, 2017, at the Hayward Adult School.



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Council Member Salinas reported on the launching of the “Let’s Do Lunch and Breakfast Too” program.

Mayor Halliday announced that Alameda-Contra Costa Transit District would have a rate increase in cost of fares and passes effective July 1, 2017.

**ADJOURNMENT**

Mayor/Chair Halliday adjourned the meeting at 10:16 p.m.

**APPROVED:**

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

**ATTEST:**

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Yolanda Cruz  
Deputy City Clerk, City of Hayward  
Assistant Secretary, Hayward Redevelopment Successor Agency  
Assistant Secretary, Hayward Housing Authority



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
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**File #:** MIN 17-108

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**DATE:** July 11, 2017

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Minutes of the Special Joint City Council/Hayward Housing Authority Meeting on June 27, 2017

**RECOMMENDATION**

That the City Council approves the minutes of the Special Joint City Council/Hayward Housing Authority meeting on June 27, 2017.

**ATTACHMENTS**

Attachment I Draft Minutes of June 27, 2017



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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 Lamnin.

**ROLL CALL**

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

**CLOSED SESSION ANNOUNCEMENT**

City Attorney Lawson announced the Council convened in closed session pursuant to Government Code 54957 regarding performance evaluation for City Manager, and the Council took no reportable action.

**PUBLIC COMMENTS**

Mayor Halliday presented Development Services Director Rizk with a commendation upon his upcoming retirement from the City of Hayward.

Mr. Jim Drake, Hayward resident, spoke about the pine trees at the corner of Santa Clara and Jackson streets that were removed and are planned to be replaced.

Ms. Kate Turney, provided a document for the record, and spoke about the Federal Aviation Administration (FAA) comments related to subsidizing general aviation rents.

Mr. Sean Pan, Business Development Associate at Squadz, spoke about a platform that helps streamline public facility rentals, increase participation, maximize utilization, and generate additional revenue.

Mr. Jerry Turney, Hayward airport tenant, provided a document for the record, and spoke about the FAA's opinion related to nonaeronautical revenue.

Mr. Bud Eckert, Hayward resident, spoke about the action taken by the City Council related to the sanctuary city designation on June 6, 2017.

Council Member Zermeño invited all to the Tennyson All America Festival on July 1, 2017 at the Mt. Eden Mansion to celebrate the 241<sup>st</sup> birthday of the country which was organized by the Tennyson Community Committee.

## **BOARDS AND COMMISSIONS**

1. Appointment to the Hayward Youth Commission of Eight Voting Members, Eight Alternate Members, and Reappointment of Three Continuing Members (Report from City Clerk) **APPT 17-002**

Staff report submitted by City Clerk Lens, dated June 27, 2017, was filed.

City Clerk Lens provided a synopsis of the staff report.

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

Resolution 17-093, "Resolution Confirming the Appointment and Reappointment of Members of the Hayward Youth Commission"

City Clerk Lens administered the oath of allegiance and swore in the newly appointed and reappointed members of the Hayward Youth Commission.

## **PUBLIC HEARING**

2. Public TEFRA Hearing as Required by the Internal Revenue Code of 1986, and Adoption of Resolutions Authorizing: a) the Re-Issuance of a Tax-Exempt Multifamily Note, b) an Amendment to the Construction and Permanent Loan Agreement; and, c) Related Actions in Connection with the Hayward Four Affordable Apartments (Report from Director of Library and Community Services Reinhart) **PH 17-066**

Staff report submitted by Library and Community Services Director Reinhart, dated June 27, 2017, was filed.

Library and Community Services Director Reinhart announced the report and introduced Housing Development Specialist Cortez who provided a synopsis of the report.

Mayor Halliday opened the public hearing at 7:39 p.m.

Mr. Kevin Leichner with Eden Housing thanked the City for the partnership related to the four affordable apartments project.

Discussion ensued among Council Members and Mr. Kevin Leichner related to: the additional overhead of \$650,000 on voluntary permanent relocation; Eden's process moving forward to ensure the Area Median Income (AMI) standard is met in order to receive tax credits; the additional borrowing supported by the project; the number of families who were relocated and were able to put a down payment on homes; Harris Court apartments; other affordable housing projects; and a periodic audit of all affordable housing properties.



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Council Members Lamnin and Márquez disclosed having individually met with Mr. Kevin Leichner and Eden Housing representatives.

Mayor Halliday closed the public hearing at 7:58 p.m.

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

Council Member Lamnin supported the motion and emphasized Council Member Mendall's comment about the need to have periodic audits to ensure that people in need benefit from public funds.

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

Resolution 17-094, "Resolution of the City Council of the City of Hayward Approving the Reissuance of Qualified Residential Rental Project Bonds in Accordance with Section 147(f) of the Internal Revenue Code Approving an Amendment to a Construction and Permanent Loan Agreement (Multifamily Housing Back to Back Loan Program) (Hayward Four Apartments), and Authorizing and Approving Related Actions"

Resolution 17-095, "Resolution Authorizing an Amendment to the Hayward Four Loan Agreement to Clarify Approved Financing for the Project"

Hayward Housing Resolution 17-02, "Resolution Authorizing an Amendment to the Hayward Four Loan Agreement to Clarify Approved Financing for the Project"

3. Adopt Resolutions to Approve the Engineer's Report, Reconfirm the Assessment Diagrams and Assessments, and Order the Levy and Collection of Assessments, Approve Funding Recommendations, and Appropriate Special Revenue Funds for Fiscal Year 2018 for Consolidated Landscaping and Lighting District No. 96-1, Zones 1 through 16 (Report from Maintenance Services Director Rullman) **PH 17-033**

Staff report submitted by Maintenance Services Director Rullman, dated June 27, 2017, was filed.

Maintenance Services Director Rullman announced that staff would be presenting information on the Consolidated Landscaping and Lighting District No. 96-1, Zones 1 through 16, Maintenance District No. 1, and Maintenance District No. 2. Mr. Rullman introduced Management Analyst II Blohm who provided a synopsis of the three staff reports.

Discussion ensued among Council Members and City staff regarding the new public notification, survey conducted, and public engagement; the engineer's reports; and new landscaping and lighting districts.

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

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

In response to Council Member Lamnin's question about an error in the funding recommendation for Landscaping and Lighting District (LLD) Zone 13, Management Analyst II Blohm noted that the recommendation for LLD Zone 13, related to the one-time work to address the dead, dying and diseased trees, would be amended from \$50,000 to \$10,000.

Council Member Mendall disclosed he lives in LLD Zone 7 and he did not need to recuse from voting on the item because there was no conflict of interest as the item applied to everyone in the neighborhood.

It was moved by Council Member Peixoto, seconded by Council Member Márquez, and carried unanimously, with an amendment to Resolution No. 17-097 and other related items by changing the funding recommendation for 281 LLD Zone 13 from \$208,882 to \$168,882 and adopt the following:

Resolution 17-096, "Resolution Approving the Engineer's Report, Reconfirming Base Maximum Assessments, Confirming the Assessment Diagrams and Fiscal Assessments, and Ordering Levy and Collection of Fiscal Assessments for Fiscal Year 2018 for the Consolidated Landscaping and Lighting District No. 96-1, Zones 1-16"

Resolution 17-097, "Resolution Approving Funding Recommendations and Appropriating Special Revenue Funds for Consolidated Landscaping and Lighting District No. 96-1, Zone 1 Through 16 for Fiscal Year 2018"





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4. Adopt Resolutions to Approve the Engineer's Report, Reconfirm Base Maximum Assessment Amount, Confirm the Assessment Diagram and Fiscal Assessment, Order the Levy and Collection of Fiscal Assessments, and Approve Funding Recommendations and Appropriate Special Revenue Funds for Maintenance District No. 1 - Storm Drainage Pumping Station and Storm Drain Conduit - Pacheco Way, Stratford Road and Ruus Lane - for Fiscal Year 2018 (Report from Maintenance Services Director Rullman) **PH 17-034**

Staff report submitted by Maintenance Services Director Rullman, dated June 27, 2017, was filed.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:13 p.m.

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

Resolution 17-098, "Resolution Approving the Engineer's Report, Reconfirming Base Maximum Assessments Amount, Confirming the Assessment Diagrams and Fiscal Assessments, and Ordering Levy and Collection of Fiscal Assessments for Fiscal Year 2018 for Maintenance District No. 1: Storm Drainage Pumping Station and Storm Drain – Pacheco Way, Stratford Road, and Ruus Lane"

Resolution 17-099, "Resolution Approving Funding Recommendations and Appropriating Special Revenue Funds for Maintenance District No. 1 for Fiscal Year 2018"

5. Adopt Resolutions to Approve the Engineer's Report, Reconfirm the Assessment Diagrams and Assessments, Order the Levy and Collection of Assessments, Approve Funding Recommendations, and Appropriate Special Revenue Funds for Fiscal Year 2018 for Maintenance District No. 2 - Eden Shores Storm Water Facilities and Water Buffer (Report from Maintenance Services Director Rullman) **PH 17-035**

Staff report submitted by Maintenance Services Director Rullman, dated June 27, 2017, was filed.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:16 p.m.

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

Resolution 17-100, “Resolution Approving the Engineer’s Report, Confirming the Assessment Diagram and Fiscal Assessment, and Ordering Levy and Collection of Assessments for Fiscal Year 2018 for Maintenance District No. 2, Eden Shores Water Buffer Zone and Pre-Treatment Pond”

Resolution 17-101, “Resolution Approving Funding Recommendations and Appropriating the Special Revenue Funds for Maintenance District No. 2 for Fiscal Year 2018”

6. Adoption of a Resolution and Introduction of an Ordinance Related to a Proposed Airport Overlay Zone Ordinance and Determination that Adoption of Such Ordinance is Exempt from the California Environmental Quality Act (Report from Development Services Director Rizk) **PH 17-063**

Staff report submitted by Development Services Director Rizk, dated June 27, 2017, was filed.

Development Services Director Rizk provided a synopsis of the report.

Discussion ensued among Council Members and City staff regarding: continued open dialogue related to the airport with the new general manager at Southland Mall; the community representative to the Oakland Noise Forum; and solar panels at Southland Mall.

Mayor Halliday opened the public hearing at 8:34 p.m.

Mr. Edward Bogue, president of the Homeowners Association at Southgate, expressed the Southgate neighborhood wants to remain whole and not harmed by the proposed Airport Overlay Zone (AOZ) regulations.

Mayor Halliday closed the public hearing at 8:37 p.m.

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

Resolution 17-102, “Resolution Association with Adoption of a New Airport Overlay Zone Ordinance by Authorizing Amendments to the Hayward Municipal Code”

Introduction of Ordinance 17-\_, “An Ordinance Amending the Hayward Municipal Code to Establish a New Airport Overlay Zone Ordinance”



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**LEGISLATIVE BUSINESS**

7. Adoption of a Resolution Approving an Amendment to the City of Hayward Salary Plan for Fiscal Year 2018 (Report from Director of Human Resources Collins) **LB 17-026**

Staff report submitted Human Resources Director Collins dated June 27, 2017, 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 8:43 p.m.

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

Resolution 17-103, "Resolution Approving the Amended Fiscal Year 2018 Salary Plan Designating Positions of Employment in the City Government of the City of Hayward and Salary Range: and Superseding Resolution No. 17-073 and All Amendments Thereto"

8. Adoption of a Resolution Approving the Amendment of the Salary and Benefits Resolution for the Unrepresented Executives, Management Employees, and Employees of the Offices of the City Manager, Human Resources, and City Attorney (Report from City Manager McAdoo) **LB 17-027**

Staff report submitted City Manager McAdoo, dated June 27, 2017, was filed.

City Manager McAdoo provided a synopsis of the report.

Discussion ensued regarding the monthly personal equipment stipend and one-time personal equipment purchase stipend.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:50 p.m.

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

Resolution 17-104, "Resolution Approving the Amendment of the Salary and Benefits Resolution of the Unrepresented Executives, Management Employees and Employees of the Offices of the City Manager, Human Resources, and City Attorney"

9. Election of Mayor Pro Tempore for Fiscal Year 2018 (Report from City Clerk Lens) **LB 17-029**

Staff report submitted City Clerk Lens, dated June 27, 2017, was filed.

City Clerk Lens provided a synopsis of the report.

Council Member Lamnin offered a motion to nominate Council Member Márquez to be the Mayor Pro Tempore for Fiscal Year 2018 and Council Member Mendall seconded the motion.

Council Member Lamnin expressed she was delighted to have served in the capacity of Mayor Pro Tempore during Fiscal Year 2017.

Mayor Halliday and Council Member Márquez thanked Council Member Lamnin for her service and acknowledged her leadership in committee assignments for the League of California Cities.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:53 p.m.

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

Resolution 17-105, "Resolution Authoring the Election of Mayor Pro Tempore of the City of Hayward for 2017-2018"

**CITY MANAGER'S COMMENTS**

City Manager McAdoo reminded residents that all types of fireworks are illegal in the City of Hayward.

**COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS**

Council Member Márquez announced the Tennyson All America Festival, a free event, on July 1, 2017, at the Mt. Eden Mansion to celebrate the 241<sup>st</sup> birthday of the country.

Council Member Salinas announced two summer programs: the "Words for Lunch" at Weekes Park on Tuesdays and Thursdays, except July 4th; and "Let's Do Lunch Hayward ... and breakfast too" at different sites throughout the City of Hayward.



**MINUTES OF THE SPECIAL JOINT CITY COUNCIL/HAYWARD HOUSING  
AUTHORITY MEETING OF THE CITY OF HAYWARD  
Council Chambers  
777 B Street, Hayward, CA 94541  
Tuesday, June 27, 2017, 7:00 p.m.**

---

Council Member Zermeño commended the police officers who helped a widow clean her house, and asked that the gratitude be relayed to the officers.

Mayor Halliday reminded all that the July 4, 2017 Council meeting was canceled due to the upcoming holiday and the next special meeting would be on July 11, 2017.

**ADJOURNMENT**

Mayor Halliday adjourned the meeting at 9:01 p.m.

**APPROVED:**

---

Barbara Halliday  
Mayor, City of Hayward  
Chair, Hayward Housing Authority

**ATTEST:**

---

Miriam Lens  
City Clerk, City of Hayward  
Secretary, Hayward Housing Authority



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** CONS 17-401

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**DATE:** July 11, 2017

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Adoption of Ordinance Amending Chapter 10, Article 6 of the Hayward Municipal Code to Establish a New Airport Overlay Zoning Regulations

**RECOMMENDATION**

That the Council adopts the Ordinance introduced on June 27, 2017.

**ATTACHMENTS**

Attachment I Staff Report  
Attachment II Summary of Ordinance Published on 07/07/2017



**DATE:** July 11, 2017

**TO:** Mayor and Council Members

**FROM:** City Clerk

**SUBJECT** Adoption of Ordinance Amending Chapter 10, Article 6 of the Hayward Municipal Code to Establish a New Airport Overlay Zoning Regulations

#### RECOMMENDATION

That the Council adopts the Ordinance introduced on June 27, 2017.

#### BACKGROUND

The Ordinance was introduced by Council Member Zermeño at the June 27, 2017, meeting of the City Council with the following vote:

**AYES:** Council Members: Zermeño, Márquez, Mendall, Peixoto, Lamnin, Salinas  
Mayor Halliday

**NOES:** None

**ABSENT:** None

**ABSTAIN:** None

#### FISCAL IMPACT

There is no fiscal impact.

#### PUBLIC CONTACT

The summary of the Ordinance was published in the Hayward Daily Review on Friday, July 7, 2017. Adoption at this time is therefore appropriate.

#### NEXT STEPS

The Hayward Municipal Code will be updated accordingly.

Prepared and Recommended by: Miriam Lens, City Clerk

Approved by:

A handwritten signature in black ink, appearing to read "K. McAdoo". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

---

Kelly McAdoo, City Manager



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

AN ORDINANCE AMENDING THE HAYWARD MUNICIPAL CODE TO  
ESTABLISH A NEW AIRPORT OVERLAY ZONE ORDINANCE

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

Section 1. The City Council incorporates by reference the findings contained in Resolution No. 17-102, approving the text changes incorporated herein and per Text Amendment Application No. 201602095.

Section 2. Chapter 10, Article 6 of the Hayward Municipal Code is repealed in its entirety and replaced with new Chapter 10, Article 6 entitled "Airport Overlay Zone Ordinance," the text for which is attached as Exhibit A to this ordinance.

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 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 4. Effective Date. This Ordinance shall be effective upon adoption.

Introduced at the special meeting of the Hayward City Council held June 27, 2017, the above-entitled Ordinance was introduced by Council Member Zermeño.

This Ordinance will be considered for adoption at the special meeting of the Hayward City Council, to be held on July 11, 2017, 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: July 7, 2017  
Miriam Lens, City Clerk  
City of Hayward



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** CONS 17-405

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**DATE:** July 11, 2017

**TO:** Mayor and City Council

**FROM:** City Manager

**SUBJECT**

Adoption of Federal and State Legislative Priorities Program

**RECOMMENDATION**

That the Council adopts a resolution regarding the City's Federal and State Legislative Priorities Program.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Legislative Program



DATE: July 11, 2017  
TO: Mayor and City Council  
FROM: City Manager  
SUBJECT Adoption of Federal and State Legislative Priorities Program

## RECOMMENDATION

That the Council adopts a resolution regarding the City's Federal and State Legislative Priorities Program.

## BACKGROUND

For the past several years, the City has had no formal comprehensive legislative program that outlines the public policy priorities of the City. The purpose of a legislative program is to help provide direction to staff and to the City's legislative advocates in Sacramento and Washington D.C. The legislative program informs interested parties of the City's stances on any piece of legislation, state-wide referenda, grant funding opportunities, or local ballot measures. Additionally, a legislative program serves as a basis for action regarding any federal or state legislation or funding opportunity.

In May 2016, the City Council received a report in a work session on the draft legislative program. The attached legislative program incorporates the Council comments from that work session (Attachment III)

## DISCUSSION

The City Council priorities of Safe, Clean, Green, and Thrive, supported by Fiscal Sustainability and Organizational Health, serve as the general guiding principles for Hayward's draft legislative priorities. Under the proposed legislative program, the City has two foundational principles, which include (1) maintaining financial stability including preservation of revenue sources and (2) maintaining local control, particularly over land-use decisions. These essential parameters will guide most of the City's actions in support of or in opposition to proposed legislation at all levels. In addition to these parameters, the legislative program provides the opportunity to specifically oppose, remain neutral, support, or support with changes a piece of legislation.

The Legislative Program will continue to be coordinated through the City Manager's Office. Public policies are often brought to the attention of the City through State and Federal legislative advocates, City Council, other elected officials, City staff, residents, and other governmental associations like the League of California Cities. Under this legislative

program, the City will have a formal course of action to take on any given policy. The steps may include:

- Direction to Lobbyists to advocate in support or opposition to policy
- Mayoral correspondence with relevant parties, including legislators
- Correspondence authored or authorized by the City Manager as needed, consistent with Council's adopted legislative program
- Council resolutions and/or actions (e.g., work sessions, public hearings, appointing task forces, etc.)
- Council and staff outreach with relevant legislators
- Travel to Sacramento/Washington D.C. for in-person advocacy
- Drafting/sponsoring specific legislation

#### FISCAL IMPACT

There is no anticipated fiscal impact with the development of a prioritized legislative program.

#### NEXT STEPS

Following adoption of the legislative program, staff will

- distribute copies to the City's legislative advocates;
- develop a website for this program that will contain the City's legislative advocacy correspondence from the Mayor and/or City Manager for Council and public reference, and
- continue to monitor legislation in accordance with the guidelines in the legislative program.

Prepared by: John Stefanski, Management Analyst I

Recommended by: Maria A. Hurtado, Assistant City Manager

Approved by:



---

Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-

Introduced by Council Member \_\_\_\_\_

RESOLUTION ADOPTING THE CITY'S OFFICIAL LEGISLATIVE PROGRAM

WHEREAS, the City has had no formal comprehensive legislative program to outline the public policy priorities and positions of the City; and,

WHEREAS, a legislative program would help inform interested parties of the City's stances on any piece of legislation, state-wide referenda, grant funding opportunity, or local ballot measure; and,

WHEREAS, a legislative program would serve as a basis for action regarding any piece of federal or state legislation or funding opportunity; and,

WHEREAS, the proposed legislative program, discussed in the accompanying staff report, accomplishes these items; and,

WHEREAS, the proposed legislative program is based on the Council Priorities of Safe, Clean, Green, and Thriving, Fiscal Sustainability and Organizational Health; and,

WHEREAS, the proposed legislative program has two foundational principles of maintaining financial stability including preserving revenue sources and maintaining local control, particularly over land-use decisions.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Hayward formally adopts the Legislative Program for the City of Hayward and directs staff to distribute it to the appropriate parties and to make it and future City stances public via the City's website.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2017

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



# Legislative Program

Federal and State Policy Priorities

777 B Street  
Hayward, CA 94541

p. 510.583.4300  
f. 510-583-3601

Office of the City Manager  
Management Analyst

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## Introduction

The Hayward Legislative Program outlines the legislative priorities and stances of the City of Hayward with the intent to inform residents, representatives, and policymakers of the City's stances on the myriad of public policies that intersect with City priorities, programs, and services. These priorities are applicable to legislation, state-wide referenda, grant funding opportunities, and local ballot initiatives.

The City Council Priorities of Safe, Clean, Green, Thriving, Fiscal Sustainability, and Organizational Health serve as the guiding principles for Hayward's legislative priorities. Moreover, the City supports any and all policies that will preserve or enhance the ability of the City to promote these guiding principles at the local level.

The City has two major legislative priorities: Enhancing Revenue Sources and Maintaining Home Rule Authority. City support of legislation will be contingent upon that legislation adhering to these priorities as well as the City Council priorities.

This document provides direction to the City's legislative advocates in Washington D.C and Sacramento. Additionally, this document serves as the foundation for any City Council action regarding Federal or State legislation or funding opportunity. Staff may draft letters, direct our legislative advocates, or speak on behalf of the City regarding the legislative priorities this document outlines.

Any correspondence signifying the City's support or opposition of a given bill must be signed by the Mayor and/or City Manager with notification to the City Council.

Any questions regarding this Legislative Program can be directed to John Stefanski, Management Analyst at 510-583-3904 or [John.Stefanski@Hayward-CA.gov](mailto:John.Stefanski@Hayward-CA.gov).

Sincerely,

Kelly McAdoo  
City Manager  
ICMA-CM

---

# Mayor and City Council

## Mailing Address

City of Hayward  
4<sup>th</sup> Floor  
777 B Street  
Hayward, CA 94588

## Mayor and City Council

Mayor Barbara Halliday  
510-583-4340  
[Barbara.Halliday@Hayward-CA.gov](mailto:Barbara.Halliday@Hayward-CA.gov)

Council Member Sara Lamnin  
510-583-4358  
[Sara.Lamnin@Hayward-CA.gov](mailto:Sara.Lamnin@Hayward-CA.gov)

Council Member Elisa Márquez  
510-583-4357  
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Council Member Al Mendall  
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Council Member Marvin Peixoto  
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Council Member Mark Salinas  
510-583-4355  
[Mark.Salinas@Hayward-CA.gov](mailto:Mark.Salinas@Hayward-CA.gov)

Council Member Francisco Zermeño  
510-583-4352  
[Francisco.Zermeno@Hayward-CA.gov](mailto:Francisco.Zermeno@Hayward-CA.gov)

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## Contact Information

### Mailing Address

City of Hayward  
4th Floor  
777 B Street  
Hayward, CA 94588

### Program Staff

#### City Manager

Kelly McAdoo  
510-583-4300  
[Kelly.McAdoo@Hayward-CA.gov](mailto:Kelly.McAdoo@Hayward-CA.gov)

#### Management Analyst—Legislative Program Coordinator

John Stefanski  
510-583-3904  
[John.Stefanski@Hayward-CA.gov](mailto:John.Stefanski@Hayward-CA.gov)

---

# Legislative Advocates

## Federal Legislative Advocate

### Capitol Advocacy Partners

Dana DeBeaumont

600 Pennsylvania Avenue SE  
#15048  
Washington, DC 20003

202-532-6856

[DDebeaumont@CapitolAdvocacyPartners.com](mailto:DDebeaumont@CapitolAdvocacyPartners.com)

## State Legislative Advocate

### Townsend Public Affairs

Richard Harmon

925 L. Street  
Suite 1404  
Sacramento, CA 95814

916-447-4086

[RHarmon@TownsendPA.com](mailto:RHarmon@TownsendPA.com)

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## General Legislative Principles

The City Council has four general guiding priorities: Safe, Clean, Green, and Thriving. These priorities serve as the foundation for all actions the City will take, including the lobbying for policies that promote those same guiding priorities.

Public policy encompasses a myriad of subject and topic areas. However, as these policies intersect at the local level, they have the ability to impact municipal revenues and/or administrative discretion and control. In addition to the aforementioned Council Priorities the City will support policies that either preserve revenue sources, maintain home rule authority, or both. If a given policy does not meet these criteria, the City will oppose, support with amendments, or in some cases take no stance on that policy or legislation.

The General Legislative Principles for the City of Hayward are:

### Enhancing Revenue Sources

- Support the protection or expansion of federal, state, and local funding sources that provide revenue to the City.
- Oppose any Federal or State legislation, policies, programs, referenda, unfunded mandates and budgets that would have an adverse impact on the City's ability to provide adequate programs, projects and services.

### Maintaining Home Rule Authority

- Support any legislation, policies, referenda, and budgets that maintain or improve local regulatory control and authority.
- Oppose any legislation, policies, referenda, and budgets that undermine or circumvent the City Charter.

---

# City Public Policy Positions

The General Legislative Priorities help identify which public policy positions the City will take. The list of policy positions below is by no means exhaustive. In addition to the general legislative priorities, the City takes the following more specific public policy positions:

## 1.1 Public Safety

- A. Oppose legislation that would eliminate the City's ability to engage in cooperative service agreements
- B. Oppose any legislation that restricts or limits the City's ability to regulate legal marijuana at the local level.
- C. Support legislation that protects the public from dangerous or improper use of weapons
- D. Support legislation that develop and expand programs to encourage and support the City's emergency preparedness initiatives.
- E. Support legislation that develop and expand programs that aid the city in its local hazard mitigation activities as prescribed in the 2016 Local Hazard Mitigation Plan.

## 1.2 Transportation and Infrastructure

- A. Support legislation and initiatives that boost funding for infrastructure projects within the city and surrounding region.
- B. Support legislation and initiatives that increase access and funding for regional public transportation.
- C. Support legislation and initiatives that would reduce traffic congestion and boost public transportation ridership.
- D. Support legislation and initiatives that promote the use of design-build methods for faster project delivery.

## 1.3 Environmental Sustainability

- A. Support legislation and initiatives that increase funding for the creation of sustainable and stable water supply infrastructure.
- B. Support legislation and initiatives that encourage the conservation of water resources as well as the development of water recycling capabilities.
- C. Support legislation and funding for renewable and advanced energy technology that increase efficient consumption.
- D. Support legislation and funding for City energy and resource efficiency programs.
- E. Support legislation and initiatives with the goal of reducing and mitigating the effects of climate change and sea level rise.

## 1.4 Finance/Human Resources

- A. Oppose Federal or State unfunded mandates.
- B. Support legislation that expands municipal tax increment financing power.
- C. Oppose legislation that reduces or removes the tax-exempt status of municipal bonds.
- D. Support legislation that reduces the costs of healthcare and other post-employment benefits.
- E. Oppose any legislation that would divert local revenues to the State or other governmental entities.
- F. Support broadening the base of the Sales Tax to include services and e-commerce as well as through decreasing Sales Tax exemptions.

## 1.5 Community and Economic Development

- A. Support any legislation, policies, referenda, and budgets that maintain or increase economic development resources and flexibility at the local level.
- B. Support legislation that provides tools for cities to improve business development and retention.
- C. Oppose any legislation that strips the benefit provisions of AB1484 associated with the wind down of redevelopment agencies.
- D. Oppose legislation that reduces or erodes local land use control and decision making.
- E. Support legislation that develops and expands programs to encourage and support sustainable affordable housing development.
- F. Support legislation to streamline and increase efficiency of the California Environmental Quality Act (CEQA) while ensuring environmental stewardship is retained.

## 1.6 Educational, Neighborhood and Social Services

- A. Support legislation that aids or helps to fund the City and/or non-profit entities that provide support services and housing for the homeless, seniors, veterans, and people with special needs.
- B. Support legislation and initiatives that increase funding for library programs and literacy services.
- C. Support legislation and initiatives that sustain or increase funding for the development and maintenance of public parks and open spaces
- D. Support legislation and initiatives that boost funding for local school districts, public institutions of higher education and for low income students.

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# Legislative Program Coordination

Legislation can be brought to the attention of the City through a variety of channels:

- State and Federal Legislative Advocates
- Elected Representatives
- League of California Cities
- City Council Members
- City Staff
- City Residents
- Other Governmental Associations

All legislative requests for support or opposition will be directed toward the Office of the City Manager. City staff will then review the legislation in coordination with any relevant departments to analyze whether or not the legislation aligns with the City's general legislative priorities. Staff will then monitor and track the legislation, providing updates when necessary.

Concurrent with this evaluation, the City Manager's department will recommend a position and course of action. There are five main levels of action all of which are coordinated by the City Manager.

- 1. Direction to lobbyists to advocate in support, support with changes, or opposition to legislation**
  - City staff will notify lobbyists of the City's stance and direct them to take appropriate action with legislators.
  - The City reserves the right to remain neutral on a given piece of legislation
- 2. Mayoral correspondence with relevant legislators**
  - City staff will draft a support or opposition letter for the City Manager and/or Mayor to review and sign. This letter will be distributed to the appropriate legislators.
- 3. Council approved resolution**
  - City staff will draft a staff report and resolution for consideration by the full City Council. Approved resolutions will be forwarded along with a letter signed by the Mayor to the appropriate legislators.
- 4. Council outreach**
  - City staff will draft talking points and other relevant information for individual Council Members to personally contact appropriate legislators to advocate on behalf of the City.
- 5. Travel to Sacramento or Washington, D.C**
  - City staff and/or Council Members may decide to advocate in person. Staff will coordinate with the appropriate lobbyists to organize meetings or attendance at other lobbying events.
- 6. Draft or Sponsor Specific Legislation**
  - City staff and legislative advocates will work with the City's legislative representatives to articulate the City's stance on a policy and to ensure said stance is codified in statute.





# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** WS 17-018

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**DATE:** June 27, 2017

**TO:** Mayor and City Council and Planning Commission

**FROM:** Development Services Director

**SUBJECT**

Downtown Specific Plan - Design Charrette Outcome, Update & Discussion

**RECOMMENDATION**

That Council and the Planning Commission review information in this report and at the work session, and provide feedback to City staff and the consultant team.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Task Force Meeting #4 Summary Notes



DATE: June 27, 2017

TO: Mayor and City Council  
Planning Commission

FROM: Development Services Director

SUBJECT: Downtown Specific Plan – Design Charrette Outcome, Update & Discussion

## RECOMMENDATION

That Council and the Planning Commission review information in this report and at the work session, and provide feedback to City staff and the consultant team.

## SUMMARY

The purpose of this work session is to provide City Council and Planning Commission a summary of the Plan Vision and Alternatives that were developed with community input during the Design Charrette held March 14-18, as well as share preliminary feedback from the online comment forum established to receive comments on the Downtown Specific Plan. Also, the work session will provide an opportunity for input from City Council members and Commissioners that will help solidify the Plan Framework prior to the project moving to its next phase, which is development of a Draft Specific Plan document. The Vision Framework will provide the foundation for Specific Plan content, including policies and implementation actions.

Also, it is important to note that the Vision and Alternatives developed during the Design Charrette have not been thoroughly evaluated and studied in terms of their potential quantitative benefits and impacts, which will occur later as part of the environmental impacts analyses for the Plan's environmental impact report (EIR). For example, conversion of some travel lanes within the Downtown Loop to protected bike lanes and amenity-enhanced wider sidewalks to provide a more pedestrian and bicyclist friendly environment would increase vehicular travel times through Downtown for regional and local traffic. However, such conversions would also provide benefits in terms of movement through and around Downtown for other modes of mobility.

## BACKGROUND

Lisa Wise Consulting (LWC) officially began work on the Downtown Specific Plan project in September of last year. After a project kickoff meeting on September 9, 2016, the first

Downtown Specific Plan Task Force meeting took place on December 12, 2016, and a second Task Force meeting was held on January 23, 2017. The first Community Workshop was conducted on January 25, 2017, affording the public the first interactive opportunity to share ideas about what our Downtown should be, and their priorities and vision for the Plan area. Task Force Meeting #3 (Design Charrette & Preferred Alternative Development) was held on February 16, which entailed pre-Charrette logistics and preparation. Information and major items discussed at these meetings can be found on the City's [website](#) for the Downtown Specific Plan Task Force.

The fourth Task Force Meeting occurred on June 5, where the Task Force members were presented a summary of the Charrette outcome. The Task Force recommended at its meeting that revisions be made to the guiding principles (community priorities, vision statement), long-term vision framework, illustrative plan (opportunity site 1 – City Center, opportunity site 2 – downtown block, opportunity site 3 – BART transit oriented development, and opportunity site 4 – Foothill and Mission gateway) and mobility (circulation network improvements, bike network). Attachment II includes the meeting notes from that meeting.

## DISCUSSION

### Design Charrette

The most recent project milestone was completion of the Design Charrette, which was held at the Masonic Lodge on B Street from March 14-18. The charrette was a multi-day interactive workshop where attendees had multiple opportunities to collaborate with the consultant team to develop a long-term vision for Downtown Hayward. Specifically, the Lisa Wise Consulting team and its consultant team met with the public, City staff, business owners and other interested parties to help shape a long-term vision for Downtown Hayward, consistent with the goals and policies contained in the City's General Plan. Some suggested ideas entailed relatively minor changes while others employed outside-the-box thinking.

The Design Charrette also included an agency staff meeting, during which activities and programs were discussed that are underway by City departments, as were items of focus for the team moving forward that were suggested by other partner agencies. There were five open studio sessions where participants were able share their thoughts about what they'd like to see in Downtown. Often, ideas shared were put to paper, refined and revealed at one of the evening studio pin up review sessions. There were also three noontime brownbag sessions where charrette consulting team members presented ideas and background information related to streets and traffic, green infrastructure and market analysis related to current business activity in Downtown, and what the future might hold with for the Plan area.

The design charrette was the culmination of extensive public outreach, Task Force meetings, and a preliminary joint work session with Council and the Planning Commission. Based upon this input, the Lisa Wise Consulting team determined where underutilized areas were within the Plan study area and how these key areas could spark development in the short-term, mid-

term, and long-term. The soon to be developed draft Specific Plan document will outline visions and alternatives for these key areas that will hopefully spark development throughout the Plan area.

It's important to note that four opportunity sites (or focal points) evolved out of the design charrette where new activity centers would ultimately transform key areas within the Downtown Plan study area. Those four areas are listed below:

- City Center
- The Downtown block bordered by Foothill, Main, A and B Streets
- Hayward BART Station Area

Foothill Mission Gateway Area Charrette activities culminated with a closing presentation on Saturday March 18. The following ideas were part of the closing presentation:

- BART Transit Oriented Development:
  - Maximize development around the Hayward BART station area with new Class A office building space.
  - Create better pedestrian experience.
- Downtown City-owned Parking Lot Behind CVS:
  - Transform space with storefronts, improved pedestrian connectivity and civic gathering space.
  - Add a new public parking structure.
- City Center Site:
  - Create a new energy center or walkable urban gateway; scale of development could be up to five to seven stories.
  - Upgrade and save some existing building; scope of development would be more residential in nature, generating additional foot traffic Downtown.
- Foothill & Mission Gateway (Five Flags):
  - Create an elongated roundabout as a gateway feature into Downtown. Potential impacts to the Downtown circulation system would require detailed analysis to see if traffic delays would be acceptable associated with this long-term improvement.

### Post Charrette Student Interviews

After the Design Charrette, City staff undertook some empathy work, targeting students at Chabot College and Cal State East Bay. Staff spent four hours over the course of two days interviewing students regarding how they saw Downtown Hayward and what they'd like to see in the future. Listed below are some reoccurring themes mentioned by the students:

- Food
  - More restaurants to include later hours (past 10pm); less costly, fast, eclectic foods; student discounts

- Larger coffee shops open late, so that students have a place to study, eat, and mingle
- Entertainment
  - Parks and outdoor seating areas in Downtown
  - Street fairs - COH and CSUEB promoting events together - shared on social media
  - Bowling alley
- Night Life
  - Live music and bands
  - Beer gardens
  - Art galleries
- Safety
  - Homelessness
  - Parking garage safety

It was interesting that students didn't mention affordable housing as being an issue they felt strongly about, which surprised City staff.

#### ECONOMIC IMPACT

Staff anticipates that the Downtown Specific Plan will transform the Plan area into a vibrant retail destination with supporting housing and amenities for Hayward, creating support for existing businesses and opportunities for new ones that will generate additional sales tax revenue and jobs. The Plan will build upon previous successes and help create a more active and lively downtown.

Also, having a new code that clarifies the community vision and implements the Specific Plan will help streamline the development review process, which is critical for new developers and tenants interested in investing in our Downtown.

#### FISCAL IMPACT

The Downtown Specific Plan effort is funded through a federally funded grant approved by the Alameda County Transportation Commission (ACTC) on March 27, 2014. These funds are part of the One Bay Area Grant ("OBAG") program of which a portion of Priority Development Area ("PDA") planning and implementation funds was allocated to ACTC from the Metropolitan Transportation Commission for local PDA planning and implementation projects. A total of \$950,000 will come from ACTC for the Downtown Specific Plan project.

On April 5, 2016, Council approved a funding request for an additional \$230,000 (\$75,000 grant matching fund was previously approved) for the project. To offset this General Fund impact, as well as provide a consistent source of revenue to support long-range planning

activities, Council approved on May 2 as part of the FY 18 Master Fee Schedule an increase to the General Plan Update Fee (now called the “Community Planning Fee”) from 12% to 16% of building permit/inspection fees.

## SUSTAINABILITY FEATURES

Sustainability features are being developed as part of the Plan process, specifically with input from the public and the Sustainability Committee. Project sub-consultant Sherwood Design Engineers is actively involved with incorporating sustainable concepts and design alternatives for the Downtown Plan area. Once ready for review and comment, additional discussion will occur with Council, the Planning Commission, the Sustainability Committee and the public regarding what measures will be suggested and how they will be implemented.

## PUBLIC CONTACT

Extensive public outreach has occurred and will continue to occur with each phase or task associated with the Downtown Plan process. Stakeholder interviews, a public workshop, the week-long design charrette, four Task Force meetings and one joint City Council/Planning Commission work session have occurred and have been well attended because of extensive public outreach.

Task Force meetings continue to be an integral part of the Downtown Specific Plan process, with Task Force members serving as conduits for the community and a source of information and feedback for staff and the consultant team. Additionally, presentations to the Economic Development Committee, Sustainability Committee, the Chamber of Commerce and other associated downtown business groups have and will continue to occur.

The project team will continue to reach out to Downtown building owners, commercial real estate brokers, neighborhood/homeowners’ associations, Cal State East Bay, BART, and AC Transit to afford opportunities for input and participation in the Plan process.

Also, City staff has been working with the consultant team to use the City’s website and social media to provide updated information on Plan development, as well as solicit continuous input on the project. An online comment forum was available to the public to provide another vehicle/opportunity to comments on the project, specifically related to the outcome of the recent charrette. The online comment forum was closed for public comment on June 30, 2017. The Lisa Wise Consulting team is evaluating all comments received and should have more to share with Council and the Planning Commission during the work session.

## NEXT STEPS

Based on input received to date and from the Council and Commission, the consultant team will be preparing an Administrative Draft Specific Plan document (Task #4). This will involve three Task Force meetings and a document that will have the following components:

- Background & Relationship to General Plan & Zoning Ordinance
- Community Involvement
- Land Use
- Affordable Housing
- Multimodal Access & Connectivity
- Parking Analysis
- Infrastructure & Utilities
- Public Facilities Services
- Implementation Plan & Financing Strategy

Project Task #5 will entail development of a new zoning code for the Plan area. It is envisioned that the new Downtown Specific Plan Code will be a “hybrid” code using traditional or conventional zoning code elements, performance-based code components, and form-based code provisions.

All future project meetings will be posted on the City’s [website](#).

Prepared by: Damon Golubics, Senior Planner

Recommended by: David Rizk, AICP, Director of Development Services  
Stacey Bristow, Deputy Director of Development Services

Approved by:



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Kelly McAdoo, City Manager



**City of Hayward Downtown Specific Plan  
Task Force Meeting #4 Summary Notes  
June 5, 2017  
6:00pm – 8:00pm**

Hayward City Hall, 777 B St, Hayward, CA 94541 Conference Room 1C

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## I. Presentation Summary

On June 5, 2017, the City of Hayward and Consultant Team held the fourth Task Force meeting for the City of Hayward Downtown Specific Plan (Plan). Lisa Wise Consulting, Inc. (LWC), Opticos Design, Inc. (ODI), and Nelson/Nygaard Consulting Associates (N\N), presented the Long-Term Vision Framework for Downtown Hayward, which included an overview of the project, community priorities, and long-term development and mobility strategies to consider. The Vision Framework was developed based on community input received between September 2016 and February 2017, and refined during a five-day design charrette in March 2017. The presentation was followed by an open discussion on the Long-Term Vision Framework, and the Task Force responses to the online questionnaire.

A summary of the major discussion topics is provided below. This list is designed to reflect the major points of conversation, and is not exhaustive.

## II. Key Takeaways

### GUIDING PRINCIPALS

#### Community Priorities

- Several Task Force members agreed that the most pressing priority for Downtown Hayward is #3 “Improve the circulation network to better serve downtown businesses, residents, and visitors”.

#### Vision Statement

- Task Force Comments on Vision Statement:
  - Should place greater emphasis on open space;
  - Should be bolstered with “warm language” that is tailored towards community sentiment;
  - “All ages and backgrounds” should also apply in the last clause regarding modal accessibility;
  - “Bike, foot, car, and public transit” should be reordered by priority to “foot, bike, public transit, car”; and
  - Additional language should be included in the Vision Statement and elsewhere in the document on environmental sustainability.



## LONG-TERM VISION FRAMEWORK

### Question: What elements of the Long-Term Vision Framework would you change or modify?

- Jackson Street has not been addressed in the Long-Term Vision Framework in terms of traffic calming and pedestrian safety improvements.
- The Illustrative Plan Concept for Opportunity Site 1 should have a connection to the Douglas Morrison Theatre and Senior Center.
- One Task Force member questioned the source of the commercial and residential growth projections.
  - They were concerned that the City would not get enough sales tax revenue if Downtown accommodates “too much” residential development rather than commercial development. However, another Task Force member stated that residential growth could provide additional customer base to drive retail sales Downtown, contributing to more of a “24-hour” urban environment.
- One Task Force member asked if the Consultant Team had considered defining an architectural style for Downtown;
  - Task Force members discussed and agreed that there are pros and cons to establishing a unifying architectural style, including – a potential lack of diversity/creativity in design or possible diminished architectural variety in Downtown.
- A term other than “energy center” should be used to describe centers of activity.

## ILLUSTRATIVE PLAN

### Opportunity Site 1 - City Center

- One Task Force member asked why the Safeway grocery store was removed. ODI provided the following points of clarification:
  - The Consultant Team considered adding density to the site by building on top of the existing structure. However, the Team determined that it was not economically feasible to construct above Safeway (where parking was previously located), and considered an alternative which could accommodate more housing units.
  - The Opportunity Site designs are meant to illustrate concepts, and the details can be altered to retain the Safeway, or to allow for a new grocery store.
  - Safeway is in the middle of its lease, and future vacancy may result in redevelopment potential.
- City staff informed Task Force members that they are negotiating with a private developer to address vacancy issues at the old City Center building.

### Opportunity Site 2 - Downtown Block

- One Task Force member asked if the new proposed public parking structure is a viable long-term use. The Consultant Team provided the following points of clarification:
  - The structure may not be needed in the future with changing automobile technology, such as autonomous vehicles (AVs).
  - N/N elaborated by stating that AVs and ridesharing apps will likely result in a long-term decline in personal automobile ownership. Further, much of the Downtown parking is currently underutilized even at busy hours which could reduce future parking demand, thereby reducing

- development costs associated with providing on-site parking. Parking management should be prioritized over new parking structures.
  - The Consultant Team assured the Task Force that any future parking structures could be subjected to standards requiring accommodations for electric vehicles.
- One Task Force member expressed concern regarding the sense of safety of the proposed mid-block alleyways because alleyways could attract criminal behavior in certain circumstances, such as from inadequate lighting or a lack of adjacent activity.
  - The Consultant Team responded that retail space, amenities, and potential housing units above the first story could address safety concerns by promoting “eyes on the street”.
- Task Force members stated that to improve safety Downtown there should be better lighting throughout, and that there should be no dead-end streets.
- Task Force members noted there should be better connectivity between Opportunity Site 2 and the Maple & Main development project.

### **Opportunity Site 3 - Bart Transit Oriented Development**

- The Task Force generally agreed that new buildings proposed for this opportunity site should maintain visibility of City Hall when looking east from the BART station.
  - ODI clarified that new buildings were positioned along the western side of City Hall because of a lack of entrances and other common features found on building frontages.
  - One community member had a competing view from other Task Force members, and thought the partial view of obstruction of City Hall may encourage visitors to enter Downtown, gradually becoming aware of the physical dominance of City Hall as they walk East.
- Moving AC Transit buses from the east to the west side of the BART tracks may be complicated; AC Transit must be involved and it could result in multiple alternative reconfiguration scenarios.
  - N/N elaborated by stating that they would set up a meeting with City staff, AC Transit, and BART to see how the existing bus terminal could be reconfigured. One potential reconfiguration scenario could leave several areas on the east side of the BART tracks dedicated to AC Transit.
  - According to City staff, BART has considered reconfiguration to have one bus lane on the western side of the station, similar to Pleasant Hill BART.
- The potential for Class A office space should be encouraged around the station. City staff agreed, and said that BART is very supportive of Class A office space around the station, and it would also benefit retailers throughout Downtown.
  - One Task Force member believed that if sites labelled 6 and 5 on the Opportunity Site diagram consisted of Class A office space, site 7 on the diagram would also likely follow suit.
- Task Force members agreed that the areas around BART are most appropriate in Downtown to increased heights.
- Non-residential uses (including those besides office) should be considered around BART, such as personal service uses (e.g., doctor’s office, nail salon), to encourage patrons to access without cars.
  - One Task Force Member expressed concern that too much activity around BART may diminish activity Downtown.
- City Staff asked when BART may be ok with getting rid of the parking structure located on the southern side of the station. N/N responded by stating the following:
  - It is critical that the BART Board of Directors gives direction on pricing strategies for parking, as lower prices results in higher demand.

- If the BART Board of Directors is willing to increase parking fees, then the structure can be removed sooner.
- AVs may reduce demand for parking in the long term.
- Robert Cevero (a UC Berkeley Urban Planning researcher) has developed a model that quantifies the benefits of replacing transit-adjacent parking with other uses, and found that high-density residential development produces more riders per acre than parking.
- Consideration should be placed on a music venue (e.g., amphitheater) and other entertainment-oriented uses in Downtown to create Downtown as a destination people travel to.
  - Task Force members agreed with this point, and added that there needs to be driving focal points of entertainment (such as special events held in plazas) to attract people to Downtown, including college students.
  - Task Force members pointed out the outdoor amphitheater proposed across from the new City library.
  - Several Task Force members stated that branding cultural events in Downtown is an important factor to be considered in this Plan.

#### **Opportunity Site 4 – Foothill and Mission Gateway**

- One Task Force member asked if existing businesses will be displaced resulting from the design concept.
  - The Consultant Team replied that the conceptual design focused on reclaiming right-of-way for new development, resulting in a net gain of city land, to minimize the need to redevelop existing structures.

## **MOBILITY**

### **Circulation Network Improvements**

- A Task Force member questioned what the Vision could mean for traffic on Jackson Street, as no changes are shown.
- Gateway at Opportunity Site 4 (points made by N/N):
  - The roundabout concept was partially intended to function as a gateway to alert drivers of their proximity to Downtown.
  - Each entry to the roundabout could be signalized, with right-in and right-out as the only mode of access.
- Signal Changes
  - N/N responded to a Task Force question regarding signal changes that not all signal changes in Downtown have been evaluated, and that this can be estimated after traffic modeling is complete.
- One Task Force member asked what “helps remove out of direction of travel” means on slide 31. N/N responded:
  - Out of direction travel means that auto drivers go out of their way, taking indirect routes, to get to their destination because the one-way traffic prevents them from taking a direct path (e.g. drivers headed south on Foothill Blvd to B street need to turn left on Civic Center, right on 2<sup>nd</sup> street, and right on B Street, as Foothill becomes one-way headed north at A street).

- During the Charrette, many members of the public described how they needed more direct travel routes throughout Downtown, and not necessarily faster travel times.
- One Task Force member asked whether or not the roundabout will create congestion as drivers may spill over into residential neighborhoods immediately adjacent to Downtown. City staff responded:
  - This is a high-level concept, and that a robust evaluation of the design concept is included as part of the project.
  - May result in traffic moving to adjacent streets, where traffic calming measures (e.g. speed bumps) could be implemented (benefit of roadway design would be a “trade-off”);
  - Another trade-off of the roundabout is that while it may reduce commuter traffic cutting through Downtown, but may lead to an increase in travel time
- One Task Force member mentioned that positive or negative impacts should not be considered in hindsight, but should be used during Plan development and implementation.
- N/N described that temporary events and materials can be used to demonstrate benefits of different transportation projects, such as protected bike lanes. Based on the results of the temporary installation, the design can be modified to adjust for unforeseen impacts.

### **Bike Network**

- If dedicated bike lanes are put on A and C streets, then they should be prohibited on B Street.
- Safe Routes to School should be considered in the planning effort, as several schools are located immediately outside of Downtown boundaries (Public comment).
  - City staff mentioned that Safe Routes to School will be incorporated into the City’s Bicycle/Pedestrian Master Plan (currently under development).
- One Task Force member expressed concern that road-diets and bicycle facilities Downtown could lead to additional roadway congestion because regional through-traffic may be delayed, and asked if that is a sacrifice the City and community is willing to make.
  - N/N responded that preliminary traffic modeling will help to determine any adverse traffic impacts of road diets/bicycle facilities, and that such treatments could lead to short-term traffic congestion until people adapt and adopt new travel behaviors, such as commuting via bicycle and/or transit, or taking alternative routes.
  - Some Task Force members disagreed, stating they were not concerned with the impact the Vision has on cut-through commuters, wanting instead a better environment for Downtown residents and visitors.
  - A Task Force member stated that a “defensive circle” around Downtown of traffic calming treatments should be considered for adjacent neighborhoods where traffic may spill over.
  - City staff pointed out that there will be some commuter through-traffic in Downtown regardless of interventions because of regional growth and the housing shortage, and that all transportation agencies in the region are working together to address congestion issues.

## **III. Meeting Attendees:**

### **Task Force Members:**

Mimi Bauer  
 Larry Gray  
 Robert Harmon  
 Antonette Harmon

Lory Hawley  
Philip Gallegos  
Charles Purvis  
Stacy Snowmen

**City of Hayward:**

Damon Golubics, Senior Planner- Development Services Department  
Fred Kelly, Transportation Manager  
David Rizk, Director of Development Services  
Lindsey Vien, Hayward Public Library

**Consultant Team:**

Henry Pontarelli, Lisa Wise Consulting, Inc.  
Kathryn Slama, Lisa Wise Consulting, Inc.  
Forrest Chamberlain, Lisa Wise Consulting, Inc.  
Patrick Siegman, Nelson Nygaard Consulting Associates  
Stefan Pellegrini, Opticos Design, Inc.  
Arti Harchekar, Opticos Design, Inc.

**Visitors:**

Derinda Gaumont, Resident  
Steven Vanbar, Resident, Bike Walk Eden  
Hector Villasenor, Resident/Calgreen Farms



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** WS 17-035

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**DATE:** July 11, 2017

**TO:** Mayor and City Council

**FROM:** Library & Community Services Director

**SUBJECT**

Biennial Review of the Community Development Block Grant Program and Recommended Reallocations of One-Time Available Fund Balance in FY 2018 and FY 2019

**RECOMMENDATION**

That Council reviews and comments on this report.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Draft Resolution



DATE: July 11, 2017

TO: Mayor and City Council

FROM: Library & Community Services Director

SUBJECT: Biennial Review of the Community Development Block Grant Program and Recommended Reallocations of One-Time Available Fund Balance in FY 2018 and FY 2019

## RECOMMENDATION

That Council reviews and comments on this report.

## SUMMARY

This report summarizes the results of the biennial review of Community Development Block Grant (CDBG) entitlement funds for program years PY 2014 through PY 2016, and identifies options for use of one-time available funds. The recommended projects in this report have been pre-screened for eligibility and approved for implementation by the U.S. Department of Housing and Urban Development (HUD), and, if approved by Council, would apply the available one-time CDBG funds to eligible projects and activities to be completed in FY 2018 and FY 2019.

## BACKGROUND

### CDBG Program Overview

Since 1975, the City of Hayward has administered Community Development Block Grant (CDBG) funds received from the U.S. Department of Housing and Urban Development (HUD). The CDBG program annually provides formula “entitlement” grants to states and local governments with populations greater than 50,000, including Hayward. The federal government (HUD) requires that CDBG-funded activities must meet all the following eligibility standards:

CDBG National Objectives: Each activity funded by CDBG must substantially meet one or more of three broad national objectives for the program. Activities that fail to substantially meet one or more of these three national objectives are considered ineligible for CDBG funding:

1. Benefit low- and moderate-income persons;
2. Prevent or eliminate slums or blight; or,
3. Address urgent community development needs to address conditions that pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

CDBG Eligible Activities: As a program of the federal government's Housing and Urban Development department, the Community Development Block Grant program's primary focus is on development- and housing-related activities that benefit low-income residents and communities. Activities cited by HUD as eligible uses for CDBG funds include, but are not limited to:

- Acquisition of real property for public purpose;
- Disposition through sale or lease of real property;
- Rehabilitation and improvements to public facilities;
- Rehabilitation of eligible owner-occupied housing;
- Clearance and remediation activities;
- Micro-enterprise and economic development assistance; and
- Public services, within certain limits (no greater than 15% of the total entitlement award).

Generally, the following types of activities are NOT eligible:

- Acquisition, construction, or reconstruction of buildings for the general conduct of government
- Political activities
- Certain income payments
- Construction of new housing (with some exceptions).

CDBG Eligible Beneficiaries: In addition to meeting the above-noted requirements for national objectives and eligible activities, at least 70% of CDBG funds must be used for activities that benefit low- and moderate-income persons.

Public Services Expenditures: As noted above, HUD imposes a cap on the use of CDBG funds toward public services in any given program year, limiting the total amount that a jurisdiction can spend toward public services to no greater than 15% of the total CDBG entitlement award. A jurisdiction can spend less than 15% or even none of its CDBG entitlement award on public services, if desired; but it may not spend more than 15%. This limit is statutory and cannot be waived. Non-compliance would result in substantial penalties including the permanent reduction of the City's entitlement grant or claw-back of funding by the federal government. Council's direction consistently has been for Hayward to spend the maximum allowable amount toward public services, and the City has consistently spent at or very near the maximum allowable amount. A review of the City's public services expenditures in recent years is shown in Figure 1.



Figure 1. City of Hayward CDBG Public Services Expenditures by CDBG Program Year

CDBG Program Year	Max. allowable Public Services expenditure (15%)	Actual Public Services expenditure	Difference
PY 2012-13	\$220,000	\$217,951	\$2,049
PY 2013-14	\$263,770	\$263,063	\$707
PY 2014-15	\$261,800	\$261,796	\$4
PY 2015-16	\$247,864	\$247,845	\$20

## DISCUSSION

### Biennial Review of the CDBG Program

In FY 2015, HUD and City staff conducted a comprehensive reconciliation of the City of Hayward CDBG program going back to its inception in 1975. As a result of the FY 2015 review, HUD and staff made several recommendations to Council that were subsequently approved by Council at the [October 21, 2014](#) meeting, which included utilizing unspent funds on new projects, closing out inactive projects, revising the City’s CDBG program policies, and returning funds to the City’s CDBG/HUD line of credit.

After the completion of the FY 2015 reconciliation process, staff implemented a biennial (every two years) comprehensive review of unspent and underspent CDBG projects. Staff and HUD completed the FY 2017 biennial review in June 2017. The review reconciled CDBG financial files for program years PY 2014 through PY 2016. The analysis identified one-time available CDBG fund balance in each program year resulting from:

- Past construction-related projects funded by CDBG that were completed under budget;
- Underspent or discontinued projects; and
- Substantial influx of unanticipated program income received from loan payoffs.

This review resulted in approximately \$1,289,000 of one-time CDBG funds that can be reallocated toward CDBG-eligible projects in the “Community Infrastructure, Jobs and Economic Development” category, as required by HUD. This category allows for projects related to affordable housing development, housing rehabilitation and preservation, community facility rehabilitation, blight removal and abatement, economic development and job creation, and pavement reconstruction, among other eligible activities. This is because the underspent and/or unspent funds were originally allocated in this “Community Infrastructure, Jobs and Economic Development” category and cannot be reallocated to “Public Services” category activities, due to the strict limitations HUD places on expenditures in this category, and because the one-time funds were not originally allocated in this category.

HUD also requires that projects and activities using the reallocated funds must be completed within twenty-four months (FY 2018 and FY 2019) due to federal timeliness spending requirements. As with all CDBG-funded projects, any activities must directly benefit low-income residents and neighborhoods and must meet HUD's National Objectives for the CDBG program.

During the FY 2017 biennial review, HUD and staff worked closely together to analyze every single CDBG-funded activity during PY 2014 to PY 2016. The review calculated the exact amount of fund encumbrances from previously allocated projects and activities that were completed or closed-out but ultimately spent less than allocated (for example, construction-related projects that were completed under budget). The review also included calculations of higher-than-anticipated program income received from past loans made by the City, some decades old, that were repaid by the borrowers (for example, from small business assistance program loans and housing rehabilitation program loans). All the one-time available CDBG fund balance is sourced from community infrastructure and economic development activities, in large part because these activities are project-based and often are completed significantly under budget. And although Public Services activities were also reviewed, as noted above in Figure 1, activities in this category invariably spend at or very near the full amount of budget allocation each year, and rarely end the year with unspent funds.

The City's CDBG program budget is annually established based on estimates of funding that will become available. The estimates are subject to several variables that are not known until after the City's annual budget appropriation is completed, including how much actual program income will be received in the coming year, what the actual amount of the City's formula grant from HUD will be, and how the federal budget appropriation by Congress may affect the CDBG program budget at the national level.

In addition, projects and activities may not always expend the full amount of CDBG fund allocation, resulting in unspent or underspent fund balances after a project is completed or closed out. For example, community infrastructure project budgets invariably include construction contingency costs that are only to be used in the event of unforeseen adverse circumstances. If a project experiences no adverse circumstances or fewer than expected, the contingency remains unspent or underspent, resulting in fund balance. Also, construction projects sometimes can be completed significantly under budget due to lower-than-expected construction bids, material cost savings, and other factors. Some projects may be completed with substantial savings because of personnel or program cost adjustments that occur during the program year. Other projects may downsize (for example, the Spectrum kitchen and SAVE Leidig Court projects) or be discontinued (i.e. the Day Labor Center program) due to unforeseen organizational changes or eligibility issues, resulting in underspent or unspent fund balances. Finally, all CDBG project expenses are closely monitored monthly by staff and annually by HUD to ensure adherence to budget, to confirm expenses are eligible prior to reimbursement, and to avoid cost overruns – all of which can result in additional unspent or underspent fund balance.

Below is a summary of how the estimated \$1,289,000 one-time fund balance was calculated:

- Council approved the Promise Neighborhood Street Improvement Project (PNSIP) in FY 2015 after the comprehensive reconciliation, and allocated all the accumulated funds in the City's CDBG line of credit up through PY 2013 (approximately \$1.4 million) to complete the project during FY 2015 and reduce the City's timeliness spending liability with HUD. While the project reduced the timeliness spending liability at that time, it did not include funds that were accumulated from the PY 2014 entitlement award and continuously accruing program income. Additionally, through the excellent project management of Public Works, the project came in on time and under budget, and expanded to complete additional eligible streets with HUD's and Council's approval. After the project closed and the PY 2014 expenditures were paid, there were combined savings of approximately \$451,000 in the CDBG line of credit.
- The Housing Rehabilitation and Small Business Assistance revolving loan programs were created decades ago, and over the years have developed substantial loan portfolios. Each year, some portion of the loan portfolios are repaid – with interest. The revolving loan structure allows these programs to weather economic fluctuations. During the Great Recession, this structure was beneficial in that it provided a source of revenue to continue program activities and provide critically needed housing rehabilitation and small business assistance during the downturn. Because of the economic recovery in recent years, the revenue has become increasingly robust. In PY 2015 and PY 2016, the programs received over \$200,000 in unexpected program income.
- In PY 2015, the Community Services Division successfully project managed several CDBG community infrastructure and economic development projects to complete the year under budget. Additionally, the Division ended the year with salary savings which resulted in lower-than-usual expenditures in CDBG Administration. These factors resulted in combined savings to the CDBG line of credit in PY 2015 of approximately \$341,000.
- Similarly, in PY 2016, the Community Services Division successfully project managed several CDBG community infrastructure and economic development projects to complete the year under budget, resulting in combined savings to the CDBG line of credit in PY 2016 of approximately \$297,000.

#### Program Options For Reallocations of One-Time Available Fund Balance in FY 2018 and FY 2019

As mentioned previously, HUD requires that the City utilize the one-time CDBG fund balance toward community infrastructure and economic development projects that can be initiated and completed within twenty-four months.

In preparing project options for Council consideration, staff coordinated with the Region IX HUD office to identify projects that align with both Council's priorities and HUD's eligibility criteria. Some of the options address the Hayward housing crisis, contribute to job creation and retention, implement improvements to community infrastructure, and increase

community resiliency and disaster preparedness. In addition, the sub-recipients identified for potential implementation have proven track records of excellent performance and financial management records with the administration of CDBG. These options are identified below as “Tier 1” projects, as these have been vetted with HUD.

An additional set of viable and eligible options are identified for Council’s consideration. These options are listed as “Tier 2” below. These options, however, may not meet the 2-year HUD deadline and may require additional resources.

Lastly, several other options were explored in preparing this report, but are not recommended due to concerns regarding costs, eligibility and duplication of resources.

“Tier 1” Program Options for Reallocations of one-time available fund balance in FY 2018 and FY 2019:

The following “Tier 1” options are presented for Council consideration. These program options are recommended by staff, as they have been coordinated with HUD to ensure eligibility requirements were met and can be implemented quickly, if Council chooses any of these options.

- Downtown Streets Team – Tennyson Corridor Expansion: Expansion of the Downtown Streets Team Homeless Work Experience Program into the Tennyson Corridor. Team Members – all of whom are homeless or formerly homeless -- participate in a work experience program that provides job skills training and soft skills training. In exchange, Team Members earn food/basic needs assistance, housing search assistance, housing/shelter placement, case management, transportation assistance, Job Search Skills classes, employment placement, and more; all while rebuilding their dignity and rejoining society. Council previously allocated \$90,000 toward program activities in downtown Hayward. Should Council authorize additional one-time funds for start-up and operating costs, the program would expand into the Tennyson Corridor. Recommended reallocations: FY 2018 - \$150,000; FY 2019 - \$50,000
- Abode Services – Permanent Supportive Housing “Tiny Homes” Development: Acquisition of the former Horizon Services site for the development of permanent supportive housing for chronically homeless individuals. The project includes the development of shared housing and “tiny homes.” Council previously allocated \$80,000 toward pre-development costs for this project. Should Council authorize additional one-time funds for property acquisition and additional pre-development costs, it would help speed the completion of this critically needed housing development. Recommended reallocations: FY 2018 - \$100,000; FY 2019 - \$100,000

- Housing Rehabilitation – Accessory Dwelling Units: In accordance with new state regulations and HUD approved eligibility standards, the Housing Rehabilitation program would be expanded to include loans to eligible senior or disabled residents to convert their existing non-conforming garage conversions into code compliant housing units. Should Council authorize one-time funds to expand the program to convert non-conforming conversions, it would help the City’s efforts to alleviate the shortage of affordable housing in Hayward and comply with state law. Recommended reallocations: FY 2018 - \$75,000; FY 2019 - \$75,000
- Targeted blight abatement / commercial façade improvement in Tennyson Corridor: Establish a Façade Improvement Program targeted to commercial properties fronting Tennyson Road between Mission Blvd and Patrick Avenue. Properties will be identified and invited to participate in coordination with Economic Development and Development Services. Specific objectives are to encourage private investment in the visual improvement of storefronts, signs and awnings; enhance the streetscape and provide a catalyst for area development. FY 2018 - \$100,000; FY 2019 - \$100,000
- Micro-Enterprise Business Incubators: In coordination with Economic Development and the Small Business Administration, the rehabilitation of commercial sites in the Downtown and the Tennyson Corridor for the development of micro-enterprise small business incubators. Should Council authorize one-time funds for start-up and operating costs of new business incubators, low-income small business entrepreneurs will receive training in starting, managing and financing locally based businesses. Recommended reallocations: FY 2018 - \$100,000; FY 2019 - \$75,000
- Affordable Housing Rehabilitation and Administration: HUD regulations (IDIS matrix code 14H – Housing Rehabilitation Administration) allow local jurisdictions to use CDBG funds to offset certain critically important and necessary housing-related administrative costs. Eligible administrative activities include but are not limited to: affordable housing development, fair housing monitoring, housing rehabilitation, inclusionary housing administration and housing financing source management. These essential administrative activities will be performed by the Housing Manager position. Should Council authorize to offset a portion of this position’s cost in FY 2018 and FY 2019 using one-time available CDBG fund balance under IDIS matrix code 14H, it would reduce the cost to other housing-related special revenue funds. Recommended reallocations: FY 2018 - \$100,000; FY 2019 - \$100,000.
- Emergency Care and Shelter Facility Rehabilitation: In coordination with the American Red Cross, identify locations for emergency care and shelter that require rehabilitation to meet accessibility and building safety code requirements. Should Council authorize one-time funds for identifying and rehabilitating emergency care and shelter facilities, the Hayward community’s resiliency and preparedness to

respond to immediate health and welfare threats to the community, including disaster events, would be substantively increased. Recommended reallocations: FY 2018 - \$100,000; FY 2019 - \$89,000.

**“Tier 2” Program Options for Reallocations of one-time funding:**

The following “Tier 2” options provide Council with additional alternatives for consideration. These options may not meet the 2-year HUD deadline and may also require additional resources:

- Partner with a qualifying Community-Based Development Organization (CBDO) to carry out special economic development /neighborhood revitalization activities in the Tennyson Corridor: Current partners Downtown Streets Team and Abode Services would receive technical assistance to receive HUD-designated CBDO status to secure housing placement for homeless individuals who secure employment through approved projects. Timeframe could be problematic, formation of a CBDO could take several months, may encounter delays. FY 2018 - \$100,000; FY 2019 - \$75,000
- Pioneers for Hope: In partnership with CSUEB, implement housing navigation services for students identified as at-risk of or currently homeless. Services would include case management and implementation of OneStop housing software to identify and monitor available housing options for at-risk students. Could potentially qualify for CDBG under a special category for institutions of higher learning, but eligibility is uncertain, monitoring and reporting may be problematic, CSUEB has its own funding. FY 2018 - \$75,000; FY 2019 - \$75,000
- Expansion of job placement projects in Tennyson Corridor: Partner with local job placement nonprofit providers such as Soulciety, Swords to Plowshares and Rubicon to implement employment services to youth, veterans and other low-income residents in the Tennyson Corridor. Timeframe could be problematic, would need to identify Hayward locations for operations, monitoring and reporting could be problematic. FY 2018 - \$100,000; FY 2019 - \$75,000

**Other Program Options - Explored but not Recommended:**

The summary of other options below were explored but are not recommended due to concerns regarding costs, eligibility and duplication of resources:

- Acquisition of multi-unit properties with potential for rehabilitation (timeframe, already funded by Measure A1). Identification and acquisition of property for affordable housing is a difficult and time probative process and not conducive to the parameters of these funds.

- Fire station #6 upgrades (timeframe, already funded by Measure C): Upgrades to fire station #6 is potentially prohibitive given the necessity to review and apply restrictions related to existing resources.

**Other Options: Explored but not Recommended (Continued):**

- Homeowner down payment assistance (timeframe, already funded by Measure A1): Homeowner down payment assistance is also prohibitive because of the timeline to re-initiate the program within parameters for these funds, and there are other funds coming up through Measure A1 for this type of activity.
- South Hayward Family Center project (timeframe): The South Hayward Family Center project is still in preliminary/conceptual phase and is unlikely to reach completion within twenty-four months.
- ADA updates to Matt Jimenez Community Center facility (timeframe): The MJCC could potentially benefit from additional ADA updates in relation to the South Hayward Family Center project (for example, additional ADA parking in the rear of the facility), but the facility is already ADA compliant and the exact location of additional ADA parking, if any, in relation to the new SHFC center will not be known until that project's design is completed.
- ADA updates to HARD parks, community centers (already funded by Measure F1): HARD facilities and parks could potentially benefit from additional ADA updates, but those facilities are already compliant and HARD now has Measure F1 funds at its disposal for those capital projects.
- Demolition of old Main Library (already funded by Measure C): The demolition of the old Main Library is eligible and would meet the timeline but is already fully funded by Measure C.

**FISCAL IMPACT**

The Community Development Block Grant (CDBG) Program has a neutral impact on the City's General Fund, as a portion of CDBG funds (up to 20%) may be used to pay for eligible Planning and Administration of the program, including NEPA environmental review, contracting, Labor Standards monitoring, lead-based paint compliance, procurement of contractors, site inspections, financial management, and federal reporting. However, when the City's CDBG entitlement award size is reduced, as has occurred in recent years and has been proposed for further reduction or elimination by the current presidential administration, the administrative cap is lowered accordingly, providing fewer staff resources to administer the CDBG program, which remains an administratively complex and process-laden program despite the grant's reduced size.

The adoption of the Recommended Reallocations of One-Time Available Fund Balance in FY 2018 and FY 2019 will have no impact to the General Fund. Should Council authorize the Recommended Reallocations, the projects and activities would draw an estimated \$1,289,000 from one-time available CDBG fund balance in the City's CDBG line of credit with HUD. The recommended reallocations will enable the City to timely meet HUD's annual requirement to limit and reduce the total amount of unexpended funds in the City's CDBG line of credit to less than 1.5 times the amount of the City's annual CDBG entitlement award.

Figure 2. Summary of Estimated \$1,289,000 One-Time CDBG Fund Balance Calculations:

Program Year	Project / Activity	Estimated One-Time Fund Balance
PY 2014	Promise Neighborhood Street Improvement Project, PY 2014 entitlement expenditure savings, accumulated program income	\$451,000
PY 2015 - PY 2016	Higher-than-expected Revolving Loan Program income	\$200,000
PY 2015	Lower-than-usual salary expenditures and community infrastructure and economic development projects completed under budget	\$341,000
PY 2016	Community infrastructure and economic development projects completed under budget	\$297,000
Total estimated available one-time fund balance:		\$1,289,000

Figure 3. Summary of "Tier 1" Recommended Program Options:

Program Year	Project / Activity	Estimated One-Time Fund Balance	
		FY 2018	FY 2019
TIER 1	Recommended Reallocations		
	Homeless Employment Program: Tennyson Corridor Expansion	\$150,000	\$50,000
	Permanent Supportive Housing: "Tiny Homes" Development	\$100,000	\$100,000
	Housing Rehabilitation: Targeted code corrections for income-eligible senior homeowners	\$75,000	\$75,000



Targeted blight abatement / commercial façade improvement in Tennyson Corridor	\$100,000	\$75,000
Micro-Enterprise: Small Business Incubators	\$100,000	\$75,000
Affordable housing rehabilitation administration	\$100,000	\$100,000
Emergency Care and Shelter Facility Rehabilitation	\$50,000	\$50,000
Subtotals	\$814,000	\$475,000
Estimated total use of one-time fund balance		\$1,289,000

Figure 4. Summary of “Tier 2” Program Options:

Program Year	Project / Activity	Estimated One-Time Fund Balance	
		FY 2018	FY 2019
TIER 2	Program Options		
	CBDO for economic development, neighborhood revitalization activities	\$100,000	\$ 75,000
	Pioneers for HOPE housing navigation for CSUEB students	\$ 75,000	\$ 75,000
	Employment assistance and job placement (Soulciety, Swords to Ploughshares, Rubicon)	\$100,000	\$ 75,000
	Subtotals	\$275,000	\$225,000
	Estimated total use of one-time fund balance		\$500,000

## PUBLIC CONTACT

The Community Services Commission reviewed the results of the FY 2017 Biennial Review and the “Tier 1” Recommended Reallocations of One-Time Available Fund Balance during its regular public meeting on June 21, 2017.

## NEXT STEPS

Council’s input and direction is sought regarding the program options outlined in this report. Should Council authorize the implementation of the “Tier 1” Recommended Reallocations of One-Time Available Fund Balance, the following benefits and impacts will be achieved:

- a) Address homelessness in Hayward by creating new permanent supportive housing units;

- b) Create new affordable housing for low-income Hayward residents, including low-cost alternative forms of housing such as “tiny homes” and accessory dwelling units;
- c) Conduct targeted abatement of blighted buildings and support façade improvements to commercial properties in the Tennyson Corridor;
- d) Stimulate small business development and create new jobs;
- e) Improve community resiliency and accessibility in to respond to immediate health and welfare threats to the community, including disaster events

Staff will integrate Council’s input and direction into a final Reallocation Plan and for Council review and authorization in a Public Hearing on July 18, 2017.

Prepared by: Dana Bailey, Community Services Manager  
Rachael McNamara, Management Analyst I/II

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

Approved by:



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Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING THE CITY MANAGER AMEND THE ACTION PLAN TO ALLOCATE \$1.289 MILLION IN UNEXPENDED COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS ACCUMULATED IN THE CITY'S LINE OF CREDIT

WHEREAS, the Housing and Community Development Act of 1974 makes funds available to qualified cities for certain community development activities, and the City of Hayward is a qualified by entitlement to receive such funds pursuant to said act; and

WHEREAS, the City Council has considered public testimony and the FY 2014 -FY 2016 CDBG Program and previously approved the Annual Action Plan; and

WHEREAS, the City Council has considered a proposed Allocation of Unexpended Funds Plan to reconcile CDBG accumulated program income from FY 14 – FY 16 in the amount of \$1.289 million to implement infrastructure, jobs and disaster preparedness;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby approves the aforesaid Allocation of Unexpended Community Development Block Grant (CDBG) funds and authorizes City staff to submit the required documentation to the U.S. Department of Housing and Urban Development.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2017

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](http://www.Hayward-CA.gov)

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**File #:** PH 17-067

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**DATE:** July 11, 2017

**TO:** Mayor and City Council

**FROM:** Director of Utilities and Environmental Services

**SUBJECT**

Recommended FY 2018 and FY 2019 Water and Sewer Service Rates

**RECOMMENDATION**

That Council adopts the attached resolution amending the Master Fee Schedule and approving the proposed water and sewer service rates.

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	May 16, 2017 Worksession Staff Report (with attachments)
Attachment IV	Updated Water Rate Comparisons
Attachment V	Updated Sewer Rate Comparisons
Attachment VI	Public Hearing Notice - Proposition 218 Notification



DATE: July 11, 2017  
TO: Mayor and City Council  
FROM: Director of Utilities & Environmental Services  
SUBJECT: Recommended FY 2018 and FY 2019 Water and Sewer Service Rates

## RECOMMENDATION

That Council adopts the attached resolution amending the Master Fee Schedule and approving the proposed water and sewer service rates.

## BACKGROUND

At the May 16, 2017 [work session](#), the City Council reviewed the proposed water and sewer service rates for FY 2018 and FY 2019. The work session staff report, which provides an overview of cost of service issues, revenue requirements, and recommended FY 2018 and FY 2019 water and sewer service rates in detail, is included as an attachment for reference.

The recommended water rate adjustments would include no change to the water usage fee that is based on consumption, and, for a typical single-family residential home with a 5/8" water meter, a \$2 per month increase in each year for the fixed bimonthly water service fee. Similar percentage increases would apply to all other meter sizes. The recommended sewer rate adjustments would include an increase of 5% in residential rates in each of the two years, and increases of up to 7% per year in non-residential rates. The recommended rate adjustments would take effect on October 1, 2017 and October 1, 2018. Rate comparisons with other agencies have been updated to reflect more recent information and new comparison charts are included as separate attachments. Staff also recommends a two-year extension of a temporary provision, which went into effect during the onset of the economic recession, that reduces the sewer connection fee for some industrial and commercial businesses.

## DISCUSSION

### Water Rates

Based on anticipated overall costs of providing service during the next two years, staff is recommending water rate adjustments in FY 2018 and FY 2019 that will result in average

increases for most customers of about 3% in each year. The adjustments are comprised of no increase to the water usage charges, which are based on the quantity of water delivered to the customer as measured by a water meter, and for typical single-family residential homes with a 5/8" water meter, a \$2 per month (\$4 per bimonthly billing period) increase to the fixed service fee, which is independent of consumption. Even with the proposed adjustments, Hayward's fixed fee is still very low when compared to nearby water agencies. Lower fixed costs provide customers with greater control over their water bills through adjustments to water consumption levels.

### Outside City Surcharge

Hayward has historically provided water service to a small number of customers outside of the City limits, typically at the outer reaches of the City water distribution system. Currently, just over 200 such properties, the vast majority of which are located in what is known as the Castle Homes area, receive Hayward water. The City's Municipal Code places a surcharge of 15% on the total charges for water service supplied to these customers. The intent of the surcharge, which had for years been at 50% and was reduced to 15% after an engineering study in 2013, is to recover additional costs to the City for providing service to customers who reside outside of City limits.

The surcharge is based on an evaluation of the additional effort needed to ensure that water delivered to outside City customers continues to meet drinking water quality standards. Most of the Hayward Water System is "looped," that is, the pipelines are designed so that water moves through a grid system and thereby remains fresh. Water service to the Castle Homes area, on the other hand, is mainly provided through excessively long dead-end pipelines, without the benefit of looping, and thus more effort is needed to maintain drinking water quality.

At the request of some of the residents in Castle Homes, made after the distribution of the City's notice of rate increase as required by Proposition 218, the City will perform an analysis of the updated costs associated with pipeline flushing and refreshing of the reservoir storage. These costs include water usage charges for water flushed from fire hydrants or directly from a water tank, labor, and equipment charges. Based on preliminary information regarding these costs, staff expects the surcharge to at least remain at the current level.

Incidentally, due to a billing error, ever since the current water rates went into effect in October 2016, outside City residential customers, primarily in the Castle Homes area, have been paying slightly more than the approved water rates. This was recently brought to staff's attention by a Castle Homes resident. Staff apologized for the error, corrected the affected unit cost, and will calculate and refund the over charges to all impacted customers. The total over charges is expected to be well below \$2,500, or about an average of ten-dollars per each affected customer.

## Sewer Service Rates

Staff is recommending 5% increases in single-family residential sewer rates in FY 2018 and FY 2019. The same percent increases are proposed for multi-family and mobile home community customers. Staff is also recommending increases of 2.5% in the Economy and Lifeline rate tiers, combined with the reduction of the water consumption applicability thresholds for those rate tiers, in recognition of the overall reduction in customer water consumption. In other words, since overall water consumption and wastewater discharge have declined over the past four years due to the recent drought and proactive customer water conservation, the discharge volume eligibility threshold for lower Economy and Lifeline rates should also be reduced. Non-residential customers would see increases over the two-year period of up to 7% in each year, depending on the volume and strength of their wastewater discharge.

## Connection Fees

No changes to water or sewer connection fees are proposed for FY 2018 and FY 2019.

Water and sewer connection fees are fees paid by those customers wanting to connect a new development to the public water and sewer system to pay for improvement and expansion of the water and sewer systems to accommodate the development and to defray the expenses paid by customers over the recent years for development and improvement of the systems. Staff proposes no change to water or sewer connection fees.

While necessary and appropriate, non-residential sewer connection fees can represent a significant expense for some businesses wishing to locate in Hayward. To assist business in this lingering economic recession, staff recommends extending the temporary provision in the Master Fee Schedule that reduces the fee for some commercial and industrial businesses. Non-residential connection fees are calculated individually (as opposed to standard residential fees), based on anticipated volume of wastewater discharge, and waste strength in the form of suspended solids (SS) and carbonaceous biochemical oxygen demand (CBOD). The Master Fee Schedule currently includes a provision that lowers SS and CBOD by 70% to calculate non-residential sewer connection fees. This reduction especially affects businesses with high wastewater strength, such as food processing and restaurants. The volume component of the fee would continue to be charged at 100% because water usage can be better controlled, and the standard rate may encourage efficient water use.

Council approved the provision initially in 2009 and has since extended it periodically, including most recently in October 2015. The Wastewater System Improvement Fund, which is the recipient of sewer connection fees, can withstand the impact of the decreased revenue for a period of time. Staff recommends reviewing the reduced connection fee provision no later than October 1, 2019 to either retain, amend or repeal it.

## Proposition 218 Compliance

Staff implemented notification requirements of Proposition 218 for this rate increase, which mandates that written notice of proposed service rate increases be mailed to all affected property owners. While not legally required, notices were also mailed to bill payers of record. The notice, a copy of which is attached (Attachment VI), lists the current and proposed rates, and described the process for protesting the proposed rates. A total of over 54,000 notices were mailed out.

The language in Proposition 218 specified that the Council may not take action on the proposed rates if a majority of property owners, or about 19,000, submit written protests. The City Clerk will tabulate the final number of protests at the end of the public hearing and certify the results. As of July 3, 2017, a total of fourteen (14) written protests had been received by the City Clerk's Office.

## ECONOMIC IMPACT

The economic impact of the proposed water and sewer service rate adjustments is discussed in detail in the work session report. While staff recognizes that the rate adjustments will affect customers, it is critical that the City maintain reliable utilities systems in the interest of economic viability and quality of life for its residents and businesses, as well as protection of public health and the environment.

The proposed extension of the reduction in sewer connections fees will continue to make establishment of businesses in Hayward more economically viable.

## FISCAL IMPACT

The fiscal impacts of the proposed rate adjustments were fully discussed during the work session held with Council on May 16, 2017 and are included in the [staff report](#) for that meeting. To summarize, the proposed rates will result in modest increases in the working capital balances of both the Water and Sewer Funds in FY 2018. Note that the Water Fund working capital goal is 50% of annual expenditures, while the working capital goal for the Sewer Fund is 100% of annual expenditures.

## ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA), includes an exemption for revisions to rates and charges that are for 1) meeting operating expenses; 2) purchasing or leasing supplies, equipment, and materials; 3) meeting financial reserve requirements; or 4) obtaining funds for capital projects necessary to maintain services and system reliability within existing service areas. No additional CEQA review is required.



## SUSTAINABILITY FEATURES

Maintaining reliable and robust infrastructure, including water distribution, sewer collection, and wastewater treatment and disposal, is an important part of a sustainable community, in that it allows the City to meet increasingly stringent regulatory requirements to ensure protection of public health and the environment. The relatively modest rate adjustments will also permit staff to continue to implement the Council's direction to operate and maintain sustainable utilities infrastructure, and minimize its environmental footprint.

Water conservation programs, such as the high efficiency fixture replacement and lawn replacement rebate programs, are funded through water rate revenue and provide customers with the tools to assist them in efficiently managing water usage. These and other conservation programs will continue to be funded in FY 2018 and FY 2019 (projected annual budget of \$500,000). The proposed sewer rates will enable the City to continue the operation of the existing green and renewable energy generation systems in sewer utility and expansion of those systems over time.

## PUBLIC CONTACT

As noted in the discussion, staff mailed over 54,000 written notices regarding the proposed water and sewer rates to all property owners and bill payers of record forty-five days before this public hearing. In addition to the written notices, the notice of public hearing was published in the East Bay Times on June 24 and in The Daily Review on June 30. The notice, as well as a summary of the proposed fees were also posted on the City's website.

## NEXT STEPS

If approved, the new rates would be effective on October 1, 2017 and October 1, 2018. Prior to these dates, staff will include notices in utility bills to inform customers about the rate adjustments. The City's website will also be updated to include the approved rates.

Upon completion, the results of the outside City surcharge analysis will be presented to the City Council for review in the fall.

Prepared by: Corinne Ferreyra, Senior Management Analyst

Recommended by: Alex Ameri, Director of Utilities & Environmental Services

Approved by:



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Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-

Introduced by Council Member \_\_\_\_\_

RESOLUTION AMENDING THE MASTER FEE SCHEDULE  
AND APPROVING WATER AND SEWER RATES

WHEREAS, Section 15273 of the California Environmental Quality Act Guidelines states that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares and other charges by public agencies which the public agency finds are for the purpose of:

1. Meeting operating expenses, including employee wage rates and fringe benefits,
2. Purchasing or leasing supplies, equipment or materials,
3. Meeting financial reserve needs and requirements, or
4. Obtaining funds for capital projects necessary to maintain service within existing service areas.

WHEREAS, the City Council finds and determines that this action is exempt from CEQA based on the foregoing provisions.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby amends the Master Fee Schedule and approves the following water and sewer rates of the City of Hayward, a copy of which is on file in the Office of the City Clerk. The approved water and sewer rates shall be effective on October 1, 2017 and October 1, 2018, as shown.

Meter Service Charges

The bimonthly standard meter service charge for all meters inside the City (except temporary service for construction work), based on size of meter, shall be as follows:

	<u>Oct 1, 2017</u>	<u>Oct 1, 2018</u>
5/8" meter	\$20.00	\$24.00
3/4" meter	\$27.19	\$32.63
1" meter	\$41.19	\$49.43
1 1/2" meter	\$90.19	\$108.23
2" meter	\$158.75	\$190.50
3" meter	\$400.63	\$480.75
4" meter	\$793.63	\$952.35
6" meter	\$1,400.00	\$1,680.00
8" meter	\$1,938.13	\$2,325.75
10" meter	\$2,334.25	\$2,801.10

The bimonthly standard meter service charge for all meters outside the City (except temporary service for construction work), based on size of meter, shall include a 15% surcharge and be as follows:

	Oct 1, 2017	Oct 1, 2018
5/8" meter	\$23.00	\$27.60
3/4" meter	\$31.27	\$37.52
1" meter	\$47.37	\$56.84
1 1/2" meter	\$103.72	\$124.46
2" meter	\$182.56	\$219.08
3" meter	\$460.72	\$552.86
4" meter	\$912.67	\$1095.20
6" meter	\$1,610.00	\$1,932.00
8" meter	\$2,228.85	\$2,674.61
10" meter	\$2,684.39	\$3,221.27

Meter Service Charge for Low Income Customers

Notwithstanding any other provision of the Hayward Municipal Code, Chapter 11, Article 2, the bimonthly meter service charge for Low Income Customers shall be applied by this subsection to any customer that:

- (a) Meets the City income guidelines as defined in the All City Departments section of the Master Fee Schedule; and
- (b) Files with the Revenue Division of the Finance Department a discount application and adequate documentary evidence showing that the applicant meets the provision of subparagraph (a).

The bimonthly meter service charge for Low Income Customers with a standard service (5/8") shall be as follows:

	Oct 1, 2017	Oct 1, 2018
5/8" meter, low income (inside city)	\$7.00	\$8.40
5/8" meter, low income (outside city)	\$8.05	\$9.66

Sewer Service Charges

Residential Service	Monthly Charge Oct. 1, 2017	Monthly Charge Oct. 1, 2018
Standard Residential Unit	\$31.29	\$32.85
Duplex, Triplex, Fourplex (per unit)	\$31.29	\$32.85
Multi-Family (per unit)	\$27.85	\$29.24
Mobile Home Unit	\$21.90	\$22.99
Economy	\$17.88	\$18.33
Lifeline	\$8.94	\$9.16

Water Usage Tiers for Economy and Lifeline Sewer Service Rates

## Bimonthly Water Usage

October 1, 2017

Economy

5-8 ccf

Lifeline

0-4 ccf

Non-Residential Service – Critical Users		
Constituent/Unit	Sewer Service Charge Oct. 1, 2017	Sewer Service Charge Oct. 1, 2018
Flow – Cost per 100 cubic feet (ccf)	\$2.61182	\$2.69187
Biochemical Oxygen Demand – Cost per pound	\$0.66570	\$0.71758
Suspended Solids - Cost per pound	\$0.79277	\$0.83300

Non-Residential Service – Coded Users				
Customer Classification	Sewer Service Charge Per ccf (with irrigation meter)		Sewer Service Charge Per ccf (without irrigation meter)	
	Oct. 1, 2017	Oct. 1, 2018	Oct. 1, 2017	Oct. 1, 2018
Other/Commercial/Government	\$5.26	\$5.63	\$4.74	\$5.07
Restaurant (w/grease interceptor)	\$7.51	\$7.91	\$6.76	\$7.12
Restaurant (w/o grease interceptor)	\$9.75	\$10.30	\$8.77	\$9.27
Commercial Laundries	\$5.68	\$5.96	\$5.11	\$5.36
Industrial Laundries	\$8.77	\$9.24	\$7.89	\$8.31
Bakeries	\$9.75	\$10.30	\$8.77	\$9.27
Beverage Bottling	\$5.81	\$6.12	\$5.23	\$5.51
Food Manufacturing	\$21.84	\$23.24	\$19.65	\$20.91
Meat Products	\$11.09	\$11.77	\$9.98	\$10.59
Slaughterhouse	\$12.21	\$12.85	\$10.99	\$11.57
Dairy Product Processors	\$9.07	\$9.60	\$8.17	\$8.64
Canning and Packing	\$6.36	\$6.69	\$5.73	\$6.02
Grain Mills	\$8.24	\$8.65	\$7.42	\$7.79
Fats and Oils	\$5.99	\$6.28	\$5.39	\$5.66
Pulp and Paper Manufacturing	\$7.22	\$7.57	\$6.50	\$6.81

Inorganic Chemicals	\$9.82	\$10.27	\$8.84	\$9.24
Paint Manufacturing	\$15.94	\$16.87	\$14.35	\$15.18
Leather Tanning	\$21.17	\$22.46	\$19.05	\$20.21
Fabricated Metal	\$2.98	\$3.08	\$2.68	\$2.77

BE IT FURTHER RESOLVED THAT For the purposes of calculating non-residential sewer connection fees, carbonaceous biochemical oxygen demand (CBOD) and suspended solids (SS) will be reduced by 70% of the estimated actual concentrations in discharge, but not lower than the CBOD and SS for domestic wastewater, that is, 307 milligrams per liter and 258 milligrams per liter respectively. The property will be entitled to discharge CBOD and SS commensurate with the actual estimated concentrations. The volume component will not be reduced and will be charged at 100% of the estimated actual daily discharge. The CBOD and SS reduction is applicable only to an estimated daily discharge of 50,000 gallons or less. Discharge in excess of 50,000 gallons per day from a facility will be subject to a sewer connection fee based on full CBOD and SS concentrations. This provision will be in effect through September 30, 2019.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2017

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



**DATE:** May 16, 2017

**TO:** Mayor and City Council

**FROM:** Director of Utilities & Environmental Services

**SUBJECT** Recommended FY 2018 and FY 2019 Water and Sewer Service Rates and Connection Fees

## **RECOMMENDATION**

That Council reads this report and provides comments.

## **SUMMARY**

Staff has prepared cost of service analyses for providing water and sewer service to Hayward residents and businesses to calculate appropriate water rates and sewer service charges for FY 2017 and FY 2018. This report provides an overview of cost of service issues, revenue requirements, and recommended FY 2018 and FY 2019 water and sewer service rates. Staff is bringing the proposed rates to Council at this time to obtain Council's comments. After receiving and addressing Council comments, staff will implement appropriate and necessary public noticing procedures in accordance with state law prior to a public hearing, currently scheduled for July 11. The recommended rate adjustments would take effect on October 1, 2017 and 2018.

The recommended water rate adjustments would include no change to the water usage fee, which pays for the costs associated with water consumption. The fixed bimonthly water service fee, which is currently \$16 per bimonthly billing period for a typical 5/8" meter, is proposed to be increased to \$20 in FY 2018 and \$24 in FY 2019, with similar percentage increase proposed for larger meters. This would result in an increase of \$2 per month, or about 3% for a single family home with average water consumption.

Regarding sewer service charges, staff is proposing increases of 5% in residential rates in each of the two years, with non-residential increases of up to 7% per year. Commercial customers with very large volume and/or varying degrees of complexity of the discharge to treat, will see increases of up to 7% per year. These rate adjustments will allow the City to keep pace with the cost of sewer service collection, treatment, and disposal.

Staff has also prepared an analysis of water and sewer connection fees. These are fees typically paid at the time a new development requests water or sewer service. Although the analysis indicates that increases in both fees are warranted, in the interest of maintaining the economic recovery and fostering business development, staff is not recommending such adjustments in the next two years.

## **BACKGROUND**

Water rates are established to pay for the costs of purchasing and delivering water to customers and are determined through an assessment of revenue requirements and anticipated water purchase volumes. Bimonthly water bills consist of two parts: 1) the fixed service fee, which pays for services that do not vary with the volume of water purchased, such as meter reading and debt service; and 2) the water usage fee, which pays for costs associated with water consumption, such as the purchase of water from SFPUC and energy related expenses. The City Council approved water rate adjustments in July 2015 for FY 2016 and FY 2017, which resulted in average increases of 15% in FY 2016 and 9% in FY 2017. The second of the two adjustments went into effect on October 1, 2016. The increases were required to pay for a two-year 40% wholesale water rate increase approved by San Francisco Public Utilities Commission (SFPUC). The fixed service fee was last adjusted in October 2016, when the bimonthly fee for a 5/8" meter (the standard size in most single-family residential homes) increased from \$14 to \$16. Similar percent increases were implemented for other meter sizes.

Sewer service charges are established to pay for the cost of collecting, treating and disposing of wastewater. Rate calculations follow the guidelines developed by the State Water Resources Control Board, to ensure that sufficient revenues are collected to operate and maintain the system, cover all obligations of the Sewer Fund, and that the costs of providing service are equitably distributed among customer classes based on their use of the system. Sewer service charges are billed as standard fixed amounts for residential customers and as a cost per hundred cubic feet (ccf) of water consumed for non-residential customers, based on the strength of the discharged wastewater. The City last adjusted sewer service rates two years ago, effective October 1, 2015, which resulted in a 3% increase in residential rates in FY 2016 and FY 2017.

Water and sewer connection fees are fees paid by those wishing to connect a new development to the public water and sewer system to pay for improvement and expansion of the water and sewer systems to accommodate the development and to defray the expenses paid by customers over the recent years for development and improvement of the systems. The fees also cover an incremental cost of future expansion and improvements necessary to accommodate new development. The connection fees are developed using accepted procedures to ensure that costs are allocated fairly to new development. Water connection fees were last adjusted in October 2015, with the assessment methodology modified to distribute the cost of infrastructure improvements more equitably among new customers and commensurate with demand they place on the water system. Sewer connections fees have not been adjusted since October 2011.

## **DISCUSSION**

### **Water Rates**

Based on anticipated overall costs of providing service during the next two years, staff is recommending water rate adjustments in FY 2018 and FY 2019 that will result in average increases for the majority of customers of about 3% in each year. The adjustments are comprised of no increase to the water usage charges, which are based on the quantity of water delivered to the customer as measured by a water meter, and a \$2 per month (\$4 per bimonthly billing period) increase to fixed service fee paid by the typical residential and business customers, which is independent of the consumption.

### **Factors Considered in Water Rate Analysis**

#### *Wholesale Water Purchase Cost*

Following a 40% increase over the past two years, SFPUC, which is the City's sole water supplier, had projected a moderate wholesale water rate increase in FY 2018. However, after a wet water year and moderately increased system-wide consumption, the projection has been revised to maintain the current wholesale water rate, \$4.10 per hundred cubic feet (ccf) for FY 2018 and FY 2019. In addition to payments to SFPUC, the overall cost of purchasing water also includes a separate annual payment of about \$2.6 million for prepayment of capital debt. This surcharge, which is administered by the Bay Area Water Supply and Conservation Agency (BAWSCA), is payable by wholesale agencies until 2034 and adds over 9% to the wholesale cost.

#### *Water Consumption*

Water consumption is a key component of the City's water usage fee calculation and difficult to forecast with certainty, given the impact of unknown and unknowable factors such as weather conditions, business activity, and the effect of cost increases on customer's water use. For these reasons, staff has been conservative in estimating future water consumption and is projecting consumption in FY 2018 to remain consistent with estimated FY 2017 annual water use. Projected consumption for the planning period in its entirety assumes it will remain relatively flat, with small increases on the order of around 1 percent. Staff believes this is a reasonable assumption even with recent reductions in per-capita consumption. The level of business and residential development projected in the next few years may result in increases in the total volume of water consumed, even though the per-capita consumption will decrease with enhanced conservation.

#### *Operating, Maintenance, and Replacement Costs*

While some increases in operating, maintenance and replacement costs are normal and unavoidable, staff has implemented efficiencies to keep expenses as low as possible and additional measures are taken to reduce costs whenever the opportunity arises. At the same time, it is important to ensure that the water system remains robust, well maintained, and



capable of delivering water where and when it is needed under normal operating conditions and during emergencies. Overall, the estimates are that operating, maintenance and replacement costs, excluding the cost of water purchases, will remain fairly unchanged in FY 2018 and FY 2019, with the exception of a \$500K increase in the capital replacement transfer in each year. The increase is to cover recent cost escalations in water infrastructure replacement and renewal.

## Proposed Water Rates

### *Water Service Fees*

The fixed bimonthly service fee pays for costs that do not vary with water purchases, such as meter reading, customer service, debt service and the like. Water service fees were last adjusted in October 2015. The current fee for a 5/8" meter, typical of most homes, is \$16 per bimonthly billing period, or \$8 per month. To keep pace with increasing costs, staff recommends adjusting the bimonthly fee to \$20 in FY 2018, with a further increase in FY 2019 to \$24. Similar percentage increases are proposed for larger meters. On average, most residential customers will see around a 3% increase in their total water bill. The following table summarizes the current and proposed bimonthly service fees for all meter sizes in use.

<b>Current and Proposed Bimonthly Water Service Fees</b>			
<b>Meter Size</b>	<b>Current Fee</b>	<b>Proposed Fee FY 2018</b>	<b>Proposed Fee FY 2019</b>
5/8" Low Income	\$5.60	\$7.00	\$8.40
5/8"	\$16.00	\$20.00	\$24.00
3/4"	\$21.75	\$27.19	\$32.63
1"	\$32.95	\$41.19	\$49.43
1.5"	\$72.15	\$90.19	\$108.23
2"	\$127.00	\$158.75	\$190.50
3"	\$320.50	\$400.63	\$480.75
4"	\$634.90	\$793.63	\$952.35
6"	\$1,120.00	\$1,400.00	\$1,680.00
8"	\$1,550.50	\$1,938.13	\$2,325.75

Hayward has traditionally maintained a low service fee to provide customers with greater control over their water bills. Because the highest portion of the bill is based on water usage, customers can manage their costs through efficient water usage. Even with the proposed adjustments, Hayward's fixed fee is still very low when compared to nearby water agencies, as illustrated in the following table.

**Comparison of Current and Proposed Bimonthly Water Service Fees**

<b>Agency</b>	<b>Bimonthly Service Fee (5/8" Meter)</b>
Alameda County Water District	\$51.92
East Bay Municipal Utility District	\$45.20
Contra Costa Water District	\$35.40
Dublin San Ramon Services District	\$35.23
<b>Hayward (Proposed FY 2018)</b>	<b>\$20.00</b>
<b>Hayward (Current)</b>	<b>\$16.00</b>

*Comparisons with Other Water Agencies*

Attachment I to this report shows how Hayward’s current and proposed water rates compare to other nearby agencies. While this comparison is provided in keeping with a long-standing practice and the Council’s desire to know how the City’s rates compare with neighboring agencies, some factors should be kept in mind when considering this information. First and foremost, the agencies in “Figure A – Immediate Area Agencies” either use no SFPUC water as part of their water supply (e.g., EBMUD and DSRSD) or SFPUC comprises only a small fraction of their total supply (e.g., ACWD). Therefore they are unaffected, or affected to a lesser degree, by the significant wholesale water rate increases that have been and will continue to be implemented by SFPUC. “Figure B – 100% SFPUC Wholesale Agencies” compares the City’s water rates to those agencies with the same water supply conditions. System size also plays a role in rate setting since large agencies benefit from economies of scale. Staff is not aware of any of these agencies offering discounts to low income residents, as the City does, which affects the rates. Finally, a water agency’s rate should be considered in light of the system’s performance, its operational robustness, and its flexibility to operate in both normal and emergency situations.

**Sewer Service Charge**

Staff is recommending increases in residential sewer rates in FY 2018 and FY 2019 of 5% in each year. The current monthly charge for a single-family residential property is \$29.80. The proposed increase would bring this charge to \$31.29 in FY 2018 and \$32.85 in FY 2019. The same percent increases are proposed for multi-family and mobile home community customers. Staff is recommending increases of 2.5% in the two lower single-family rates known as economy and lifeline, with some changes proposed to the applicability thresholds.

These two reduced rates, which make single-family sewer charges commensurate with water use, encourage water conservation and reward customers who use low amounts of water. The current rates are automatically applied to single-family bills when water usage during a billing period is 0-5 ccf (lifeline) or 6-10 ccf (economy), and are not dependent on the income level of the customer.

Non-residential customers would see increases over the two-year period of up to 7%, depending on the volume and strength of their wastewater discharge. Staff uses actual and anticipated sampling data to measure the impact of large industrial users and calculates appropriate rates based on their contribution to the wastewater system. Appropriate fees for other business customers, such as restaurants, are based on water consumption and standard waste strengths.

Factors Affecting Sewer Rates

*Operating, Maintenance and Replacement Costs*

The sewer service rate adjustments result primarily from the rising cost of providing wastewater collection, treatment and disposal services. Staff anticipates that the 5% increases in each of the next two years for most residential customers, and increases up to 7% each year for non-residential customers will be sufficient to cover the additional expenses based on estimated costs through FY2019.

*Changes in Industrial Wastewater Discharge*

A critical factor that affects sewer rates are ongoing changes in the industrial wastewater strengths and volume. Some industries are discharging less wastewater due to water conservation, or making changes to their pretreatment processes such that the discharged wastewater has less waste strength. Given that most sewer collection and treatment costs are fixed and not affected by flow volume and strength, these changes have the effect of shifting more of the cost to other customers to achieve the overall revenue target.

**Proposed Sewer Service Charges**

The following table summarizes current and proposed monthly residential sewer service fees.

<b>Residential Monthly Sewer Service Fees (Per Dwelling Unit)</b>					
<b>Customer</b>	<b>Current</b>	<b>Proposed FY 2018</b>	<b>% Change</b>	<b>Proposed FY 2019</b>	<b>% Change</b>
Single Family	\$29.80	\$31.29	5%	\$32.85	5%
Multi-Family	\$26.52	\$27.85	5%	\$29.24	5%
Mobile Home	\$20.86	\$21.90	5%	\$22.99	5%
Economy	\$17.45	\$17.88	2.5%	\$18.77	2.5%
Lifeline	\$8.72	\$8.94	2.5%	\$9.39	2.5%

Given reduced consumption, staff is proposing to also reduce the water usage requirements for the subject tiers, as follows:

Rate	Current Water Usage	Proposed Water Usage
Economy	6-10 ccf	5-8 ccf
Lifeline	0-5 ccf	0-4 ccf

The economy and lifeline rates are approximately 60% and 30% of the standard rate, respectively. Average single family residential water usage had dropped from 8 ccf per month (16 ccf per bi-monthly billing period) to 7 ccf per month (14 ccf per bi-monthly billing period). Using this information, the recommended rates have been calculated using the ratio of the highest allowed usage under the proposed tiers over average single family residential water usage. This methodology allows for a slightly smaller percentage increase, while accurately representing decreased consumption.

	Current	Proposed	%	No Change to Usage Tiers	%
Economy	\$17.45	\$17.88	2.5%	\$22.35	28%
Lifeline	\$8.72	\$8.94	2.5%	\$11.18	28%

The table below summarizes current and proposed non-residential wastewater component costs, as well as examples of impacts on businesses.

#### Non-Residential Sewer Service Fees

Customer	Current	Proposed FY 2018	% Change	Proposed FY 2019	% Change
Volume (per ccf of water) Carbonaceous Biochemical	\$2.53178	\$2.61182	3.2%	\$2.69187	3.2%
Oxygen Demand (per pound)	\$0.61383	\$0.66570	8.5%	\$0.71758	8.5%
Suspended Solids (per pound)	\$0.75254	\$0.79276	5.4%	\$0.83300	5.4%

#### Comparisons with other Wastewater Agencies

As shown in the table below, the proposed FY 2018 rates would continue to place Hayward in the low-range compared to other nearby agencies. It must be noted that unlike the overwhelming majority of other sewer agencies, the City not only provides a lower rate for multi-family and mobile home units, but also in effect offers tiered sewer rates to all single family customers, based on water usage. While we compare the City's standard rate to the other agencies, the overall average payment by all customers in the City is always less than the top rate.

### Comparison of Current and Proposed Single-Family Sewer Service Fees

Agency	Monthly Single-Family Sewer Service Fee
City of Oakland	
Collection (Oakland) – \$37.57	\$59.60
Treatment (EBMUD) – \$22.03	
Castro Valley Sanitary District	\$34.92
City of San Leandro	\$34.03
Union Sanitary District	\$32.78
Dublin San Ramon Services District	\$31.86
<b>City of Hayward (Proposed)</b>	<b>\$31.29</b>
<b>City of Hayward (Current)</b>	<b>\$29.80</b>
Oro Loma Sanitary District*	\$19.83

*\*Oro Loma SD also receives a lump sum payment from Castro Valley Sanitary District*

#### ECONOMIC IMPACT

The typical single family resident will see an increase of \$2 per month in water cost and a \$1.49 per month in sewer cost. This is a total of \$3.49 per month on an average bill of \$85.91 or about 4%. Commercial and industrial customers will see modest increases as well. While staff recognizes that any rate increase will affect customers and should be minimized, it is critical that the City maintain reliable and robust utilities systems in the interest of economic viability, quality of life, maintaining public health, and meeting increasingly stringent regulations. Given the significant water conservation that residents and businesses have achieved in Hayward, their water bill may not increase under the new rates.

#### FISCAL IMPACT

The Water and Wastewater Funds maintain a working capital balance, or fund balance, in order to manage emergencies, maintain positive cash flows, the Fund’s credit worthiness and, at times, smooth out needed rate adjustments so that the City is not forced to implement a significant increase in a single year, which can result in customer discontent. It must be noted that the fiscal impacts discussed below are based on current projections and as always are subject to change based on a variety factors such as consumption trends, new regulations, and future changed in wholesale water rates.

#### *Water Fund*

While there is no simple formula which can apply to all water agencies, the City has been advised by various financial consultants in the past that reserves equal to 50% of annual expenditures are appropriate targets for the Water Fund. While this percentage is a good

goal, it is not always practical to maintain, particularly when mitigating the long term effect of significant wholesale water rate increases.

Under current water use projections, the recommended rates are expected to generate about \$45.6 million and \$46.8 million in total revenue in FY 2018 and FY2019 respectively, including interest and miscellaneous fees, and result in a year-end fund balance of \$18.9 million in FY 2018, an increase of about \$700,000 from the projected FY 2017 year-end balance. The Water Fund is recovering from a deficit position in the FY 2016 and FY 2017 due in large part to the implementation of the \$12M Advanced Metering Infrastructure (AMI) system. To pay for anticipated SFPUC wholesale water rate increases over the next several years, rate adjustments of around 6% are anticipated for the planning period, after which it may be possible to reduce the percent increase or hold rates at the same level for a period of time. Attachment III depicts year-end working capital balances in the recent past and projected through FY2020.

### *Wastewater Fund*

For the Wastewater Fund, given the stringent current and anticipated regulations and the wastewater treatment plant operation, a more appropriate target is 100% of annual expenditures, a challenging target to meet without significant rate adjustments. Although the current and projected working capital balances do not always meet the targets, staff believes that they are sufficient to maintain reliable utilities operations in the next few years.

The proposed rates are expected to generate about \$23.7 million and \$24.7 million, including interest and miscellaneous fees, in FY 2018 and FY 2019 respectively. Staff anticipates a \$600,000 contribution to working capital in FY 2017, with an ending fund balance of \$20 million. Revenues are expected to meet expenditures in FY2017, ending the year with a fund balance of \$19.6 million. As with the Water Fund, the working capital balance was utilized strategically over the past years to minimize the need for sewer rate adjustments at a time when significant water rate adjustments were anticipated. The ten-year Sewer Fund forecasts indicate that a further 3% rate adjustment will be needed in FY 2020 and then every other year afterwards. Based on these projections, the fund would remain in a positive situation. Attachment IV illustrates the working capital balances in the recent past through projected through FY2020.

## **SUSTAINABILITY FEATURES**

Water conservation programs, such as the high efficiency fixture replacement and lawn replacement rebate programs, are funded through water rate revenue and provide customers with the tools to assist them in efficiently managing water usage. These, and other conservation programs will continue to be funded in FY 2018 and FY 2019 (projected annual budget of \$500,000). Slightly higher water costs as proposed can work as a reminder to all customers of the previous resource and the need to continue to use water wisely.

The proposed sewer rates will allow the City to continue to operate and maintain the sewer collection system and WPCF in a manner to meet all legal and regulatory requirements to protect public health and the environment. It will also enable the City to continue the operation of the existing green and renewable energy generation systems in the sewer utility and their expansion over time.

## **ENVIRONMENTAL REVIEW**

The California Environmental Quality Act (CEQA), includes an exemption for revisions to rates and charges that are for 1) meeting operating expenses; 2) purchasing or leasing supplies, equipment, and materials; 3) meeting financial reserve requirements; or 4) obtaining funds for capital projects necessary to maintain services and system reliability within existing service areas. No additional CEQA review is required.

## **PUBLIC CONTACT**

With the City Council's concurrence with the proposed rates, staff will implement the legal noticing requirements of Proposition 218, which mandates written notice of the proposed rates to all affected property owners at least 45 days in advance of the public hearing, currently scheduled for July 11. In instances where a party other than the property owner is the account holder of record, notice will also be sent to that party. The notice describes the proposed increases and lists current and proposed rates. The notice will also discuss the property owners' right to protest the rates. Council may not act on the rates if a majority of affected property owners file written protests. Staff will also post the information on the City's website and publish the required notice in the newspaper.

## **NEXT STEPS**

Council is scheduled to consider the rate adjustments and hold a public hearing at its July 11 meeting. If adopted, the rate adjustments would be effective on October 1, 2017 and October 1, 2018. Council has traditionally used October 1 as an effective date, rather than July 1 when the wholesale rate adjustment takes effect, in order to avoid increasing rates at during the time that water use is highest.

*Prepared by:* Corinne Ferreyra, Senior Management Analyst

*Recommended by:* Alex Ameri, Director of Utilities & Environmental Services

Approved by:



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Kelly McAdoo, City Manager

Figure A1

Immediate Area Water Agencies - Bimonthly Water Bill Comparison

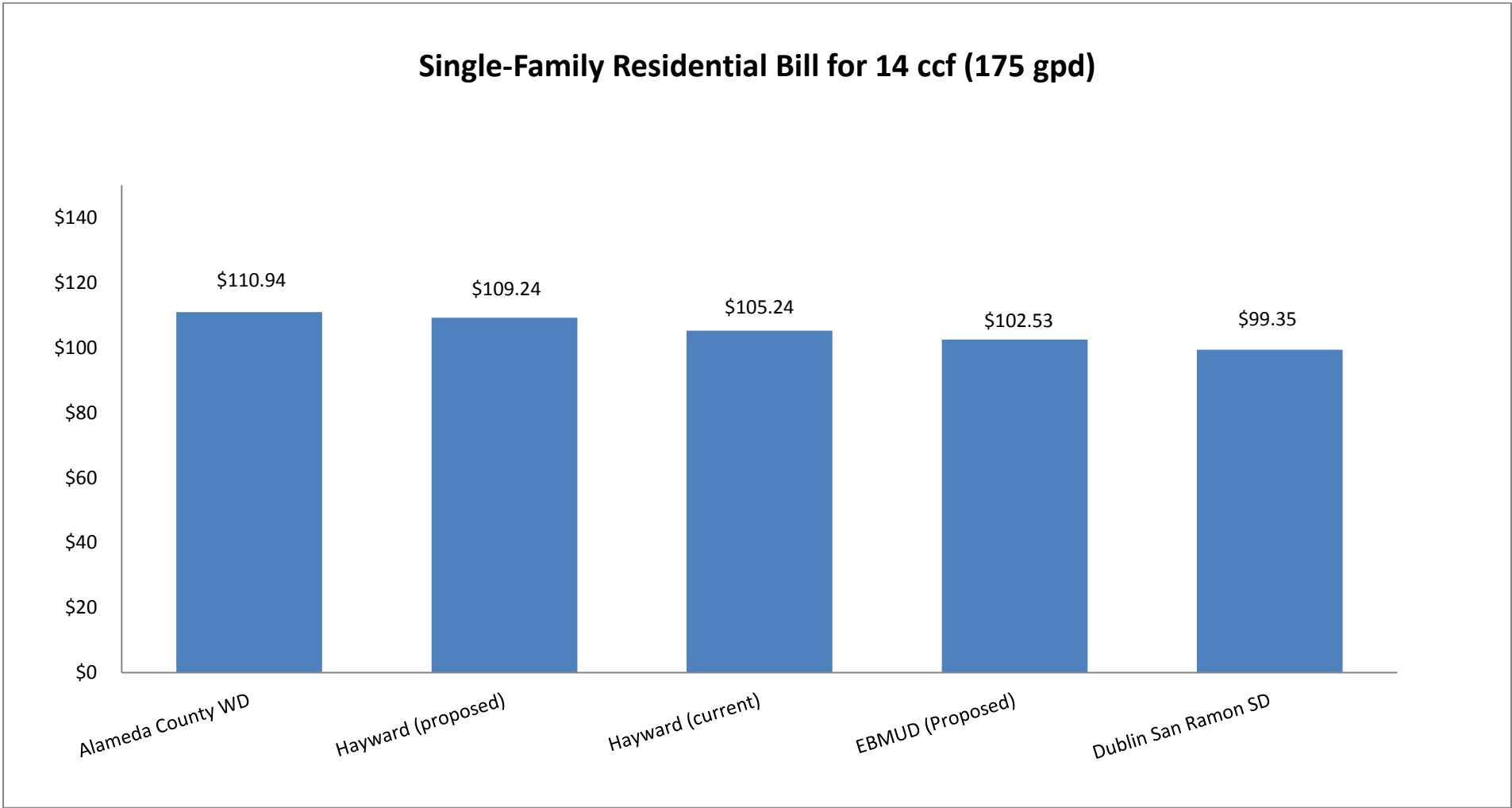
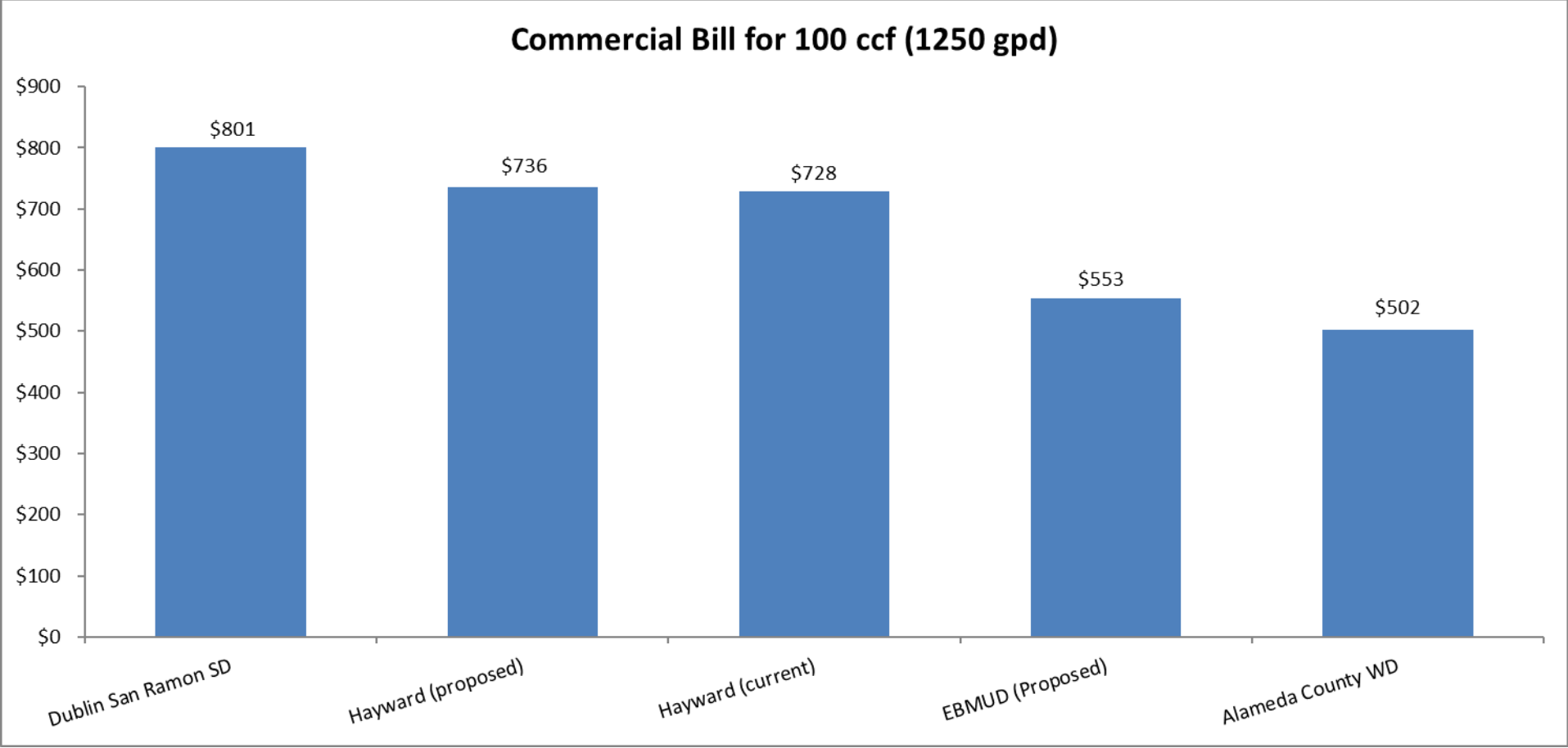
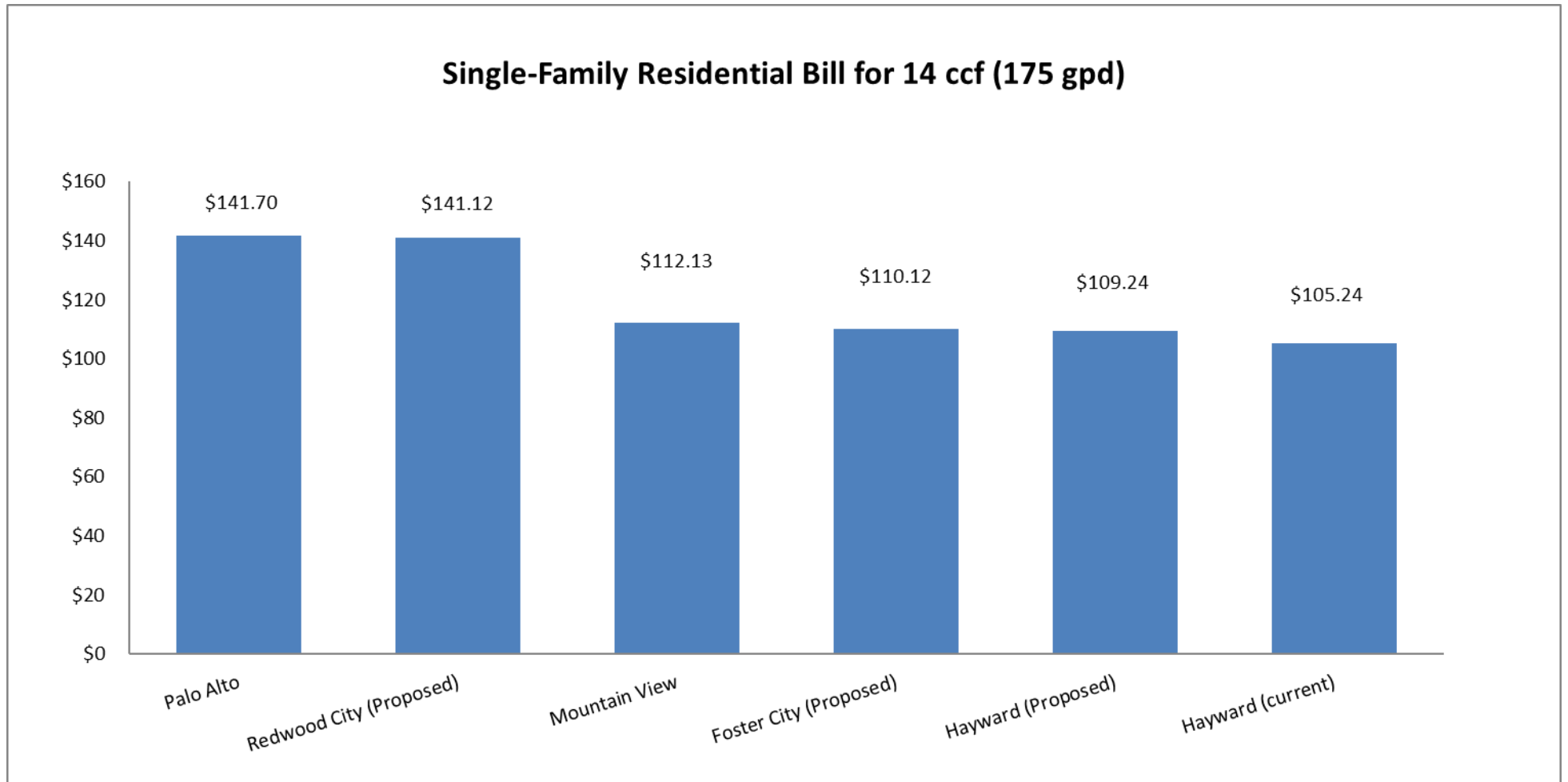




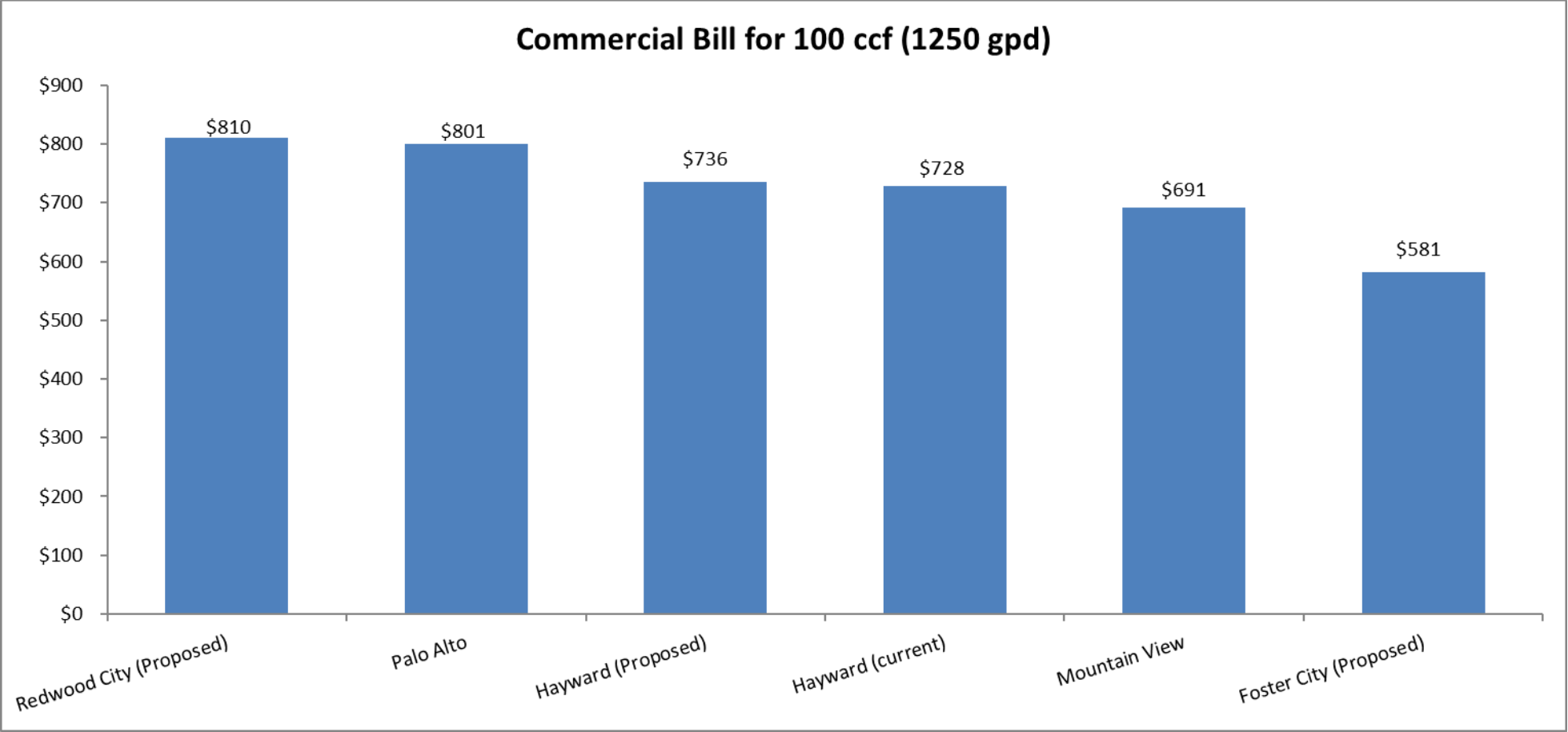
Figure A2  
Immediate Area Water Agencies - Bimonthly Water Bill Comparison



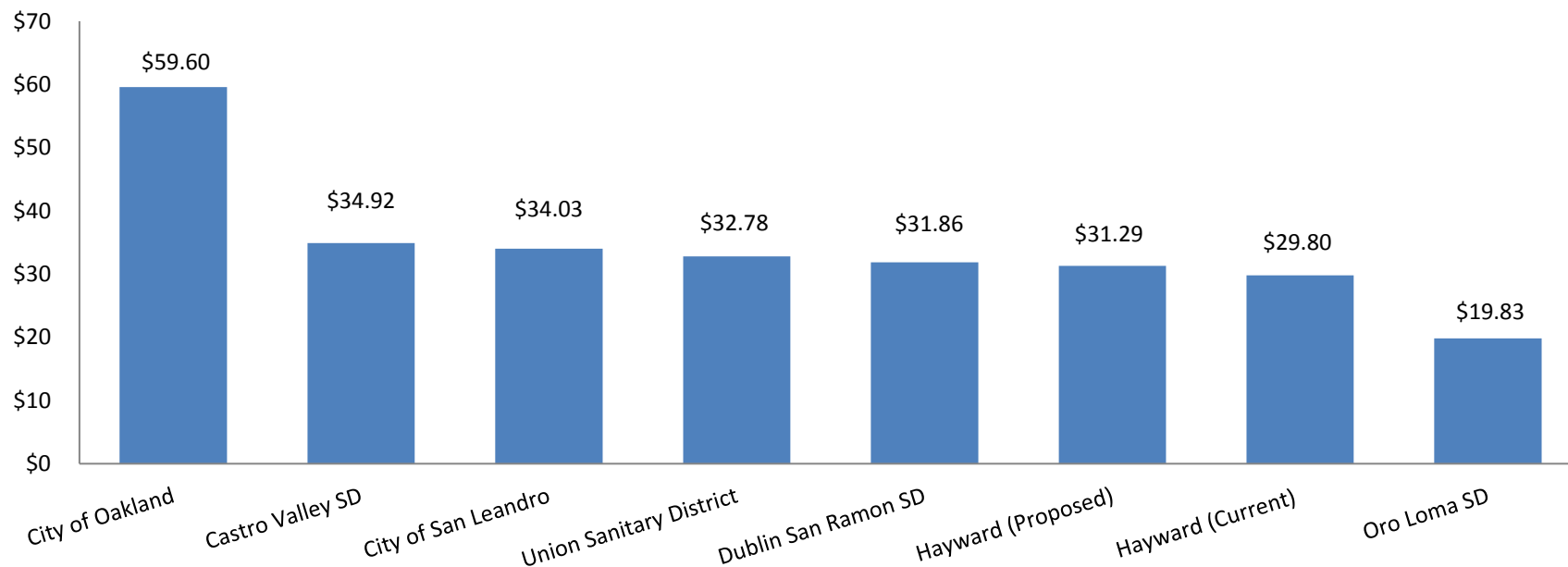
**Figure B1**  
**100% SFPUC Wholesale Agencies - Bimonthly Water Bill Comparison**



**Figure B2**  
**100% SFPUC Wholesale Agencies - Bimonthly Water Bill Comparison**



### Single-Family Residential Sewer Service Bill



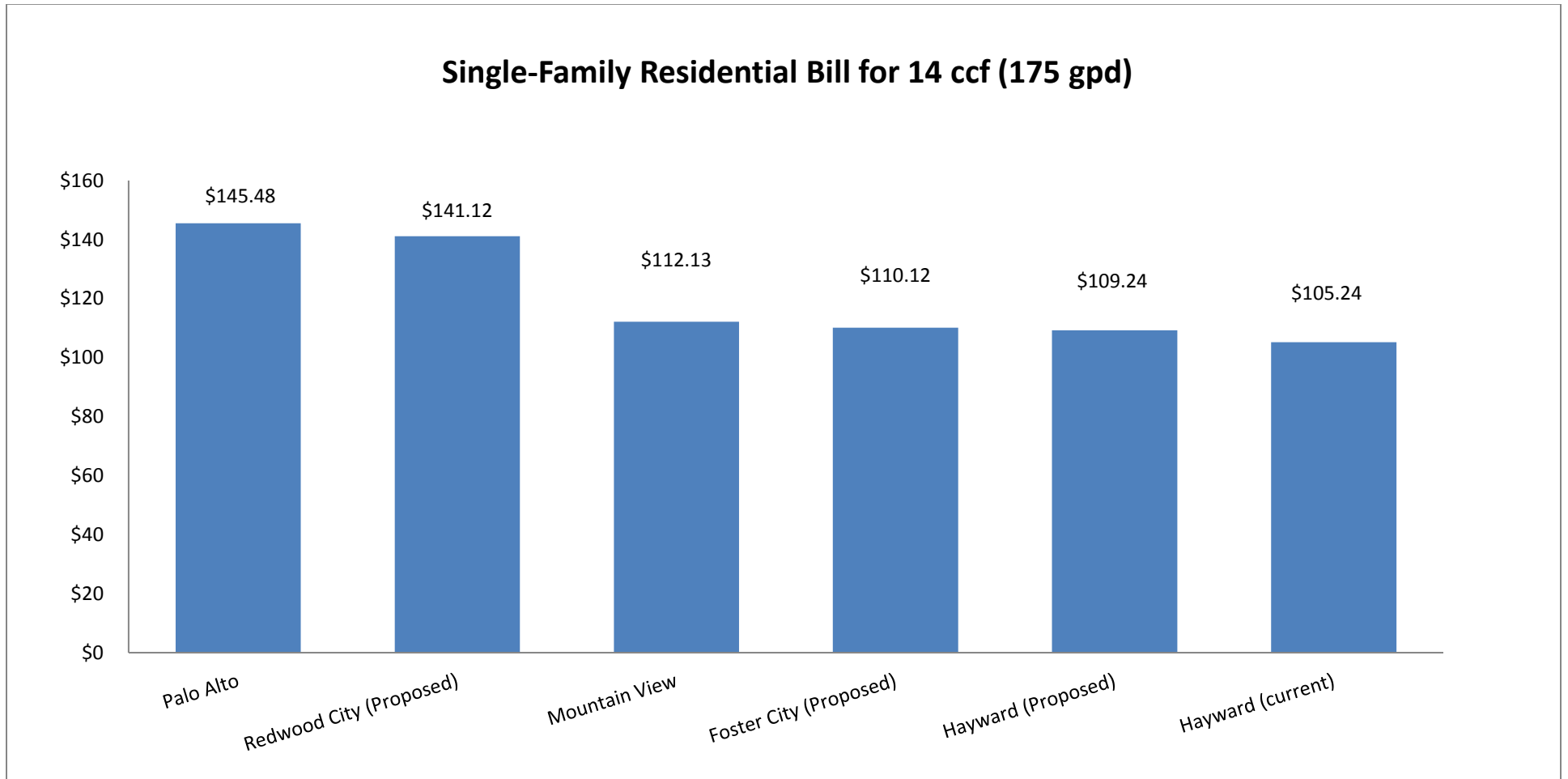
**Water Maintenance & Operations Fund 605**

	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
	<b>Actual</b>	<b>Revised</b>	<b>Estimated</b>	<b>Proposed</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>Beginning Fund Balance</b>	<b>28,355,249</b>	<b>21,221,721</b>	<b>21,221,721</b>	<b>18,178,443</b>	<b>18,587,682</b>	<b>20,380,282</b>	<b>22,048,582</b>	<b>22,108,182</b>
<b>Program Revenues</b>								
Water Sales	34,545,573	39,100,000	38,000,000	39,200,000	39,500,000	41,500,000	43,800,000	46,500,000
Service Charges	4,946,223	4,900,000	4,900,000	5,800,000	6,700,000	6,700,000	6,700,000	6,700,000
Installation Fees	334,225	250,000	250,000	250,000	250,000	250,000	250,000	300,000
Other Revenues	667,077	260,000	260,000	260,000	260,000	260,000	260,000	260,000
Interest	155,361	97,000	97,000	105,000	91,000	104,000	114,000	115,000
Transfers In	288,484	405,593	405,593	395,641	397,300	396,900	398,300	397,500
<b>Total Revenues</b>	<b>40,936,944</b>	<b>45,012,593</b>	<b>43,912,593</b>	<b>46,010,641</b>	<b>47,198,300</b>	<b>49,210,900</b>	<b>51,522,300</b>	<b>54,272,500</b>
<b>Expenditures</b>								
Personnel	6,306,694	7,825,586	7,825,586	8,064,105	8,232,600	8,644,400	9,033,400	9,440,000
Non-Personnel	5,215,829	5,579,744	5,579,744	5,451,333	5,045,300	5,127,400	5,214,300	5,299,100
Water Purchases	24,864,482	28,300,000	27,600,000	27,600,000	27,600,000	28,800,000	32,200,000	35,400,000
Transfers Out	11,683,466	5,950,541	5,950,541	4,485,964	4,527,800	4,970,800	5,015,000	5,060,500
<b>Total Expenditures</b>	<b>48,070,472</b>	<b>47,655,871</b>	<b>46,955,871</b>	<b>45,601,402</b>	<b>45,405,700</b>	<b>47,542,600</b>	<b>51,462,700</b>	<b>55,199,600</b>
<b>Annual Surplus/(Shortfall)</b>	<b>(7,133,528)</b>	<b>(2,643,278)</b>	<b>(3,043,278)</b>	<b>409,239</b>	<b>1,792,600</b>	<b>1,668,300</b>	<b>59,600</b>	<b>(927,100)</b>
<b>Ending Fund Balance</b>	<b>21,221,721</b>	<b>18,578,443</b>	<b>18,178,443</b>	<b>18,587,682</b>	<b>20,380,282</b>	<b>22,048,582</b>	<b>22,108,182</b>	<b>21,181,082</b>

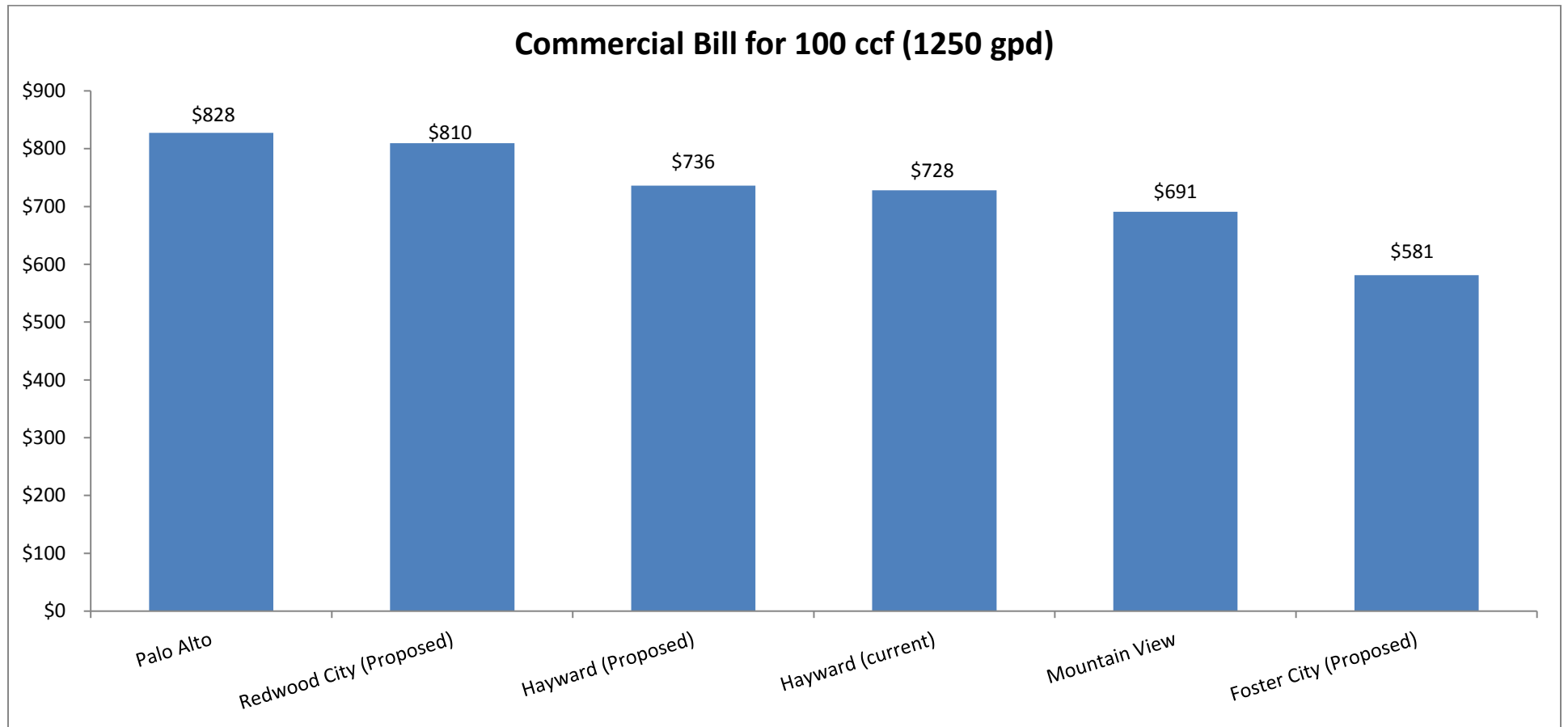
**Wastewater Maintenance & Operations Funds 610**

	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
	<b>Actual</b>	<b>Revised</b>	<b>Estimated</b>	<b>Proposed</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>Beginning Fund Balance</b>	<b>18,105,599</b>	<b>19,606,198</b>	<b>19,606,198</b>	<b>19,581,061</b>	<b>20,183,027</b>	<b>22,015,791</b>	<b>22,731,455</b>	<b>23,122,818</b>
<b>Program Revenues</b>								
Sewer Service Charges	18,995,440	19,600,000	19,600,000	20,500,000	21,500,000	22,300,000	22,500,000	23,000,000
Sewer Connection Fees	13,685,782	4,500,000	4,500,000	3,000,000	3,000,000	3,000,000	3,000,000	3,500,000
Other Revenues	180,676	96,000	96,000	96,000	96,000	96,000	96,000	96,000
Interest	153,560	66,000	66,000	66,000	101,000	110,000	114,000	116,000
Transfers In	1,949,946	1,734,189	1,734,189	1,515,071	1,363,800	1,583,500	1,583,500	1,583,500
<b>Total Revenues</b>	<b>34,965,404</b>	<b>25,996,189</b>	<b>25,996,189</b>	<b>25,177,071</b>	<b>26,060,800</b>	<b>27,089,500</b>	<b>27,293,500</b>	<b>28,295,500</b>
<b>Expenditures</b>								
Personnel	6,910,586	8,227,256	8,227,256	8,361,455	8,659,400	9,099,900	9,516,100	9,951,000
Non-Personnel	8,093,359	8,140,368	8,140,368	7,989,992	7,312,636	8,992,936	9,071,036	9,150,836
Transfers Out	18,460,860	9,653,702	9,653,702	8,223,657	8,256,000	8,281,000	8,315,000	8,842,000
<b>Total Expenditures</b>	<b>33,464,805</b>	<b>26,021,326</b>	<b>26,021,326</b>	<b>24,575,104</b>	<b>24,228,036</b>	<b>26,373,836</b>	<b>26,902,136</b>	<b>27,943,836</b>
<b>Annual Surplus/(Shortfall)</b>	<b>1,500,599</b>	<b>(25,137)</b>	<b>(25,137)</b>	<b>601,967</b>	<b>1,832,764</b>	<b>715,664</b>	<b>391,364</b>	<b>351,664</b>
<b>Ending Fund Balance</b>	<b>19,606,198</b>	<b>19,581,061</b>	<b>19,581,061</b>	<b>20,183,027</b>	<b>22,015,791</b>	<b>22,731,455</b>	<b>23,122,818</b>	<b>23,474,482</b>

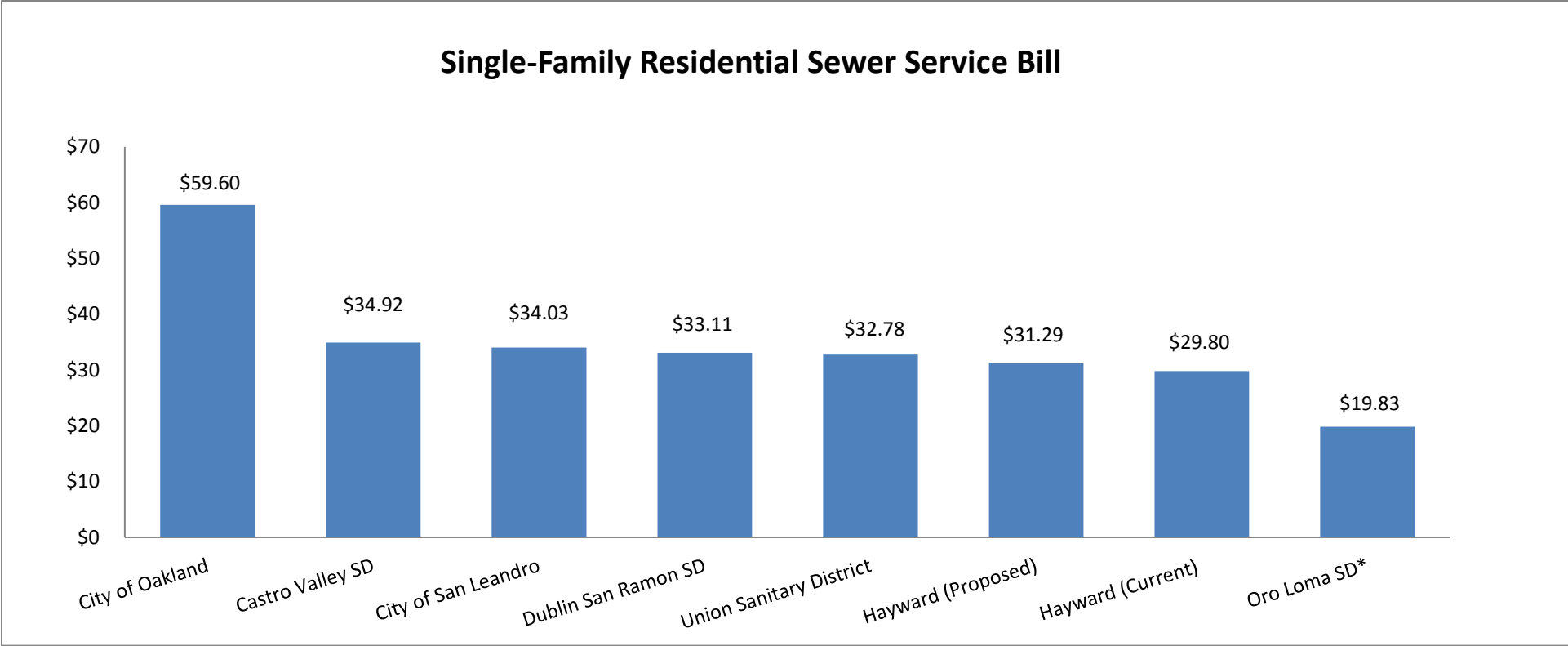
**100% SFPUC Wholesale Agencies - Bimonthly Water Bill Comparison**  
(Updated June 2017)



**100% SFPUC Wholesale Agencies - Bimonthly Water Bill Comparison**  
(Updated June 2017)







\*Note: Oro Loma Sanitary Districts receives a lump sum payment from Castro Valley Sanitary District



**NOTICE OF PROPOSED WATER AND SEWER RATE CHANGES**  
**May 26, 2017**

TO: Water and Sewer Parcel Owners and Ratepayers in the City of Hayward Service Area  
(Please forward this notice to the ratepayer)

The City of Hayward is proposing increases in water and sewer rates, effective October 1, 2017 and October 1, 2018. A public hearing will be held by the Hayward City Council regarding the proposed rate adjustments on **Tuesday, July 11, 2017, at 7:00 p.m.**, at the Hayward City Hall, 777 B Street. Rates and charges, which may be adopted at the public hearing, will not exceed the proposed rates presented in this notice.

Este aviso contiene información importante sobre el costo de servicio de agua y del sistema de alcantarilla de la Ciudad de Hayward. Para obtener esta información en español, por favor llame a la Ciudad de Hayward al (510) 583-4700.

**WATER RATES**

The City of Hayward relies entirely on water rate revenue to fund the costs of providing water service. Therefore water rates must be set at sufficient levels to recover the cost of purchasing wholesale water from the San Francisco Public Utilities Commission (SFPUC), Hayward's sole water supplier, and operating and maintaining the water distribution system. Water rates are comprised of two parts, water usage rates and water service fees.

**NO CHANGE TO WATER USAGE RATES**

Water usage revenues pay for the costs of purchasing and delivering water, and are based on the quantity of water used in your home or business as measured by your water meter. Hayward's water usage rates are comprised of tiered rate schedules for residential and non-residential customers in accordance with cost recovery calculations for each customer classification. **There is no change proposed to the water usage tiers or rates for Fiscal Years 2018 and 2019.** Pursuant to California Government Code 53756, Hayward may pass through any additional increases in SFPUC wholesale rates above the SFPUC projections upon notification to all customers at least 30 days in advance of implementation.

	Usage	Current Rate/ccf	Rate/ccf Oct 1, 2017	Rate/ccf Oct 1, 2018
<b>Single-Family Residential (SFR)</b>	1 – 8 ccf	\$5.80	\$5.80	\$5.80
	9 – 25 ccf	\$7.14	\$7.14	\$7.14
	Over 25 ccf	\$8.41	\$8.41	\$8.41
<b>Duplex, Triplex and Fourplex Residential</b> (Per dwelling unit, based on average usage)	1 – 8 ccf	\$6.43	\$6.43	\$6.43
	9 – 25 ccf	\$7.15	\$7.15	\$7.15
	Over 25 ccf	\$8.52	\$8.52	\$8.52
<b>Multifamily Residential (5+ units/account)</b> (Per dwelling unit, based on average usage)	1 – 8 ccf	\$6.97	\$6.97	\$6.97
	9 – 20 ccf	\$7.23	\$7.23	\$7.23
	Over 20 ccf	\$7.94	\$7.94	\$7.94
<b>Non-Residential</b>	1 – 200 ccf	\$6.95	\$6.95	\$6.95
	Over 200 ccf	\$8.29	\$8.29	\$8.29

Note: One ccf of water equals 748 gallons. A typical SFR customer currently uses an average of 175 gallons per day.

**PROPOSED WATER SERVICE FEES**

Water service fees, which are based on meter size, pay for fixed costs of providing service, such as meter reading, billing, customer service, debt service obligations, and repairs, and do not vary with the quantity of water purchased.

Meter Size	CURRENT AND PROPOSED WATER SERVICE FEES		
	Current	Proposed (Oct 1, 2017)	Proposed (Oct 1, 2018)
Low income residential	\$5.60	\$7.00	\$8.40
5/8 inch	\$16.00	\$20.00	\$24.00
3/4 inch	\$21.75	\$27.19	\$32.63
1 inch	\$32.95	\$41.19	\$49.43
1 1/2 inch	\$72.15	\$90.19	\$108.23
2 inch	\$127.00	\$158.75	\$190.50
3 inch	\$320.50	\$400.63	\$480.75
4 inch	\$634.90	\$793.63	\$952.35
6 inch	\$1,120.00	\$1,400.00	\$1,680.00
8 inch	\$1,550.50	\$1,938.13	\$2,325.75

The proposed water rates and fees will result in overall increases averaging about 4% for most customers in each year. For example, a family that uses 14 ccf of water in a two-month billing period, or about 175 gallons per day, will see an average 3.8% increase in its bimonthly billing, from \$105.24 to \$109.24 the first year and a further 3.7% increase to \$113.24 in the second year. Customers who reside outside of the City limits continue to pay a 15% surcharge on water service and usage charges based on cost of service.

**SEWER SERVICE CHARGES**

Sewer service charges pay for the collection, treatment and disposal of wastewater from residences and businesses and is based on the type and volume of wastewater disposed. Increases in the costs of providing these services have resulted in the need for modest rate adjustments.

**PROPOSED MONTHLY RESIDENTIAL SEWER SERVICE CHARGES**

The standard residential rate is proposed to increase by 5% in each of the next two years.

Lower monthly rates, called Economy and Lifeline rates, are automatically applied to billings where metered water consumption is significantly lower than the current standard usage (currently 0-5 ccf for Lifeline or 6-10 ccf for Economy). Given substantially reduced water consumption over the past few years, the proposed water usage requirements for the subject tiers are also proposed to be reduced, as follows:

Rate	Current Water Usage	Proposed Water Usage
Economy	6-10 ccf	5-8 ccf
Lifeline	0-5 ccf	0-4 ccf

This change in usage categories will result in a 2.5% increase per year in Economy and Lifeline rates. The following table lists the current and proposed residential sewer service charges.

<b>CURRENT AND PROPOSED MONTHLY RESIDENTIAL SEWER SERVICE CHARGES</b>			
	Current	Proposed (Oct 1, 2017)	Proposed (Oct 1, 2018)
Standard Residential (single-family unit)	\$29.80	\$31.29	\$32.85
Duplex, Triplex, Fourplex (per unit)	\$29.80	\$31.29	\$32.85
Multi-Family (per unit)	\$26.52	\$27.85	\$29.24
Mobile Home (per unit)	\$20.86	\$21.90	\$22.99
Economy (5 to 8 units of metered water usage)	\$17.45	\$17.88	\$18.33
Lifeline (0 to 4 units of metered water usage)	\$8.72	\$8.94	\$9.16

**NON-RESIDENTIAL SEWER SERVICE CHARGES**

Most non-residential customers are classified by the type of businesses that most closely resembles the nature of wastewater generated. A small number of critical users are billed according to actual measured wastewater strength and volume. The following table lists non-residential sewer service charges for the most common businesses and for critical users. A complete list of charges can be found at [www.hayward-ca.gov](http://www.hayward-ca.gov) or you can call (510) 583-4700 to request a copy by mail.

**NON-RESIDENTIAL SEWER SERVICE CHARGES FOR CODED USERS\***  
(per ccf of metered water use)

	With Separate Irrigation Meter			Without Separate Irrigation Meter		
	Current	Proposed (Oct1, 2017)	Proposed (Oct 1, 2018)	Current	Proposed (Oct 1, 2017)	Proposed (Oct 1, 2018)
Commercial/Government	\$4.92	\$5.65	\$6.49	\$4.43	\$5.08	\$5.83
Restaurant w/ Grease Interceptor	\$7.10	\$7.85	\$8.68	\$6.39	\$7.06	\$7.80
Restaurant w/o Grease Interceptor	\$9.20	\$10.22	\$11.35	\$8.27	\$9.19	\$10.21
Commercial Laundry	\$5.39	\$5.91	\$6.48	\$4.85	\$5.32	\$5.84
Bakery	\$9.19	\$10.22	\$11.37	\$8.27	\$9.19	\$10.21
Beverage Bottling	\$5.50	\$6.07	\$6.70	\$4.95	\$5.47	\$6.04

**NON-RESIDENTIAL SEWER SERVICE CHARGES FOR CRITICAL USERS\***

	Current	Proposed (Oct 1, 2017)	Proposed (Oct 1, 2018)
Flow – Cost per ccf of wastewater	\$2.532	\$2.612	\$2.692
Carbonaceous Biochemical Oxygen Demand – Cost per pound	\$0.614	\$0.666	\$0.718
Suspended Solids – Cost per pound	\$0.753	\$0.793	\$0.833

\*Calculated based on formula and not a straight 5% increase.

Non-residential sewer bills are generally expected to increase by no more than 7%. If you need assistance in calculating the impact of the proposed rate adjustments, please contact the Department of Utilities and Environmental Services at (510) 583-4700 or by email at [utilities.administration@hayward-ca.gov](mailto:utilities.administration@hayward-ca.gov).

**SUBMITTING WRITTEN PROTESTS**

The proposed rate changes will not take effect if written protests are received from a majority of affected property owners and tenants responsible for paying utility bills. If you wish to protest the proposed service rate increases, the City must receive your written protest by mail or hand delivery before the close of the **public hearing on July 11, 2017**. Mail or deliver written protests to: City of Hayward, 777 B Street, Hayward, CA 94541, Attention: City Clerk. For your protest to be counted, it must indicate your name, and either the address(es) or water/sewer account number(s) of your property or properties.

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Accommodations must be requested at least 48 hours in advance by calling (510) 583-4400 or TDD (510) 247-3340.



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** LB 17-023

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**DATE:** July 11, 2017

**TO:** Mayor and City Council

**FROM:** Interim Development Services Director

**SUBJECT**

Introduction of an Ordinance that Would Amend the Currently Adopted Hayward Building Code by Establishing Expedited Permitting Procedures for Electric Vehicle Charging Stations as Required by California Government Code Section 65850.7 (AB 1236)

**RECOMMENDATION**

That the City Council adopts the attached resolution and introduces the attached ordinance, which would provide an expedited, streamlined permitting process for electric vehicle charging stations, as mandated by [Assembly Bill 1236 <http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201520160AB1236>](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB1236).

**ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Draft Ordinance
Attachment III	Hayward's Single-Family Residential E.V. Charging Station Handout
Attachment IV	Hayward's Commercial & Multi-Family Residential E.V. Charging Station Handout



DATE: July 11, 2017

TO: Mayor and City Council

FROM: Interim Development Services Director

SUBJECT: Introduction of an Ordinance that Would Amend the Currently Adopted Hayward Building Code by Establishing Expedited Permitting Procedures for Electric Vehicle Charging Stations as Required by California Government Code Section 65850.7 (AB 1236)

## RECOMMENDATION

That the City Council introduces the attached ordinance, which would provide an expedited, streamlined permitting process for electric vehicle charging stations, as mandated by California Government Code Section 65850.7 and [Assembly Bill 1236](#).

## BACKGROUND

Subsection (a) of Section 65850.7 of the California Government Code provides that it is the policy of the State to promote and encourage the installation and use of electric vehicle (E.V.) charging stations by limiting obstacles to their use and by minimizing the permitting costs of such systems. Section 65850.7 of the California Government Code also provides that a city shall administratively approve applications to install electric vehicle charging stations through the issuance of a building permit or similar nondiscretionary permit.

By the passage of Assembly Bill No. 1236 (AB 1236) on October 8, 2015, the State Legislature amended Section 65850.7 of the California Government Code to require every city, county, or city and county with a population of less than 200,000 residents to adopt an ordinance on or before September 30, 2017 that creates an expedited, streamlined permitting process for "electric vehicle charging stations" and to provide checklists electronically.

## DISCUSSION

The Building Division has recently adopted a procedure that expedites the review for E.V. charging stations installed in commercial/retail or multi-family (i.e., apartments or condominiums) locations, ensuring that permit application review comments or permits are issued within eight business days (versus the standard fifteen business days) at no additional cost to the applicant. This current procedure also allows for permits for Level-1 (120 volt) and Level-2 (240 volt) charging stations, located at single-family homes or duplexes, to be issued at the Permit Center counter or electronically (same day). Therefore, the City already

substantially expedites the review of such permit applications. Consequently, the primary ramification of AB 1236 is that the City may not deny applications for electric vehicle charging stations unless the Building Official makes specified written findings demonstrating that the proposed stations would have “a specific, adverse impact” upon public health or safety, and there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact; in which case, a use permit may be required. Staff anticipates such occurrences would be very rare or non-existent because the City seldom encounters such issues that cannot be resolved through the design and permitting process.

Pursuant to AB 1236, the Building Official has consulted with the Fire Marshal and Planning Manager before recommending that the City Council introduce this ordinance for adoption. The proposed ordinance complies with the requirements of AB 1236 and thereby protects public health and safety by prescribing minimum standards for the use, design and installation of electric vehicle charging stations while simultaneously establishing an expedited, streamlined permitting and inspection process for installation, alteration, and replacement of such equipment. Once installed, the Building Inspection Division shall conduct a minimum of one final inspection to ensure compliance with state and local codes. The Building Division currently provides next business day inspections.

Pursuant to the requirements of Government Code Section 65850.7(g)(2), the Building Official shall develop a checklist of the requirements with which the application for E.V. charging stations shall comply to be eligible for expedited review. The E.V. charging station permit process and checklist shall substantially conform to the recommendations contained in the most current version of the [Plug-In Electric Vehicle Infrastructure Permitting Checklist](#) contained in the [Zero-Emission Vehicles in California: Community Readiness Guidebook](#) adopted by the Governor's Office of Planning and Research. The Building Official shall have the authority to revise the process checklist in substantial conformance to the Guidebook. Attachments III and IV include checklists for single-family residential E.V. charging stations and commercial and multi-family residential E.V. charging stations. The checklists and Guidebook will be posted on the City's website.

These expediting procedures are in alignment with the 2040 General Plan, Economic Development Goal 6: A Business-Friendly City, and the following related policies:

ED 6.4: Permit Processing - The City shall ensure a timely, fair, and predictable permit process that seeks to integrate multiple City departments into a single coordinated organization.

ED 6.5: Permit Technology - The City shall optimize its permit procedures by using technology and other tools that improve efficiency and reduce costs.

Environmental Review - Pursuant to the State of California Guidelines for implementation of the California Environmental Quality Act (CEQA) (commencing with Section 15000 of Title 14 of the California Code of Regulations), the City is the "lead agency" for the preparation and consideration of environmental documents for this ordinance. It has been determined that this ordinance is not subject to CEQA, pursuant to Sections 15060 (c) (1, 2, &3) of the Title 14

of the California Code of Regulations because it will not result in a direct or reasonably foreseeable indirect physical change in the environment.

Also, this ordinance is a valid exercise of the local police power and in accord with the goals and intent of AB 1236 and the public purposes and provisions of applicable State and local laws and requirements.

#### ECONOMIC AND FISCAL IMPACTS

There is no budgetary impact since costs to implement and enforce this ordinance will be funded by applicants for the installation, alteration or replacement of permits for electric vehicle charging stations.

#### NEXT STEPS

Should the Council introduce the attached ordinance, it would be brought back to Council for adoption at the next Council meeting, anticipated for July 18, 2017. The ordinance will be effective 30 days after adoption.

Prepared by: Gary Nordahl, Acting Building Official

Recommended by: Stacey Bristow, Acting Director of Development Services

Approved by:



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Kelly McAdoo, City Manager

## ORDINANCE NO. 17-\_\_\_

AN ORDINANCE MANDATED BY CALIFORNIA GOVERNMENT CODE SECTION 65850.7 (ASEMBLY BILL 1236), AMENDING SECTIONS 9-1.01 AND 9-1.02 OF THE HAYWARD MUNICIPAL CODE TO ADD SECTION 105.3.1.2 "EXPEDITED ELECTRIC VEHICLE CHARGING STATION PERMITTING"

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

Section 1. Section 9-1.01 of the Hayward Municipal Code is amended as shown below to incorporate provisions consistent with Government Code Section 65850.7 and reorder text related to expedited Residential Solar Permitting, with text to be deleted shown with stricken text and text to be added shown as double-underlined text:

"SEC. 9-1.01 - SUMMARY OF LOCAL AMENDMENTS.

CA Building Code Section	Added to Code	Code Change	Deleted from Code	Notes/Justification
101.1 Title		X		Defines name of jurisdiction
101.2.1 Appendices		X		Specifies adopted appendices
103.1		X		Defines name of enforcement agency
105.1.1			X	Removes option for annual permits
105.1.2			X	Item is removed since it is related to previous item
<u>105.3.1.1 Expedited Residential Solar Permitting</u>	<u>X</u>			<u>Establishes a requirement to expedite residential solar applications that meet specific criteria as mandated by California Government Code Section 65850.5 (AB 2188).</u>
<u>105.3.1.2 Expedited Electric Vehicle Charging Station Permitting</u>	<u>X</u>			<u>Establishes a requirement to expedite electric vehicle charging station applications that meet specific criteria as mandated by California Government Code Section 65850.7 (AB 1236).</u>
105.3.2		X		Adds clarification to the expiration policy of applications in plan review
105.5.1 Completion Permits	X			Defines process for "completion permits" — projects where inspections have



				been performed but the permit has expired
105.5.2 Completion Permit Fees	X			Establishes fee calculation formula for "completion permits"
<del>105.3.1.1 Expedited Residential Solar Permitting</del>	<del>X</del>			<del>Establishes a requirement to expedite residential solar applications that meet specific criteria as mandated by AB 2188.</del>

Section 2. Section 9-1.02 of the Hayward Municipal Code is amended as shown below to incorporate provisions consistent with Government Code Section 65850.7 and reorder text related to expedited Residential Solar Permitting, with text to be deleted shown with stricken text and text to be added shown as double-underlined text:

“SEC. 9-1.02 - LOCAL AMENDMENTS TO THE CA BUILDING CODE BY CHAPTER.

**CALIFORNIA BUILDING CODE CHAPTER 1:  
SCOPE AND ADMINISTRATION LOCAL AMENDMENTS**

The administrative local amendments in this chapter shall also apply to the corresponding requirements in the administration chapters of the California Mechanical Code, the California Plumbing Code and the California Electrical Code.

101.1 Title. This section is revised to read as follows:

These regulations shall be known as the Building Code of the City of Hayward. The provisions contained herein are adopted, and together with the local amendments, are referred to hereafter as "these regulations" or "these building standards" or "this code."

101.2.1 Appendices. This section is revised to read as follows:

Wherever in this code reference is made to an appendix chapter, the provisions of the said appendix shall not apply unless specifically adopted by this code. The following appendix chapters are adopted:

1. California Building Code Appendix I: Patio Covers
2. California Plumbing Code Appendix A: Rules for Sizing the Water Supply System
3. California Plumbing Code Appendix B: Notes on Combination Waste and Vent Systems
4. California Plumbing Code Appendix C: Alternate Plumbing Systems

103.1 Creation of enforcement agency. This section is revised to read as follows:

The Building Division of the Development Services Department is hereby created and the official in charge thereof shall be known as the building official.

105.1.1 Annual permit. This section is hereby deleted.

105.1.2 Annual permit records. This section is hereby deleted.

105.3.1.1 Expedited Residential Solar Permitting. A new section is added to read as follows:

The City of Hayward Building Division shall maintain expedited permitting and inspection services for small residential rooftop solar systems as required by California Government Code Section 65850.5 (AB 2188).

The following criteria must be met by the applicant to qualify for the expedited permitting process:

1. The installation must be on a one or two family dwelling.
2. The solar energy system shall not be larger than 10 kilowatts alternating current nameplate rating or 30 kilowatts thermal.
3. The submittal documents shall demonstrate compliance with all applicable codes and shall be legible. The design for the solar system shall include adequate details and/or calculations to confirm minimum code compliance for wind loads, dead loads and roof structure support, electrical system safety and plumbing systems for solar thermal.

The Building Division of the City of Hayward will provide the following services for qualified projects:

1. Checklist: A comprehensive checklist will be maintained on the City of Hayward website that covers the minimum code requirements. If a project submitted for review does not meet the minimum code items noted in the checklist, the applicant will be given a written list of comments specifying the required corrections.
2. Expedited plan review: Expedited plan review shall mean ½ of the normal plan review period for a project. The Building Division will make every effort to issue qualified residential solar permits on the same day as the application if staffing is available to complete the review.
3. Single Inspection: The Building Division and the Fire Prevention Office will coordinate to avoid separate inspection scheduling for small residential solar permits. The Fire Marshall or the Building Official may require additional inspections if the work inspected initially did not meet minimum code compliance.

105.3.1.2 Expedited Electric Vehicle Charging Station Permitting. A new section is added to read as follows:

The City of Hayward Building Division shall maintain expedited permitting for electric vehicle charging stations as required by California Government Code Section 65850.7 (AB 1236).

The Building Division of the City of Hayward will provide the following services for the permitting of Electric Vehicle Charging Stations:

1. Checklist: A link to a comprehensive guide book and checklists will be maintained on the City of Hayward website that covers the minimum code requirements. If a project submitted for review does not meet the minimum code items noted in the checklists, the applicant will be given a written list of comments specifying the required corrections.
2. Expedited Plan Review: Expedited plan review shall mean one-half of the normal plan review period for a project. The Building Division will make every effort to issue residential (single family or duplex) electric vehicle charging station permits on the same day as the application is submitted if staffing is available to complete the review, or will process such applications via electronic submittal. The Building Division will also make every effort to provide expedited plan reviews for commercial or multi-family (condominium or apartment complexes) electric vehicle charging station permits at no extra cost if staffing is available to meet the timelines.

105.3.2 Time limitation of application. This section is revised to read as follows:

An application for a permit for any proposed work submitted through the plan review process shall be deemed to have been abandoned 365 days after the date of filing if the plans are not approved. This timeline includes the responses to correction lists. Once the plans are approved, but the building permit has not yet been issued, the application for the permit shall be valid for an additional 180 days. The building official is authorized to grant one or more extensions of time for additional periods not exceeding 90 days each when an application has expired. The extension shall be requested in writing and justifiable cause demonstrated.

105.5.1 Completion permits. A new section, 105.5.1 is added as follows:

In the event that an initial or a renewed permit expires before the work is complete, the completion of the work shall require the issuance of a "completion" permit and the payment of an additional permit fee; moreover, the building official shall have the authority to require the resubmittal of plans, a new plan review, and/or the updating or reassessment of the valuation of the incomplete work. This completion permit will require that all incomplete work conform to the laws, regulations, rules, and ordinances in effect at the time of issuance and that all work be completed prior to the expiration date; no further extensions or renewals shall be allowed. The completion

permit fee shall be established as indicated in Section 105.5.2 and in accordance with the schedule of previously completed and inspected work.

Notwithstanding the above, in the event that a permittee fails to complete the work and to obtain a completion permit within 1 year following the expiration of an initial or a renewal permit, the work may not be completed pending the issuance of a new permit. The building official shall have the authority to require the resubmittal of some or all of the plans and specifications, a partial or complete plan review, the payment of additional review and filing fees, and that all work conform to the laws, regulations, rules, and ordinances in effect at the time of the latest permit application.

105.5.2 Fees for completion permits. A new section, 105.5.2 is added as follows:

Fees for completion permits as described in Section 105.5.1 shall be based upon the percentage of work that has passed inspection prior to the expiration of the renewed permit. If either valuation or fees have changed since the original permit was issued, the fees or the valuation shall be updated to the new fees or valuations in effect at the time the completion permit is issued. The percentages to be charged will remain the same.

This schedule is intended to apply to conventional wood frame building construction. In the event that the work is not conventional wood frame construction, or does not constitute a complete building, or is a type of structure other than a building, the building official shall determine the fee based upon the number of the inspections remaining to be performed.

Completed Inspections	% of Updated Valuation
None	60
Foundation	55
Under-floor	50
Shear Wall	40
Rough Frame	30
Lath or Gypsum Board	20
All, except Final	10

~~105.3.1.1 Expedited Residential Solar Permitting. A new section is added to read as follows:~~

~~The City of Hayward Building Division shall maintain expedited permitting and inspection services for small residential rooftop solar systems as required by AB 2188. This legislation is codified in Subsection (a) of Section 65850.5 of the California Government Code.~~

~~The following criteria must be met by the applicant to qualify for the expedited permitting process:~~

~~1.~~

~~The installation must be on a one or two family dwelling.~~

~~2.~~

~~The solar energy system shall not be larger than 10 kilowatts alternating current nameplate rating or 30 kilowatts thermal.~~

~~3.~~

~~The submittal documents shall demonstrate compliance with all applicable codes and shall be legible. The design for the solar system shall include adequate details and/or calculations to confirm minimum code compliance for wind loads, dead loads and roof structure support, electrical system safety and plumbing systems for solar thermal.~~

~~The Building Division of the City of Hayward will provide the following services for qualified projects:~~

~~1.~~

~~Checklist: A comprehensive checklist will be maintained on the City of Hayward website that covers the minimum code requirements. If a project submitted for review does not meet the minimum code items noted in the checklist, the applicant will be given a written list of comments specifying the required corrections.~~

~~2.~~

~~Expedited plan review: Expedited plan review shall mean 1/2 of the normal plan review period for a project. The Building Division will make every effort to issue qualified residential solar permits on the same day as the application if staffing is available to complete the review.~~

~~3.~~

~~Single Inspection: The Building Division and the Fire Prevention Office will coordinate to avoid separate inspection scheduling for small residential solar permits. The Fire Marshall or the Building Official may require additional inspections if the work inspected initially did not meet minimum code compliance."~~

Section 3. Any provision of the City of Hayward Municipal Code or appendices thereto, inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, are hereby repealed or modified to that extent necessary to affect the provisions of this Ordinance.

Section 4. Severance. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and every Section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

Section 5. Effective Date. This Ordinance shall become effective 30 days after adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the \_\_\_\_ day of \_\_\_\_, 2017, by Council Member \_\_\_\_\_.

ADOPTED at a regular meeting of the City Council of the City of Hayward, held the \_\_\_\_ day of \_\_\_\_, 2017, by the following votes of members of said City Council.

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED: \_\_\_\_\_  
Mayor of the City of Hayward

DATE: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

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



# Electric Vehicle Charging Devices

Development Services Department  
777 B Street Hayward, CA 94541  
510.583.4140

## For Single-Family Homes

Created: 4-1-07  
Revised: 0-00-00

Permits are required for electric vehicle charging devices installed in a home. The City of Hayward strongly recommends that the homeowner hire a licensed electrical contractor\* to provide a preliminary consultation and perform the installation. Before the permit is applied for, it is necessary to evaluate the home's electrical service to verify if it will be adequate for the new demands of the charging device. This is confirmed by doing what is called a "load calculation". In some situations, the service panel will need to be upgraded to accommodate the new charger. An upgraded service panel will require an additional permit.

For in-depth information related to EV charging and other zero emission vehicles, the state of California provides a guidebook that can be found here:

[https://www.opr.ca.gov/docs/ZEV\\_Guidebook.pdf](https://www.opr.ca.gov/docs/ZEV_Guidebook.pdf)

*\*Electrical contractors carry a State of California contractor's license with the designation "C-10", as opposed to general contractors that carry a "B" license. General contractors cannot pull permits for work that is primarily electrical unless there are unrelated trades in the project with carpentry as the primary trade.*

- STEP 1: Determine the type of charging device that you plan to install.** You may choose a **Level 1** charger that is 120 volts alternating current or a **Level 2** charger that is 240 volts alternating current. A level 1 charger uses regular household voltage and can typically charge a vehicle in 10 hours. A level 2 charger uses the voltage that is used by a household clothes dryer and can charge a car in 3 to 8 hours, depending on the vehicle.
  
- STEP 2: Visit the Permit Center at City Hall to obtain your permit.** Permits for Residential EV charging systems are issued "over the counter". This means that once the application is complete, you will be issued a permit the same day. In the permit application description, it is important to note the type of charger (level 1 or level 2). The fees for a residential EV charger are approximately **\$235**. As an alternative to visiting the Permit Center at City Hall, customers can obtain their permits by fax (or email). This process requires pre-registration in person for the first permit. The fax-in/email program is recommended for customers that pull multiple permits a year.
  
- STEP 3: Schedule an inspection and have the following documents on site for review:**
  - UL (Underwriters Laboratory) listing number.** Provide the UL listing number of the device. UL is the most common, but other nationally recognized listings are acceptable.



- Manufacturer’s installation instructions / product info.** This is often referred to as a “cut sheet”. The contractor must follow the installation instructions and the inspector may need to review these documents.
  
  - Rating of the existing service panel for the home.** If the rating of the panel is 125 amperes or less, provide load calculations per California Electrical Code Article 220. This information will be reviewed by the inspector on site. If some information is missing or if the service is not adequate for the installation of the device, additional permits may be required for associated electrical work.
  
  - Label at Service Panel.** A label stating “EV Capable” shall be posted in a conspicuous place at the service panel or subpanel and next to the raceway terminal point.
- 
- STEP 4: Approved Final Inspection – The system is ready to use!** Only after the Building Inspector has signed off the work for compliance with code is the project considered complete.



# Commercial EV Charging Stations

Development Services Department  
777 B Street Hayward, CA 94541  
510.583.4140

## Submittal Checklist

Created: 5-01-17  
Revised: 0-00-00

The City of Hayward defines commercial electric vehicle (EV) charging stations as systems installed in the following locations:

- **Multi-Family Buildings** (condos, apartments or common areas of townhomes or similar complexes)
- **Commercial Locations** (such as shopping centers, restaurants, grocery stores and general retail environments)
- **Office Buildings** (employee or visitor parking areas)
- **Industrial Uses** (charging devices for vehicle fleets or equipment such as forklifts)

For general information about these systems, the State of California has put together a guidebook that you can find here: [https://www.opr.ca.gov/docs/ZEV\\_Guidebook.pdf](https://www.opr.ca.gov/docs/ZEV_Guidebook.pdf)

### REVIEW TIMELINES

All commercial EV charging systems will require drawings and a plan review to confirm compliance with electrical, structural and disabled access codes. All EV charging station applications are completed on an **expedited timeline**. This means that the first review will be completed in 8 business days. If there are correction comments, the re-submittal will also be reviewed in 8 business days.

### PLAN SUBMITTAL CHECKLIST

Commercial EV charging station drawings are not specific to electrical work. They will also need to describe disabled access, parking changes and potentially landscape changes. In addition to an electrical designer, we recommend that these drawings are prepared by an architect or engineer that is experienced with disabled access.

Please provide **4 sets of plans**. Each set shall include the following items:

#### **SITE PLAN**

- List relevant property information, such as existing parking counts and ratios. Show new and existing parking spaces.
- Clearly show where the charging unit is located within the parking garage or parking lot.

- If the electric vehicle charging equipment is in an area subject to vehicular damage, an adequate barrier must be installed such as bollards or curbs. Show these protections on the plans and details.

## **DISABLED ACCESS DETAILS**

- The space width must be modified to provide for a path of travel to the charger. Identify the path of travel on the plans.
- Indicate the size of the accessible EV charging parking space, its access aisle and other accessible requirements. These items shall comply with the current California Building Code (CBC), Chapter 11B. Show all layout details and key dimensions.
- The charger shall comply with other accessibility requirements such as reach ranges. Provide details on the plans that demonstrate compliance with the CBC for the operable parts of the system.

## **ELECTRICAL PLANS**

- Provide a complete electrical single line drawing showing the main service, sub panels and disconnecting means. Include the size of overcurrent protection devices (in amperes) for main service, sub panels, disconnects and EV charger circuit supply. Show sizes and types of conduit and conductors. Include existing and proposed loads to estimate if existing electrical service will handle the new load from the EV charging systems.
- Note electrical feeder requirements when trenching structure to structure (CEC 225). The feeder from structure to structure should be noted in the scope of work. Verify that trenching complies with minimum cover requirements for wiring methods or circuits per CEC 300.
- A lockable disconnect is required in a readily accessible location per CEC 625 for EV charging stations > 60A or 150V to ground. A plaque stating, "Emergency Power Off – Electric Vehicle Charging Station" must be installed on each disconnect.
- Provide the manufacturer's cut sheets for the system.

## **STRUCTURAL DETAILS**

- Provide structural details to show method of attachment. Equipment weighing over 400 pounds shall include calculations prepared by an engineer to demonstrate resistance to overturning based on our seismic zone.



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

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**File #:** LB 17-031

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**DATE:** July 11, 2017

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Designation of Voting Delegates and Alternates for the League of California Cities 2017 Annual Conference

**RECOMMENDATION**

That the City Council designates a voting delegate and two alternate voting delegates as Hayward's representatives to the [League of California Cities 2017 Annual Conference](http://www.cacities.org/Education-Events/Annual-Conference/For-Attendees) [<http://www.cacities.org/Education-Events/Annual-Conference/For-Attendees>](http://www.cacities.org/Education-Events/Annual-Conference/For-Attendees) and adopts a Resolution with the designees identified; and authorizes the City Clerk to complete and submit the 2017 Annual Conference Voting Delegate/Alternate Form along with the adopted Resolution.

**ATTACHMENTS**

Attachment I      Staff Report  
Attachment II     Resolution  
Attachment III    Correspondence, Conference Voting Procedures, and Voting Delegate/Alternate Form



DATE: July 11, 2017

TO: Mayor and City Council

FROM: City Clerk

SUBJECT Designation of Voting Delegates and Alternates for the League of California Cities 2017 Annual Conference

#### RECOMMENDATION

That the City Council designates a voting delegate and two alternate voting delegates as Hayward's representatives to the [League of California Cities 2017 Annual Conference](#) and adopts a Resolution with the designees identified; and authorizes the City Clerk to complete and submit the 2017 Annual Conference Voting Delegate/Alternate Form along with the adopted Resolution.

#### BACKGROUND AND DISCUSSION

Consistent with the League of California Cities bylaws, a city's voting delegate and up to two alternates for the Annual Conference must be designated by formal Resolution of the Council.

The voting delegate and alternates must be registered to attend the conference, which is scheduled for September 13-15, 2017, in Sacramento, CA. At least one voter must be present at the Business Meeting and in possession of the voting delegate card in order to cast a vote. The voting delegate card may be transferred freely between the voting delegate and alternates. Council Members Lamnin, Márquez, Peixoto, Salinas, and Zermeño expressed interest in attending the League's Annual Conference and have registered to do so.

Council Member Márquez is the City's delegate to the League of California Cities East Bay Division and Council Member Salinas is the City's alternate.

The League's correspondence on this matter, the Annual Conference Voting Procedures, and the Voting Delegate/Alternate Form are provided as Attachment III for Council's reference. The completed form is due back to the League no later than September 1, 2017.

#### FISCAL AND ECONOMIC IMPACT

None.

## NEXT STEPS

Once the Council adopts the resolution and designates the voting delegate and alternates, the City Clerk will submit this information, along with the adopted resolution, to the League of California Cities.

Prepared and Recommended by: Miriam Lens, City Clerk

Approved by:

A handwritten signature in black ink, appearing to read "K. McAdoo". The signature is fluid and cursive, with a long horizontal stroke at the end.

---

Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO 17-\_\_\_\_\_

Introduced by\_\_\_\_\_

A RESOLUTION DESIGNATING A VOTING DELEGATE AND TWO ALTERNATE VOTING DELEGATES AS HAYWARD'S REPRESENTATIVES TO THE LEAGUE OF CALIFORNIA CITIES 2017 ANNUAL CONFERENCE

WHEREAS, the City of Hayward is a member of the League of California Cities and the League's Annual Conference is scheduled for September 13-15, 2017, in Sacramento, California; and

WHEREAS, during the annual conference, the League membership considers and takes action on resolutions that establish League policy; and

WHEREAS, in order to vote on behalf of the City of Hayward at the League's Annual Business Meeting, it is necessary to designate voting delegates and alternates prior to the Annual Conference in accordance with the League's bylaws; and

WHEREAS, Council Members Sara Lamnin, Elisa Márquez, Mark Salinas, Marvin Peixoto, and Francisco Zermeño expressed interest in attending the League's Annual Conference and have registered to do so.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that Council Member \_\_\_\_\_ is hereby designated as the City's voting delegate and Council Members \_\_\_\_\_ and \_\_\_\_\_ are hereby designated as the City's alternate voting delegates to the League of California Cities 2017 Annual Conference.

IN COUNCIL, HAYWARD, CALIFORNIA, \_\_\_\_\_, 2017

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



1400 K Street, Suite 400 • Sacramento, California 95814  
 Phone: 916.658.8200 Fax: 916.658.8240  
[www.cacities.org](http://www.cacities.org)

**Council Action Advised by July 31, 2017**

May 3, 2017

**TO: Mayors, City Managers and City Clerks**

**RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES  
 League of California Cities Annual Conference – September 13 – 15, Sacramento**

The League's 2017 Annual Conference is scheduled for September 13 – 15 in Sacramento. An important part of the Annual Conference is the Annual Business Meeting (during General Assembly), scheduled for 12:30 p.m. on Friday, September 15, at the Sacramento Convention Center. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

**Please complete the attached Voting Delegate form and return it to the League's office no later than Friday, September 1, 2017. This will allow us time to establish voting delegate/alternate records prior to the conference.**

Please note the following procedures that are intended to ensure the integrity of the voting process at the Annual Business Meeting.

- **Action by Council Required.** Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates must be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.
- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. To register for the conference, please go to our website: [www.cacities.org](http://www.cacities.org). In order to cast a vote, at least one voter must be present at the



Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the special sticker on their name badges that will admit them into the voting area during the Business Meeting.

- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may *not* transfer the voting card to another city official.
- **Seating Protocol during General Assembly.** At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the Sacramento Convention Center, will be open at the following times: Wednesday, September 13, 8:00 a.m. – 6:00 p.m.; Thursday, September 14, 7:00 a.m. – 4:00 p.m.; and Friday, September 15, 7:30 a.m.– Noon. The Voting Delegate Desk will also be open at the Business Meeting on Friday, but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for completing the voting delegate and alternate form and returning it to the League office by Friday, September 1. If you have questions, please call Carly Shelby at (916) 658-8279.

**Attachments:**

- Annual Conference Voting Procedures
- Voting Delegate/Alternate Form

## Annual Conference Voting Procedures

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.
2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.



CITY: \_\_\_\_\_

2017 ANNUAL CONFERENCE  
VOTING DELEGATE/ALTERNATE FORM

Please complete this form and return it to the League office by Friday, September 1, 2017. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

**Please note:** Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

Name: \_\_\_\_\_

Title: \_\_\_\_\_

2. VOTING DELEGATE - ALTERNATE

Name: \_\_\_\_\_

Title: \_\_\_\_\_

3. VOTING DELEGATE - ALTERNATE

Name: \_\_\_\_\_

Title: \_\_\_\_\_

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.

OR

**ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).**

Name: \_\_\_\_\_ E-mail \_\_\_\_\_

Mayor or City Clerk \_\_\_\_\_ Phone: \_\_\_\_\_  
(circle one) (signature)

Date: \_\_\_\_\_

**Please complete and return by Friday, September 1, 2017**

League of California Cities  
ATTN: Carly Shelby  
1400 K Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

**FAX: (916) 658-8240**  
E-mail: cshelby@cacities.org  
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