

CITY OF HAYWARD

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



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Tuesday, May 15, 2018

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

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

National Police Week in Hayward and Peace Officers' Memorial Day

Environmental Sustainability Awards Presentation

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 18-069](#) Minutes of the Special City Council Meeting on April 28, 2018

Attachments: [Attachment I Draft Minutes of 04/28/2018](#)

2. [CONS 18-323](#) Adoption of Ordinance Amending Chapter 10, Article 1 (Zoning Ordinance) and Article 24 (South Hayward Form Based Code) of the Hayward Municipal Code Rezoning Certain Property to Planned Development District in Connection with General Plan Amendment, Zone Change and Vesting Tentative Map Application No. 201704129 for the SoHay Mixed Use Development

Attachments: [Attachment I Staff Report](#)
 [Attachment II Summary of Ordinance](#)
 [Attachment III Revised Conditions of Approval](#)

3. [CONS 18-279](#) Authorization to Extend Professional Services Contract with Maze & Associates for Annual Audit Services

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

4. [CONS 18-293](#) Transportation Development Act, Article 3 Funds: FY 2019: Wheelchair Ramps Approval to File Application and Authorization for City Manager to Execute a Professional Services Agreement with Metropolitan Transportation Commission

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment IIIa Attachment 1 of 2 Application Form](#)
 [Attachment IIIb Attachment 2 of 2 Findings](#)
 [Attachment IV Location Maps](#)

5. [CONS 18-294](#) Road Repair and Accountability Act (RRAA) FY19 Pavement Rehabilitation Project - Approval of Project List

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

6. [CONS 18-295](#) Approve Resolution in Support of Proposition 69 to Preserve Transportation Funding and Oppose Efforts to Repeal the Road Repair and Accountability Act (SB-1)

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

LEGISLATIVE BUSINESS

7. [LB 18-021](#) Resolution of Intention to Form the Downtown Hayward Community Benefit District (Report from City Manager McAdoo)
- Attachments:** [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III Management District Plan](#)
 [Attachment IV Engineer's Report](#)
 [Attachment V Support Petition Report](#)
8. [LB 18-016](#) La Vista Park - Project Status & Funding Direction (Report from Interim Development Services Director Bristow)
- Attachments:** [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III Illustrative La Vista Park Plan](#)
9. [LB 18-022](#) Status Update of the Fiscal Year (FY) 2018 Approved Community Development Block Grant (CDBG) Biennial Fund Projects and Review of the FY 2019 Proposed Projects and Authorization to Reallocate \$1.9 Million of Unspent CDBG funds to Eligible Projects in FY 2019 (Report from Assistant City Manager Hurtado)
- Attachments:** [Attachment I Staff Report](#)
 [Attachment II Staff Report from 7/18/17](#)
 [Attachment III FY2018-2019 Summary Reallocations](#)
 [Attachment IV Resolution](#)
10. [LB 18-019](#) Introduction of Ordinance Adding Section 15 to Chapter 2, Article 13 of the Hayward Municipal Code Relating to Electronic and Paperless Filing of the Fair Political Practices Commission Campaign Disclosure Statements (Report from City Clerk Lens)
- Attachments:** [Attachment I Staff Report](#)
 [Attachment II Ordinance](#)
 [Attachment III Gov Code Section 84615](#)

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.

- 11.** [WS 18-023](#) Proposed FY 2019 Operating Budget - Work Session #2
(Report from Finance Director Claussen)

Attachments: [Attachment I Staff Report](#)

CITY MANAGER'S COMMENTS

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

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

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

ADJOURNMENT

NEXT MEETING, Tuesday, May 22, 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

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

File #: MIN 18-069

DATE: May 15, 2018

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Minutes of the Special City Council Meeting on April 28, 2018

RECOMMENDATION

That the City Council approves the minutes of the City Council Meeting on April 28, 2018.

SUMMARY

The City Council held a meeting on April 28, 2018.

ATTACHMENTS

Attachment I Draft Minutes of 04/28/2018



MINUTES OF THE SPECIAL CITY COUNCIL MEETING
Conference Room 2A
777 B Street, Hayward, CA 94541
Saturday, April 28, 2018, 9:00 a.m.

The Meeting of the Special City Council was called to order by Mayor Halliday at 9:00 a.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

PUBLIC COMMENTS

There were no public comments.

SPECIAL WORK SESSION

1. Proposed FY 2019 Operating Budget - Departmental Budget Presentations (Report from Finance Director Claussen) **WS 18-017**

City Manager McAdoo provided a roadmap for the day and noted that the FY 2019 Budget Development Principles included a status quo budget, no additional full-time employee requests unless cost neutral, identify unfunded CIP needs, and identify efficiency measures.

City Manager McAdoo provided a status update of the General Fund Five-Year Plan. It was recommended that staff consider a plan for communicating options should the revenue ballot measures be unsuccessful.

City Manager McAdoo provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the City Manager's Office; and responded to questions related to the proposed Deputy City Manager position.

Members of the City Council provided the following recommendations. For FY 2019 Goals: (1) add a target to Item No. 4 (Continue leading Caltrans/Route 238 property disposition project) for the number of property groups that are planned to be disposed of, (2) correct the metrics for Item 11 (signage program) and Item 12 (content and audit of the website), (3) change the metric for Item No. 1 (Council agenda and reports) to indicate that agendas and reports will be delivered by the Thursday before the City Council meeting, (4) add language to Item No. 20 (Homeless Action Plan) related to Task Force members who are/were homeless individuals; consider desired zoning uses as the Economic Development Strategic Plan gets reviewed relative to the Tennyson Corridor; clarify the Budget Message (page 5) by noting that Measure A changed to Measure D in June 2016 and that Measure C was approved by voters in 2014; and have consistency in the FY 2019 Proposed Budget when referring to the members of the community.

Interim Public Works Director Ameri provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Public Works Department; and responded to questions related to the subcontractor substitution related to Fire Stations 1-5 Improvements project; traffic circulation throughout the City; issues with hangar rates at the Executive Airport; Old Highland agreements; and Pavement Management Index value and Senate Bill 1 legislation. Members of the City Council provided the following recommendations: explore a way to capture concerns/complaints from Access Hayward to identify issues in the department; review FY 2019 Key Service Goals and Metrics and consider adding measurable metrics; and add another goal around CIP needs for the Airport.

Utilities and Environmental Services Director Ameri provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Utilities and Environmental Services Department; and responded to questions related to: the Advanced Metering Infrastructure (AMI) project; Water Capital Replacement fees; Connection Fee to Sewer Improvement; request for Senior Water Resources Engineer addition; and China's recycling ban and any impact to the City. Members of the City Council provided the following recommendations: clarify the figures for Liability Insurance Premium for FY 2016, FY 2017 and FY 2018 on page 314; and partner with the Public Information Officer and his team to educate the public about the Advanced Metering Infrastructure (AMI) project using YouTube videos in multiple languages.

The City Council took a recess at 10:59 a.m., and reconvened the meeting at 11:12 a.m.

Maintenance Services Director Rullman provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Maintenance Services Department; and responded to questions related to: multifamily unit housing and illegal dumping; trees for the Tennyson Corridor; restrictive signage for 25 new streets; updates to drains to the bate signage and bicycle safe grates; camp abatement; replacement of roof at the old City Hall; Waste Management contractual garbage pickup obligation; street sweeping; and South Hayward BART JPA. The following recommendation was provided: explore internalizing landscape improvement projects and adding them to the task list for Maintenance and Public Works departments in 2020.

Library Director Reinhart provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Library Department; and responded to questions related to: the new library; Library Commission; the Hayward Promise Neighborhood Initiative; merchandize at the gift shop of the new library; and library fines. Members of the City Council provided the following recommendations: consider evaluating increasing library hours and Sunday hours if revenue measures and other initiatives are successful; and under FY 2019 Objectives/Goals, continue to report on library operations, public services, and education services.

Police Chief Koller provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Police Department; and responded to questions related to: jail operation closure and jail opening to



MINUTES OF THE SPECIAL CITY COUNCIL MEETING
Conference Room 2A
777 B Street, Hayward, CA 94541
Saturday, April 28, 2018, 9:00 a.m.

other jurisdictions; social media; Sanctuary City policy; incidents at Southland and SMASH operations; revenue from Photo Red Light; the Police Administration Building (PUB); elimination of one Community Services Officer; and collisions at intersections. Members of the City Council provided the following recommendations: consider adding numeric targets to FY 2018 Key Service Goals/Objectives and elaborate on the status section; and evaluate expanding the Neighborhood Alert Program and offering it in different languages.

The City Council took a recess at 12:35 p.m., and reconvened the meeting at 1:11 p.m.

Information Technology Director Kostrzak provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Information Technology Department; and responded to questions related to: update on grant for Fiber Optic; communication sent to the organization regarding suspicious email; and disaster preparedness and emergency response.

Interim Development Services Director Bristow provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Development Services Department; and responded to questions related to: update on the La Vista Park project; staffing and service improvement; land uses for the Tennyson Corridor; Form-Based Codes' revision; Downtown Specific Plan; and status of new permitting software. Members of the City Council provided the following recommendations: conduct an analysis of requirements of municipalities related to processes at the Permit Center and compare them with the City's requirements; add a goal under FY 2019 Key Service Goals and Metrics related to the La Vista Park project; explore opportunities to be flexible in attracting businesses to Hayward; consider getting the Seismic Soft-story Retrofit Program back on track; explore how developers can integrate Complete Communities Strategic Initiative Action Plan into their proposals.

Fire Chief Contreras provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Fire Department; and responded to questions related to: increase in service calls; captain promotion; adequate resources and training to mitigate emergencies; Center for Public Safety Excellence (CPSE) Accreditation; open house for the improved fire stations; disaster preparedness and mutual aid reimbursement. The following recommendation was provided: consider adding more information to FY 2019 to measure successes and improvements.

Human Resources Director Collins provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Human Resources Department; and responded to questions related to: addition of a Human Resources Technician and scope of the Personnel Commission and development of goals. The following recommendation was provided: consider adding a Diversity Analysis of Citywide staffing to FY 19 Key Service Objectives/Goals.

Finance Director Claussen provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Finance Department; and responded to questions related to: Customer Appreciation Week and customer satisfaction survey.

City Clerk Lens provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the City Clerk's Office; and responded to questions related to resignations from Council's appointed bodies; election cost; and Passport Program. The following recommendation was provided: explore providing interpretation services in different languages for individuals in need of the service.

City Attorney Lawson provided an overview of the status of FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the City Attorney's Office; and responded to questions related to: the Sanctuary City policy; increase in insurance costs; Assembly Bill (AB) 1912 relating to retirement liabilities of Joint Powers Authorities (JPA); and body camera videos related to use of force.

There were no questions related to the FY 2018 highlighted goals, highlighted goals for FY 2019, and significant FY 2019 budget changes for the Mayor and City Council Department. It was recommended to add "state" to Item No. 6 under FY 19 Key Service Goals and Metrics.

City Manager McAdoo provided an overview of FY 2019 next steps and options (reduction in allocation to fleet capital, three month hiring deferral, PERS prepayment, and negotiated savings) to reduce the use of General Fund reserves in FY 2019; and responded to questions related to possible revenue from November ballot measures and Cannabis revenue.

ADJOURNMENT

Mayor Halliday adjourned the special meeting at 3:44 p.m.

APPROVED

Barbara Halliday
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward



CITY OF HAYWARD

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

File #: CONS 18-323

DATE: May 15, 2018

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Adoption of Ordinance Amending Chapter 10, Article 1 (Zoning Ordinance) and Article 24 (South Hayward Form Based Code) of the Hayward Municipal Code Rezoning Certain Property to Planned Development District in Connection with General Plan Amendment, Zone Change and Vesting Tentative Map Application No. 201704129 for the SoHay Mixed Use Development

RECOMMENDATION

That the City Council adopts the Ordinance introduced on May 8, 2018.

SUMMARY

This item entails the adoption of an Ordinance amending Chapter 10, Article 1 and Article 24 of the Hayward Municipal Code rezoning certain property to Planned Development District in connection with General Plan Amendment, Zone Change and Vesting Tentative Map Application No. 201704129 for the SoHay Mixed Use Development, introduced on May 8, 2018.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Summary of Ordinance Published on 5/11/2018
Attachment III	Revised Conditions of Approval (Exhibit Ia of Resolution)



DATE: May 15, 2018

TO: Mayor and City Council

FROM: City Clerk

SUBJECT Adoption of Ordinance Amending Chapter 10, Article 1 (Zoning Ordinance) and Article 24 (South Hayward Form Based Code) of the Hayward Municipal Code Rezoning Certain Property to Planned Development District in Connection with General Plan Amendment, Zone Change and Vesting Tentative Map Application No. 201704129 for the SoHay Mixed Use Development

RECOMMENDATION

That the Council adopts the Ordinance introduced on May 8, 2018.

SUMMARY

This item entails adoption of an Ordinance amending Chapter 10, Article 1 and Article 24 of the Hayward Municipal Code rezoning certain property to Planned Development District in connection with General Plan Amendment, Zone Change and Vesting Tentative Map Application No. 201704129 for the SoHay Mixed Use Development introduced on May 8, 2018.

BACKGROUND

The Ordinance was introduced by Council Member Mendall at the May 8, 2018, meeting of the City Council with the following vote:

AYES: COUNCIL MEMBERS: Zermeño, Mendall, Peixoto, Lamnin, Salinas
MAYOR Halliday

NOES: COUNCIL MEMBER: Márquez

ABSENT: None

ABSTAIN: None

The introduction of the Ordinance included four amendments as follows: 1) Add a new condition [Condition of Approval No. 56 (k.)] requiring the Homeowners Association to provide at least \$400 of free Clipper Cards annually to each residential unit that wants one; 2) Unbundle the cost of renting the parking spaces from the cost of the apartment rent for the 72 apartment units; 3) That the developer be required to erect two “Coming Soon” signs on Mission Boulevard and Industrial Parkway, subject to applicable sign regulations; and 4) Ensure that the mixed-use component gets built: that no certificates of occupancy for the “for-

sale” units be issued by the City until the vertical construction of the mixed-use buildings has begun, and that the last 20% of the certificates of occupancy for the “for-sale” units be withheld until the mixed-used buildings are deemed largely complete by City staff, and work with developer to draft language related to waivers should unforeseen circumstances arise.

The following Conditions of Approval (Exhibit I.a of the Resolution) have been modified according to feedback received from Council Members during the Council meeting on May 8, 2018. Attachment III consists of the revised Conditions of Approval.

6. The Applicant shall submit an application for a Master Sign Program in accordance with Hayward Municipal Code (HMC) Section 10-7.210, prior to the installation of any signage for the commercial development. **The sign program shall include a provision to install artistic renderings or signage in windows of vacant commercial tenant spaces and “Coming Soon” signs for future commercial tenants if the tenant space is under construction.** Signage associated with the Park and wayfinding and interpretive signage along the public pathways shall be reviewed and approved with the Park improvement plans. (DS)
9. **The mixed-use buildings shall be under vertical construction before a certificate of occupancy is issued for the first “for sale” condominium unit and shall be completed prior to issuance of the 321st certificate of occupancy for the “for sale” condominium units. (DS)**
48. **The applicant shall install two “Coming Soon” signs advertising the future development and including renderings of the proposed development on Mission Boulevard and Industrial Parkway. The applicant shall provide the location, size and method of installation of the signs on the Precise Plan submittal. (DS)**
- 58 (k) **The Homeowners Association shall provide a \$400 Clipper Card annually to each for sale household unless the household declines the benefit in writing.**
167. **The rent charged for a residential unit shall be unbundled from the cost of a parking space. The rents for units who choose not to purchase a parking space shall be reduced by an amount equal to that charged for a parking space.**
- 169 (d) A provision that the building exteriors and fences shall be maintained free of graffiti. The owner’s representative shall inspect the premises on a weekly basis and any graffiti shall be removed within **72 hours** of inspection or within **72 hours** of notification by the City.
- 169 (i) **The garage for each unit shall be maintained for off-street parking for one or two vehicles, as designed, and shall not be converted to living or storage areas. An automatic garage door opening mechanism shall be provided for all garage doors.**

169(j) The residents shall not use parking spaces for storage of recreational vehicles, camper shells, boats or trailers. These parking spaces shall be monitored by the HOA. The HOA shall remove vehicles parked contrary to this provision. The CC&R's shall include authority for the HOA to tow illegally parked vehicles.

STRATEGIC INITIATIVES

This agenda item is a routine operational item and does not relate to one of the Council's Strategic Initiatives.

FISCAL IMPACT

There is no fiscal impact associated with this report.

PUBLIC CONTACT

The summary of the Ordinance was published in the Hayward Daily Review on Friday, May 11, 2018. Adoption at this time is therefore appropriate.

NEXT STEPS

The Hayward Municipal Code and other related documents will be updated accordingly.

Prepared and Recommended by: Leigha Schmidt, AICP, Senior Planner
Miriam Lens, City Clerk

Approved by:



Kelly McAdoo, City Manager

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

AN ORDINANCE AMENDING CHAPTER 10, ARTICLE 1 (ZONING ORDINANCE) AND ARTICLE 24 (SOUTH HAYWARD FORM BASED CODE) OF THE HAYWARD MUNICIPAL CODE REZONING CERTAIN PROPERTY TO PLANNED DEVELOPMENT DISTRICT IN CONNECTION WITH GENERAL PLAN AMENDMENT, ZONE CHANGE AND VESTING TENTATIVE MAP APPLICATION NO. 201704129 FOR THE SOHAY MIXED USE DEVELOPMENT

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

Section 1. Provisions. Chapter 10 of the Hayward Municipal Code is hereby amended to rezone the property located on an approximately 25-acre site roughly bound by Mission Boulevard on the east, the BART tracks on the west, Industrial Parkway on the south and Valle Vista Avenue on the north. Assessor Parcel Numbers (APNs) 078C-0447-003-01, 078C-0447-003-02, 078C-0447-006-02, 078C-0438-006-00, 078C-0438-005-00, 078C-0438-007-00, 078C-0438-008-00, 078C-0438-009-00, 078C-0438-010-00, 078C-0438-011-01, 078C-0438-019-01, 078C-0435-002-01, 083-0460-006-03, 078C-0436-010-03, 078C-0436-001-07, 078C-0435-006-00, 078C-0455-004-00, 078C-0455-003-00, 078C-0455-005-02, 083-0460-011-00, 083-0460-010-00, from Civic Space Zone (S-CS), Urban General Zone (S-T4), Urban Center Zone (S-T5) of the South Hayward Form Based Code, High Density Residential District and Industrial District to Planned Development District to allow for construction of Sohay, a mixed-use development consisting of 472 multi-family housing units; approximately 20,000 square feet of retail space; 2.4 acres of parkland and trails; and, related site improvements, subject to the findings and conditions of approval set forth in the companion Resolution No. 18-075 to this Ordinance.

Section 2. Severance. Should any part of this ordinance be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid or beyond authority of the City, such decision shall not affect the validity of the remainder of this ordinance, which shall continue in full force and effect, provided the remainder of the ordinance, absent the excised portion, can be reasonably interpreted to give effect to intentions of the City Council.

Section 3. Effective Date. This ordinance shall become effective immediately upon adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the 8th day of May, 2018, by Council Member Mendall.

This ordinance will be considered for adoption at the meeting of the Hayward City Council, to be held on May 15, 2018, at 7:00 p.m., in the Council Chambers, 777 B Street, Hayward, California. The full text of this Ordinance is available for examination by the public in the Office of the City Clerk.

Dated: May 11, 2018
Miriam Lens, City Clerk
City of Hayward

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-__

Introduced by Council Member _____

RESOLUTION APPROVING GENERAL PLAN AMENDMENT, ZONE CHANGE AND VESTING TENTATIVE MAP (TRACT 8428) FOR THE SOHAY MIXED USE DEVELOPMENT; AND APPROVING THE RELATED MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM; WILLIAM LYON HOMES, INC./CITY OF HAYWARD, HAYWARD AREA RECREATION DISTRICT, ALAMEDA COUNTY FLOOD CONTROL DISTRICT AND BAY AREA RAPID TRANSIT DISTRICT (APPLICANT/OWNERS)

WHEREAS, on July 17, 2017, Steve Jones, on behalf of William Lyon Homes, Inc., submitted General Plan Amendment, Zone Change and Vesting Tentative Map Application No. 201704129, to develop 352 townhome units; 20,000 square feet of commercial space; 2.4 acres of parks and trails; and, related site improvements on an approximately 25-acre site roughly bound by Mission Boulevard on the east, the BART tracks on the west, Industrial Parkway on the south and Valle Vista Avenue on the north. Assessor Parcel Numbers (APNs) 078C-0447-003-01, 078C-0447-003-02, 078C-0447-006-02, 078C-0438-006-00, 078C-0438-005-00, 078C-0438-007-00, 078C-0438-008-00, 078C-0438-009-00, 078C-0438-010-00, 078C-0438-011-01, 078C-0438-019-01, 078C-0435-002-01, 083-0460-006-03, 078C-0436-010-03, 078C-0436-001-07, 078C-0435-006-00, 078C-0455-004-00, 078C-0455-003-00, 078C-0455-005-02, 083-0460-011-00, 083-0460-010-00; and

WHEREAS, on January 12, 2016, the City Council adopted Resolution No. 16-004, authorizing the City Manager to negotiate and execute an agreement with Caltrans to acquire 17 properties along the 238 Bypass Corridor to remediate blight; support transit-oriented, mixed use development; and ensure redevelopment of the properties under a coherent development plan that meets the City's land use goals and other public purposes; and

WHEREAS, on January 19, 2016, the City Council adopted Resolution No. 16-007, authorizing the City Manager to enter into an Exclusive Negotiating Rights Agreement (ENRA), as amended, with William Lyon Homes, the applicant, to develop a conceptual land use plan for the subject properties. The City's goals for the property were to promote economic development opportunities and create transit-oriented development and public open spaces in the Mission/Dixon area; and

WHEREAS, on May 16, 2017, the City Council held a public hearing and adopted Resolution No. 17-058, authorizing the City Manager to negotiate and execute a Purchase and Sale Agreement (PSA) with William Lyon Homes. The PSA detailed the manner in which the subject properties will be conveyed and was subsequently executed on June 2, 2017; and

WHEREAS, on June 26, 2017, the Hayward Area Recreation District (HARD) Board adopted Resolution No. R-1617-90, authorizing the agency to enter into an agreement to exchange the existing Valle Vista Park for a park parcel within the new development, at equal value. At that meeting, the HARD Board recommended that the future park be included in a Lighting and Landscape District to cover on-going maintenance cost; and

WHEREAS, as further contemplated by the PSA and approved in conjunction with the PSA, the City is currently negotiating with the Alameda County Flood Control District (ACFCD) and the Bay Area Rapid Transit District (BART) and the Hayward Area Recreation District (HARD) for purchase and conveyance of three additional properties to include in the proposed development project. Pursuant to conditions of approval of the proposed development, the land sales and land swap are expected to be considered and approved by the respective agencies prior to issuance of grading permits for the project; and

WHEREAS, on November 17, 2017, William Lyon Homes Inc. amended the development application to add 72 multi-family rental units above the proposed commercial buildings along Mission boulevard, and to reconfigure the townhomes to provide a combination of stacked flats with ground floor living space and townhomes for an increase of 48 for sale units resulting in a total 472 residential units on the project site. The applicant also submitted an Affordable Housing Plan to deed restrict 20 rental units (about 27% of rental units) for low income households and 28 for sale units (about 7% of for sale units) for moderate income households for a total of 48 deed restricted units, or slightly over 10% of all units on the site; and

WHEREAS, an Initial Study and Mitigated Negative Declaration were prepared to assess the potential impacts of the Project and circulated for a 20-day public review period from March 30, 2018 through April 20, 2018; and

WHEREAS, on March 30, 2018, notices of this public hearing and the Notice of Intent to Adopt a Mitigated Negative Declaration with Mitigation Monitoring Plan were sent to all property owners and residents within a 300-foot radius of the project site; to interested parties who requested to be notified about the project; was posted at the Alameda County Clerk Recorder's Office; and, was published in The Daily Review; and

WHEREAS, on April 13, 2018, notice of the Planning Commission public hearing regarding the appeal was mailed to all property owners and residents within 300 feet of the project site as well as those who requested such notice; and was published in The Daily Review; and

WHEREAS, on April 26, 2018, the Planning Commission held a duly noticed public hearing on the proposed project and voted 6:0:0 to recommend City Council approval of the project; and

WHEREAS, on April 27, 2018, notice of the City Council public hearing regarding the appeal was mailed to all property owners and residents within 300 feet of the project site as well as those who requested such notice; and was published in The Daily Review; and

WHEREAS, on May 8, 2018, the City Council held a public hearing and accepted public testimony on the proposed project.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby adopts the following findings:

CALIFORNIA ENVIRONMENTAL QUALITY ACT

- A. Pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15220, an Initial Study (IS) was prepared for this project with the finding that a Mitigated Negative Declaration (MND) was appropriate because all potential impacts could be mitigated to a level of less than significant with the implementation of Mitigation Measures that were incorporated as conditions of approval for the Project.
- B. That the proposed MND was prepared by Michael Baker International, on behalf of the City of Hayward acting as the Lead Agency, and that the MND was circulated with a minimum twenty (20) day public review period between March 30, 2018 and April 20, 2018.
- C. That the proposed MND was independently reviewed, considered and analyzed by the City Council and reflects the independent judgment of the City Council; that such independent judgment is based on substantial evidence in the record; that the City Council adopts the proposed MND and its findings and conclusions as its source of environmental information; and that the proposed MND is legally adequate and was completed in compliance with CEQA.
- D. That the proposed MND identified all potential adverse impacts and mitigation measures to reduce the effects of such impacts in the areas of Air Quality, Biological Resources, Cultural Resources, Hazards and Hazardous Materials, Hydrology and Water Quality, Noise, Transportation/Traffic, Tribal Cultural Resources, and Mandatory Findings of Significance. Based on the MND and the whole record before

the City Council, there is no substantial evidence that the project will have a significant effect on the environment.

- E. That the project complies with CEQA, and that the proposed MND was presented to the City Council, which reviewed and considered the information contained therein prior to approving the project. The custodian of the record of proceedings upon which this decision is based in the Development Services Department of the City of Hayward located at 777 B Street, Hayward, CA 94544.

GENERAL PLAN AMENDMENT

- A. Substantial proof exists that the proposed change will promote the public health, safety, convenience and general welfare of the residents of Hayward.

The proposed General Plan amendment from various land use designations to Sustainable Mixed Use and Parks and Recreation will provide a consistent land use designation across 21 scattered sites to develop a cohesive, mixed-use, transit-oriented development with 472 mixed income, multi-family townhouse units, and approximately 20,000 square feet of ground floor retail within one-half mile of the South Hayward BART Station. The proposed development will be connected through a series of trails, pedestrian paseos and sidewalks, bicycle paths while consistent landscaping, street furniture and decorative paving would provide a cohesive identity for the large-scale development.

The proposed development will promote public health, safety and convenience and general welfare of the residents of Hayward in that it will result in development of a disaggregated set of vacant, underutilized parcels that would difficult to develop individually due to their varying sizes and locations as infill parcels surrounded by existing development. It will support public health and environmental sustainability in that it will place high density transit-oriented development near high frequency transit. The project will include a robust pedestrian and bicycle network that will be activated and enhanced through the implementation of transportation demand management measures; construction of off-site improvements such as installation of mid-block crossings; and, expansion of bicycle parking to support and facilitate walking and bicycling throughout the development and to BART.

The development will support the general convenience and welfare of Hayward residents in that it will result in construction of 472 new housing units with a variety of housing types: rental, for sale, multi-family apartments and stacked and row townhomes, at varying levels of affordability and include a public park and commercial space, which will serve the residents of the project and neighboring areas.

- B. The proposed change is in conformance with the purposes of the Zoning Ordinance and all applicable, officially adopted policies and plans.

The proposed mixed-use, transit-oriented development is consistent with the overall vision for development along Mission Boulevard and the South Hayward BART/Mission Boulevard Form Based Code (Hayward Municipal Code Chapter 10, Article 24), in that it would place the highest density, mixed use development along the Mission Boulevard corridor while reducing the intensity and density of the development further from the commercial arterial. The project will provide a diversity of housing types at varying levels of affordability and will allow for multi-modal access through an interconnected network of multi-use roadways, open spaces and paths. In addition, the project adheres closely to Form Based Code standards related to building form, height, limited parking, open space design, orientation on the lot and interaction with public spaces.

The proposed development is consistent with multiple General Plan goals and policies to:

- Support development of compact, mixed use and walkable neighborhoods within the City's Priority Development Areas; near regional transit; within the South Hayward neighborhood; and that integrates a mix of land uses into new and established neighborhoods (General Plan Land Use Goal 2 and Policies LU-1.5, LU-1.6, and LU-2.8).
- Create complete neighborhoods with a mix of densities and uses and that provide convenient access to parks and other community amenities and foster commercial and social activity for nearby residents and businesses (LU Goals 3 and 4 and Policies LU-3.5, LU-4.1, and LU-4.3).
- Design mixed use neighborhoods to place retail frontages and outdoor gathering spaces along the public right-of-way while locating parking at the rear of the building; and enhance development with landscaping, lighting, planters and other amenities. Develop highly connected block and street networks; provide alley loaded garages for townhome development; locate parking for multifamily development below apartment buildings; and ensure that windows front streets and public right-of-way (Policies LU-3.4 and LU-3.5).
- Develop a comprehensive, integrated and connected network of transportation facilities to serve all modes of travel (Mobility Goal 1 and Policy M-8.4).
- Encourage active lifestyles and the development of urban infill parks where traditional, large-scale neighborhood and community parks are not appropriate; and construct infrastructure improvements in existing neighborhoods to enable people to drive less and walk, bike or take public transit more (Health and Quality of Life Goal 2 and Policies HQL-10.4 and HQL-11.2)

The proposed land use amendment from Parks and Recreation to Sustainable Mixed Use will result in a reduction of approximately 7.6-acres of land currently designated for Parks and Recreation thereby reducing the land available for future potential development of park and recreation uses and potentially making accomplishment of General Plan Policy HQL-10.2, to establish minimum park acreages per resident, more difficult to achieve. While the amendment would result in a reduction of acreage designated Parks and Recreation, the subject properties are currently vacant and fenced-off from public use and there are no plans or funding sources available to develop a park or other recreational uses on the subject properties. In contrast, the proposed project will result in near-term development of the currently vacant property into a large scale, mixed use development with a variety of open spaces and trails including the relocation, expansion and redevelopment of the Valle Vista Park. Further, there is adequate acreage designated Open Space throughout the City to accommodate the City's ultimate goals related to park acreage per resident upon identification of other funding sources.

Inclusion of conditions of approval related to implementation of a license agreement between the applicant and HARD to allow for continued operation of Valle Vista Park, and the establishment of a time frame for the dedication and completion of the new park within twenty months of issuance of grading permits for the residential development will ensure that the City comes closer to reaching General Plan Policy HQL-10.2, related to expansion of high quality, amenity-rich park area per resident within Hayward.

- C. Streets and public facilities existing or proposed are adequate to serve all uses permitted when property is reclassified.

The proposed infill project is surrounded by existing streets and has access to all utilities, with adequate capacity to serve the proposed development. In addition, the project will be required to install frontage improvements and underground overhead utilities in front of their project site and fronting any public street. A Mitigated Negative Declaration was prepared for the proposed development and found that all impacts related to streets, public facilities, utilities and agencies could be mitigated to a level of less than significant. All mitigation measures were included as conditions of approval for the project.

- D. All uses permitted when property is reclassified will be compatible with present and potential future uses, and, further, a beneficial effect will be achieved which is not obtainable under existing regulations.

The proposed development consists of a mixed-use, transit-oriented development that is consistent with the intent of the underlying South Hayward BART/Mission Boulevard Form Based Code as well as multiple General Plan goals and policies for the site and surrounding area.

The proposed development is consistent with the existing, surrounding development in that it will place the highest density and highest intensity mixed use development along Mission Boulevard, which is a major commercial arterial where such development is envisioned and encouraged. The lower intensity townhome development will be placed along Valle Vista Avenue, within the internal neighborhoods and along Dixon Street, consistent with the existing, surrounding mix of single family and multi-family residential development. Good neighbor fencing, landscaping and well-designed paseos and structures will ensure that the future development is compatible with and a beneficial addition to the neighborhood.

All future development surrounding the project site will be subject to the same standards, requirements, goals and policies therefore the proposed development will also be consistent with future development anticipated and planned within the area.

ZONE CHANGE

- A. The development is in substantial harmony with the surrounding area and conforms to the General Plan and applicable City policies.

The proposed development is consistent with the overall vision for development along Mission Boulevard and the South Hayward BART/Mission Boulevard Form Based Code in that it will place the highest density and intensity mixed use development along Mission Boulevard while stepping back development as it moves further from the commercial arterial and high frequency transit. In addition, it adheres closely with Form Based Code development standards related to building form, height, open space design, building orientation on the lot and design of building interface with public spaces.

The proposed development is also consistent with multiple General Plan goals and policies to:

- Support development of compact, mixed use and walkable neighborhoods within the City's Priority Development Areas; near regional transit; within the South Hayward neighborhood; and that integrates a mix of land uses into new and established neighborhoods (General Plan Land Use Goal 2 and Policies LU-1.5, LU-1.6, and LU-2.8).
- Create complete neighborhoods with a mix of densities and uses and that provide convenient access to parks and other community amenities and foster commercial and social activity for nearby residents and businesses (LU Goals 3 and 4 and Policies LU-3.5, LU-4.1, and LU-4.3).
- Design mixed use neighborhoods to place retail frontages and outdoor gathering spaces along the public right-of-way while locating parking at the rear of the

building; and enhance development with landscaping, lighting, planters and other amenities. Develop highly connected block and street networks; provide alley loaded garages for townhome development; locate parking for multifamily development below apartment buildings; and ensure that windows front streets and public right-of-way (Policies LU-3.4 and LU-3.5).

- Develop a comprehensive, integrated and connected network of transportation facilities to serve all modes of travel (Mobility Goal 1 and Policy M-8.4).
- Encourage active lifestyles and the development of urban infill parks where traditional, large-scale neighborhood and community parks are not appropriate; and construct infrastructure improvements in existing neighborhoods to enable people to drive less and walk, bike or take public transit more (Health and Quality of Life Goal 2 and Policies HQL-10.4 and HQL-11.2)

As conditioned, the proposed development will support General Plan Policy HQL-10.2, in that will result in the near-term development of an expanded and improved park within the development.

The proposed development also is consistent with the surrounding development in that it will place the highest density and highest intensity mixed use development along Mission Boulevard, where such development is envisioned and encouraged. The lower intensity townhome development will be placed along Valle Vista Avenue, within the internal neighborhoods and along Dixon Street, consistent with the existing, surrounding mix of single family and multi-family residential development.

- B. Streets and utilities, existing or proposed, are adequate to serve the development.

The proposed infill project site is surrounded by existing streets and has access to utilities with adequate capacity to serve the proposed development. In addition, the project shall be required to underground any overhead utilities in front of their project site and fronting any public street. A Mitigated Negative Declaration was prepared for the proposed development and found that all impacts related to streets, public facilities, utilities and agencies could be mitigated to a level of less than significant. All mitigation measures were included as conditions of approval for the project.

- C. The development creates a residential environment of sustained desirability and stability, that sites proposed for public facilities, such as playgrounds and parks, are adequate to serve the anticipated population and are acceptable to the public authorities having jurisdiction thereon, and the development will have no substantial adverse effect upon surrounding development or neighborhoods.

The proposed development will create a residential environment of sustained desirability and stability because it will contain a mix of land uses and housing types within the development. The residential component will include 472 residential units that will be a mix of rental/for-sale units and include various housing types, including multi-family apartments, stacked flat townhomes, and traditional multi-level townhome at a range of affordability levels. The project will also include approximately 20,000 square feet of commercial development and a robust network of multi-user paseos and pedestrian/bicycle facilities to connect the development. Consistent landscaping, street furniture and decorative paving will further provide a cohesive identity for the project.

Overall, the proposed architecture of the varied neighborhoods will lend to the sustained desirability of the neighborhoods. It provides a mix of contemporary design for the mixed-use buildings and cluster townhomes nearest Mission Boulevard, and more traditional residential development townhome neighborhoods. The contemporary buildings will have parapet roofs with varying heights, horizontal and vertical plane breaks with building pop-outs, balconies with metal railings, and varied color and materials including a mix of stucco and lap siding. The more traditional townhomes will have hip roofs; balconies with metal railings; building plane off-sets; stucco finish with wood and stone accents; and, varied color palettes.

The site layout for the for the cluster and townhome neighborhoods would be connected through a network of pedestrian trails, sidewalks and small open space nodes that would facilitate community development and engagement with neighbors thus developing neighborhood of sustained desirability and foster stability in the neighborhoods. With the addition of common open space for the multi-family residential development, as conditioned, the multi-family residential component would be a residential environment of sustained desirability and foster community and stability for the subject residents.

As proposed, the development includes relocation and expansion of Valle Vista Park, provided the park be annexed into a Lighting and Landscaping Assessment District to cover ongoing maintenance of the park.

- D. In the case of a development in increments, each increment provides a sufficient proportion of total planned common open space, facilities, and services so that it may be self-contained in the event of default or failure to complete the total development according to schedule.

The development is not intended to be phased, but it anticipates approval of several different final maps for the various neighborhoods and related improvements. Each final map would provide a sufficient proportion of total planned common open space, facilities and services including off-site improvements provided that those improvements are designed, approved and bonded against or constructed prior to approval of the final maps for the related area. The proposed development also

includes the relocation and expansion of the existing park on-site to another location, which is acceptable provided that the new park be dedicated and operational within a certain timeframe of permit issuance.

- E. Any latitude or exception(s) to development regulations or policies is adequately offset or compensated for by providing functional facilities or amenities not otherwise required or exceeding other required development standards, which, in the judgment of the Planning staff provides for a high quality and attractive development.

As described in Zone Change Finding A above, the proposed development is generally consistent with the overall vision for development along Mission Boulevard and the South Hayward BART/Mission Boulevard Form Based Code. However, the Planned Development designation is needed to ensure maximum flexibility to layout the proposed development with varying development densities and intensities across the site. The proposed development would meet the purpose and intent of the PD District zoning in that it would result in efficient and attractive space utilization that places mixed use development nearest the commercial arterial and high frequency transit while locating less intense townhome development around a planned park and along a trail parkway.

Any exceptions or latitudes related to blending density across the site or deviation from other applicable zoning standards would be off-set by the placement of solar photovoltaic panels on all the residential and mixed-use buildings, and installation of off-site improvements such as mid-block crossings on public right-of-way to facilitate walking and bicycling throughout the development and to BART.

VESTING TENTATIVE MAP

- A. That the proposed map is consistent with applicable general and specific plans as specified in Section 65451. [Subdivision Map Act §66474(a)]

The proposed project is the requires a General Plan Amendment and Zone Change to Planned Development District. If the land use changes are adopted, the proposed subdivision would be consistent with the allowable uses and densities within the Sustainable Mixed-Use land use designation. The proposed development is not subject to a specific plan.

- B. That the design or improvement of the proposed subdivision is consistent with applicable general and specific plans. [Subdivision Map Act §66474(b)]

The proposed subdivision is consistent with the residential densities for projects in the Sustainable Mixed-Use General Plan land use designation, as well as specific goals and policies outlined in in General Plan Finding B, and Planned Development Zone Change Finding A, listed above.

The existing and proposed internal roadways are designed to accommodate the anticipated traffic. Utilities, including water, sewer, and storm drain facilities, will be provided to accommodate the proposed development. Further, the Mitigated Negative Declaration and Mitigation and Monitoring Plan prepared for the project identified adequate mitigation measures to reduce all possible impacts to a level of less than significant.

- C. That the site is physically suitable for the type of development. [Subdivision Map Act §66474(c)]

A preliminary geotechnical investigation was prepared by Engeo (dated June 6, 2017), demonstrating that the proposed development is feasible on all the subject parcels provided that design-level geotechnical investigations are prepared to identify specific design features for future development of the various parcels, and that recommendations from the reports are reviewed and approved by the City, and subsequently incorporated into the Improvement Plans for the proposed project.

- D. That the site is physically suitable for the proposed density of development. [Subdivision Map Act §66474(d)]

A preliminary geotechnical investigation was prepared by Engeo (dated June 6, 2017), demonstrating that the proposed development is feasible on the various parcels. Furthermore, the Initial Study and Mitigated Negative Declaration, including supporting environmental reports identified potential impacts to roadways, and identified feasible mitigation measures for the proposed project that were incorporated as conditions of approval for the project.

- E. That the design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat. [Subdivision Map Act §66474(e)]

A Biological Resources Assessment was completed for the site by WRA Environmental Consultants in July 2017. The Assessment and Initial Study prepared for the project concluded that the project area contains one sensitive biological community, the Alameda County Flood Control channel, which would remain in place with the proposed project. Pedestrian bridges proposed over the channel would be designed to avoid the banks and bed of the channel and span the channel to minimize any impact to the facility. In addition, design elements would be installed to catch debris from the pedestrian bridges.

The report also identified moderate potential to impact three special status species; however, those impacts would be reduced to a level of less than significant by conducting pre-construction surveys prior to the issuance of permits for the project. Thus, mitigation measures included as conditions of approval for the proposed

project will ensure that the design of the subdivision and proposed improvements will not cause substantial environmental damage or to injure wildlife, fish or their habitat.

- F. That the design of the subdivision or type of improvements is not likely to cause serious public health problems. [Subdivision Map Act §66474(f)]

The development is an infill site surrounded by infrastructure with adequate capacity to serve the future development. The Initial Study and proposed Mitigated Negative Declaration concluded that the project could result in adverse Air Quality impacts related to construction-related dust and toxic air contaminants. However, incorporation of mitigation measures included as conditions of approval for the proposed project would ensure that the proposed project will not cause serious public health problems and reduce any potential impacts to a level of less than significant.

- G. That the design of the subdivision or the type of improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. [Subdivision Map Act §66474(g)]

The proposed project will not conflict with existing easements for access through or use of the property provided that the land sales and swaps are accomplished in accordance with the conditions of approval. The proposed private roadways and pedestrian facilities will be open and accessible to the public, as conditioned.

ALTERNATIVE AFFORDABLE HOUSING PLAN

Pursuant to HMC Section 10-17.230, the Applicant may propose alternatives to meet the requirements set forth in the Affordable Housing Ordinance if the decision-making body finds that such an alternative would provide a greater benefit to the City than the other options explicitly described in this Article. The following findings provides justification for allowing the proposed alternative Affordable Housing Plan:

- A. The alternative affordability plan proposes to deed restrict 20 multi-family rental units for low income households and 28 one-bedroom townhome flats for sale to moderate income households. The proposal includes a significantly higher proportion of multi-family rental units for low income households (27%) than is required by the Ordinance (6% split between low and very low for a total of four very low and four low income units) and a lesser number of units than is required for the for-sale product, a total of 28 (7%) where 40 (10%) are required.
- B. The proposed alternative is acceptable in that it would result in a higher proportion of rental units than for sale units which will benefit more low-income, renter households. According to American Community Survey data, a significantly higher number of renter households in California are low income. Under this proposal, the

City would lose the opportunity to have four very low-income units. On balance, the City believes that the gain of 15 low-income, deed restricted units outweighs the drawback of losing the four very low-income units.

- C. The proposed for sale units would be significantly smaller than the standard townhome models; however, the units would be entirely located on the ground floor to allow for aging in place and would be more affordable by design in a market where most for sale product on the market is large and expensive. These smaller homes would appeal to seniors and retirees looking to downsize, millennials or others who want to reduce their carbon footprint by living in a smaller unit.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward, based on the foregoing findings, hereby adopts the Mitigated Negative Declaration and approving General Plan Amendment, Zone Change and Vesting Tentative Tract Map Application 201704129, subject to the adoption of the companion ordinance (Ordinance No. 18-___) rezoning 21 properties located Mission Boulevard on the east, the BART tracks on the west, Industrial Parkway on the south and Valle Vista Avenue on the north. Assessor Parcel Numbers (APNs) 078C-0447-003-01, 078C-0447-003-02, 078C-0447-006-02, 078C-0438-006-00, 078C-0438-005-00, 078C-0438-007-00, 078C-0438-008-00, 078C-0438-009-00, 078C-0438-010-00, 078C-0438-011-01, 078C-0438-019-01, 078C-0435-002-01, 083-0460-006-03, 078C-0436-010-03, 078C-0436-001-07, 078C-0435-006-00, 078C-0455-004-00, 078C-0455-003-00, 078C-0455-005-02, 083-0460-011-00, 083-0460-010-00, subject to the attached conditions of approval (Exhibit I.a); and,

NOW THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of Hayward hereby authorizes the acceptance of the BART, ACFC and HARD properties which are described in the Staff Report and contemplated to be acquired by the City in the PSA and further authorizes the City Manager or her designee to execute any and all documents necessary to cause the City to accept such properties and complete the City's acquisition and later disposition of such properties to William Lyon Homes, or its affiliate.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

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

GENERAL PLAN AMENDMENT, ZONE CHANGE & VESTING TENTATIVE MAP (TRACT 8428) APPLICATION NO. 201704129 – Applicant: William Lyon Homes/Owners: City of Hayward, Hayward Area Recreation District, Alameda County Flood Control District, Bay Area Rapid Transit District – General Plan Amendment, Rezoning, approval of Vesting Tentative Map (Tract 8428), site plan review, improvement plans, formation of a lighting and landscaping district, grading and building permits, purchase and sale agreements, and approval of acquisition agreements to construct 472 multi-family housing units (72 rental apartments and 400 townhomes); approximately 20,000 square feet of retail space; 2.4 acres of parkland and trails; and, related site improvements on an approximately 25-acre site roughly bound by Mission Boulevard on the east, the BART tracks on the west, Industrial Parkway on the south and Valle Vista Avenue on the north. Assessor Parcel Numbers (APNs) 078C-0447-003-01, 078C-0447-003-02, 078C-0447-006-02, 078C-0438-006-00, 078C-0438-005-00, 078C-0438-007-00, 078C-0438-008-00, 078C-0438-009-00, 078C-0438-010-00, 078C-0438-011-01, 078C-0438-019-01, 078C-0435-002-01, 083-0460-006-03, 078C-0436-010-03, 078C-0436-001-07, 078C-0435-006-00, 078C-0455-004-00, 078C-0455-003-00, 078C-0455-005-02, 083-0460-011-00, 083-0460-010-00.

GENERAL

1. The developer shall assume the defense of and shall pay on behalf of and hold harmless the City, its officers, employees, volunteers and agents from and against any or all loss, liability, expense, claim costs, suits and damages of every kind, nature and description directly or indirectly arising from the performance and action of this permit. (DS)
2. General Plan Amendment, Rezoning and Vesting Tentative Map Application No. 201704129, is approved subject to the Architectural Plans and Vesting Tentative Map plans date stamped February 1, 2018, except as modified by the conditions listed below. (DS)
3. All uses within the commercial portion of the proposed Planned Development District shall follow the Use Table in the South Hayward Form Based Code, as amended. (DS)
4. The Vesting Tentative Map approval shall align with the timeframes set forth in the Subdivision Map Act, and all related automatic and Applicant-initiated extensions. (DS)
5. Any proposal for alterations to the conditionally approved site plan and/or design that does not require a variance to any zoning ordinance standard shall be subject to approval by the Development Services Director or his/her designee, prior to implementation. Alterations requiring a variance or exception shall be subject to review and approval by the Planning Commission. (DS)
6. The Applicant shall submit an application for a Master Sign Program in accordance with Hayward Municipal Code (HMC) Section 10-7.210, prior to the installation of

any signage for the commercial development. **The sign program shall include a provision to install artistic renderings or signage in windows of vacant commercial tenant spaces and "Coming Soon" signs for future commercial tenants if the tenant space is under construction.** Signage associated with the Park and wayfinding and interpretive signage along the public pathways shall be reviewed and approved with the Park improvement plans. (DS)

7. The permittee, property owner or designated representative shall allow City code enforcement staff access to the property for site inspection(s) to confirm all approved conditions have been completed and are being maintained in compliance with all adopted city, state and federal laws. (DS)
8. All permit charges accrued in the processing of General Plan Amendment, Rezoning and Vesting Tentative Map Application No. 201704129 shall be paid in full prior to consideration of a request for approval extensions and/or submittal of building permits for the development. (DS)
9. **The mixed-use buildings shall be under vertical construction before a certificate of occupancy is issued for the first "for sale" condominium unit and shall be completed prior to issuance of the 321st certificate of occupancy for the "for sale" condominium units. (DS)**
10. The property owner shall demolish any vacant structures within 60 days of their being made vacant. (DS)
11. The property owner shall be responsible for securing and clearing any vacant structure(s) prior to demolition and commencement of construction activities. (DS)
12. Prior to, during and following demolition of vacant structures, the property owner shall be responsible for securing and maintaining the site in accordance with HMC Chapter 4, Article 1, Public Nuisances; HMC Chapter 5, Article 7, Community Preservation and Improvement Ordinance; and the California Building Code, among other applicable regulations. (DS)

MITIGATION MEASURES

13. Mitigation Measure AQ-1: Prior to the issuance of grading or building permits, the City of Hayward shall ensure that the BAAQMD Basic Construction Mitigation Measures are noted on the construction documents. These Basic Construction Mitigation Measures include the following:
 - All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
 - All haul trucks transporting soil, sand, or other loose material off-site shall be covered.

- All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
 - All vehicle speeds on unpaved roads shall be limited to 15 miles per hour (mph).
 - All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
 - Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.
 - All construction equipment shall be maintained and properly tuned in accordance with manufacturers' specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.
 - A publicly visible sign shall be posted with the telephone number and person to contact at the lead agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The BAAQMD's phone number shall also be visible to ensure compliance with applicable regulations.
14. Mitigation Measure AQ-2: Prior to the issuance of grading or building permits, the project Applicant or the Applicant's designated contractor shall provide to the City of Hayward a plan demonstrating that the off-road equipment used on-site to construct the project would achieve a fleet average of at least 71 percent reduction in diesel PM emissions compared to the current statewide construction fleet emissions target, by one or more of the following methods:
- All mobile diesel-powered off-road equipment larger than 25 horsepower and operating on the site for more than two days shall meet, at a minimum, the EPA particulate matter emissions standards for Tier 4 engines or equivalent; and/or
 - The use of equipment that includes CARB-certified Level 3 diesel particulate filters or alternatively fueled equipment (i.e., non-diesel); and/or
 - Other added exhaust devices, or a combination of measures, provided that these measures are approved by the City and are demonstrated to achieve the fleet average minimum 71 percent reduction in diesel PM emissions.
15. Mitigation Measure BIO-1: Preconstruction roost assessment survey. A qualified biologist shall conduct a roost assessment survey of the existing buildings on the project site. The survey shall assess use of the structures for roosting as well as for the potential presence of bats. If the biologist finds no evidence of or potential to support bat roosting, no further measures are required. If evidence of bat roosting is present, the additional measures described below shall be implemented:

- a. Work activities outside the maternity roosting season: If evidence of bat roosting is discovered during the preconstruction roost assessment and demolition is planned during the period from August 1 through February 28 (outside the bat maternity roosting season), a qualified biologist shall implement passive exclusion measures to prevent bats from re-entering the structures. After sufficient time to allow bats to escape and a follow-up survey to determine if bats have vacated the roost, demolition may continue and impacts to special-status bat species will be avoided.
 - b. Work activities during the maternity roosting season: If the preconstruction roost assessment discovers evidence of bat roosting in buildings during the maternity roosting season (March 1 through July 31) and determines maternity roosting bats are present, demolition of maternity roost structures shall be avoided during the maternity roosting season or until a qualified biologist determines the roost has been vacated.
16. Mitigation Measure BIO-2: Preconstruction nesting bird survey. If ground disturbance or removal of vegetation occurs during the breeding bird season (February 1 through August 15), preconstruction surveys shall be performed by a qualified biologist no more than 14 days prior to commencement of such activities to determine the presence and location of nesting bird species. If active nests are present, establishment of temporary no work buffers around active nests will prevent adverse impacts to nesting birds. The appropriate buffer distance shall be determined by a qualified biologist, depending on species, surrounding vegetation, and topography. Once active nests become inactive, such as when young fledge the nest, or the nest is subject to predation, work may continue in the buffer area and no adverse impact to birds will result.
17. Mitigation Measure BIO-3: To satisfy the requirements of the Hayward Tree Protection Ordinance, a tree removal and cutting permit application shall be submitted to the City of Hayward. The findings, information, and tree appraisals of the arborist's report dated June 20, 2017 (see Appendix D of Appendix BIO) shall be included with the permit application. All protected trees identified in the arborist's report that would be removed as a result of the project shall be replaced at a one-to-one ratio with like-size, like-kind trees or an equal value tree or trees, or other acceptable mitigation per the determination of the City's Landscape Architect. All required measures and conditions of approval included in the permit, including replacement of like-size, like-kind trees or an equal value tree or trees or acceptable mitigation, shall be implemented.
18. Mitigation Measure CUL-1: If prehistoric or historic-period archaeological deposits or paleontological resources are discovered during project construction activities, all work within 25 feet of the discovery shall be redirected and the archaeologist/paleontologist shall assess the situation, consult with agencies as appropriate, and make recommendations regarding the treatment of the discovery. Impacts to archaeological deposits and paleontological resources should be avoided

by project activities, but if such impacts cannot be avoided, the deposits shall be evaluated for their California Register eligibility. If the deposits are not California Register-eligible, no further protection of the finds is necessary. If the deposits are California Register-eligible, they shall be protected from project-related impacts or such impacts mitigated. Mitigation may consist of, but is not necessarily limited to, systematic recovery and analysis of paleontological resources and archaeological deposits, recording the resource, preparing a report of findings, and accessioning recovered archaeological materials at an appropriate curation facility. Public educational outreach may also be appropriate.

19. Mitigation Measure CUL-2: Any human remains encountered during project ground-disturbing activities shall be treated in accordance with California Health and Safety Code Section 7050.5. The project Applicant shall inform its contractor(s) of the project area's sensitivity for human remains and verify that the following directive has been included in the appropriate contract documents:
 - a. If human remains are encountered during project activities, the project Applicant or its contractor shall comply with the requirements of California Health and Safety Code Section 7050.5. There shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent remains until the Alameda County coroner has determined the manner and cause of any death, and the recommendations concerning the treatment and disposition of the human remains have been made to the person responsible for the excavation or to his or her authorized representative. At the same time, an archaeologist shall be contacted to assess the situation and consult with agencies as appropriate. Project personnel/construction workers shall not collect or move any human remains and associated materials. If the human remains are of Native American origin, the coroner must notify the Native American Heritage Commission within 24 hours of this identification. The Native American Heritage Commission will identify a Native American most likely descendant to inspect the site and provide recommendations for the proper treatment of the remains and associated grave goods within 48 hours of being allowed access to the site.
20. Mitigation Measure HAZ-1: Prior to demolition of existing structures on the project site, asbestos-containing materials and lead-based paint surveys shall be conducted to determine the presence of hazardous building materials and results of those surveys shall be provided prior to the issuance of demolition or building permits. Should asbestos-containing materials, lead-based paint, or other hazardous substance-containing building materials be identified, these materials would be removed using proper techniques in compliance with all applicable state and federal regulations, including the Bay Area Air Quality Management District (BAAQMD) rule related to asbestos.
21. Mitigation Measure HYD-1: Flooding Impacts. Prior to construction in a 100-year floodplain area, project developers shall do one of the following:

- a. Submit a hydrology and hydraulic study prepared by a California registered civil engineer proposing to remove the site from the 100-year flood hazard area by increasing the topographic elevation of the site or similar steps to minimize flood hazards. The study shall demonstrate that floodwaters would not be increased on any surrounding sites, to the satisfaction of City staff.
 - b. Comply with Hayward Municipal Code Section 9-4.110, General Construction Standards, which establishes minimum health and safety standards for construction in a flood hazard area.
 - c. Apply to the City for a Conditional Letter of Map Revision (CLOMR) to remove the site from the FEMA Flood Insurance Rate Map 100-year flood hazard area (South Hayward BART/Mission Boulevard Form-Based Code EIR mitigation measure Hyd-3; Concept Design Plan EIR mitigation measure 4.4-2).
22. Mitigation Measure NOI-1: The project Applicant shall demonstrate to the City that any proposed HVAC systems for buildings in the project do not produce noise in excess of Lmax 60 dB measured at a property line adjacent to off-site and new proposed project residential uses or noise in excess of Lmax 70 dB measured at a property line adjacent to off-site and new proposed project commercial or industrial uses. Acceptable demonstration would be one or more of the following:
- a. Provide manufacturers specifications for the proposed HVAC systems that indicate the systems would not produce noise in excess of Lmax 60 dB measured at a distance of 3 feet for systems near residential property lines or noise in excess of Lmax 70 dB measured at a distance of 3 feet for systems near commercial or industrial property lines.
 - b. If manufacturers specifications are not available, provide site plans that indicate the following minimum setback distance for HVAC systems from property lines (assuming that a residential system would produce a noise of Lmax 75 dB measured at a distance of 3 feet and a commercial HVAC system would produce a noise of Lmax 90 dB measured at a distance of three feet):
 - I. For residential HVAC systems operating during nighttime hours and located adjacent to residential uses, HVAC systems shall be set back a minimum of 20 feet from property lines or 10 feet with adequate noise shielding.
 - II. For commercial HVAC systems operating during daytime hours only and located adjacent to residential, commercial, or industrial property lines, equipment shall be set back a minimum of 35 feet from property lines or 20 feet with adequate noise shielding.
 - III. Adequate shielding is a sound enclosure or solid barrier constructed of solid material with no gaps that, at a minimum, would block the line of sight between the HVAC system and potential sensitive receptor locations

on adjacent property (e.g., a person standing at a window, a person standing outside, a person standing on a balcony or deck).

- c. Provide a noise study prepared by a qualified acoustical professional for specific building sites and with specific equipment specifications that demonstrates the noise produced by building mechanical equipment would not produce noise in excess of the standards specified in Municipal Code Section 4-1.03.1.
23. Mitigation Measure NOI-2: Project plans shall include specifications for any building mechanical equipment mounted at grade level within 10 feet of a sensitive use property line (e.g., residences, schools, hospitals, elder-care facilities) to require vibration isolation per ASHRAE guidelines.
 24. Mitigation Measure NOI-3: Heavy equipment, including bulldozers and haul trucks, shall be restricted from operating within 25 feet of existing structures to the extent feasible. Within 50 feet of existing structures, only nonvibratory soil and pavement compaction methods shall be used.

A construction liaison shall be designated to ensure coordination between construction staff and neighbors to minimize disruptions due to construction vibration. Neighboring property owners within 200 feet of construction activity shall be notified in writing of the contact information for the construction liaison.

25. Mitigation Measure NOI-4: The project Applicant shall ensure through contract specifications that construction noise and vibration abatement practices are implemented by contractors to minimize construction noise and vibration levels. Contract specifications shall be included in the construction document, which shall be reviewed by the City of Hayward prior to issuance of a demolition or grading permit. The construction noise and vibration abatement practices shall include the following:
 - a. In conformance with Section 4-1.03-4 of the City's Municipal Code, construction activities between 7:00 a.m. and 7:00 p.m. Monday through Saturday or between 10:00 a.m. and 6:00 p.m. on Sundays or holidays, unless other construction hours are permitted by the City Engineer or Chief Building Official, shall not include any individual equipment that produces a noise level exceeding 83 dB measured at 25 feet, nor shall activities produce a noise level outside the project property lines in excess of 86 dB. During all other hours, noise shall not exceed the limits defined in Municipal Code Section 4-1.03.1 (70 dB daytime or 60 dB nighttime, measured at residential property lines).
 - b. If noise-generating construction activities must occur within 50 feet of a noise-sensitive property line (e.g., residences, schools, hospitals, elder-care facilities) and would generate a noise level greater than 86 dB, a noise barrier is to be

installed between the source and the neighboring property to reduce noise. The barrier shall be minimum of 8 feet high and continuous, with no gaps or holes.

- c. Construction-related equipment, including heavy-duty equipment, motor vehicles, and portable equipment, shall be turned off when not in use for more than five minutes.
 - d. Stationary noise sources and staging areas shall be located as far away as is feasible from existing noise-sensitive receivers. Locating stationary noise sources near existing roadways away from adjacent properties is preferred. If located otherwise, stationary noise sources are to be enclosed or shielded from neighboring noise-sensitive properties with noise barriers to the extent feasible.
 - e. Electric air compressors and similar power tools shall be used rather than diesel equipment, where feasible.
 - f. Air compressors and pneumatic equipment shall be equipped with mufflers, and impact tools shall be equipped with shrouds or shields, where feasible.
 - g. Construction vehicle routes shall be selected to avoid quieter residential streets where possible.
 - h. A construction liaison shall be designated to ensure coordination between construction staff and neighbors to minimize disruptions due to construction noise. Neighboring property owners within 200 feet of construction activity shall be notified in writing of the contact information for the construction liaison.
26. Mitigation Measure TRA-1: Under Background plus Project Conditions, there would be a significant impact at the intersection of Industrial Parkway and Huntwood Avenue (#3), which would continue to operate at LOS F during the PM peak hour with an increased delay of 6.7 seconds. This impact would be mitigated by an adjustment in traffic signal cycle and green time allocation (splits), which would improve the intersection operations with an increase in delay of less than 5.0 seconds during the PM peak hour.
27. Mitigation Measure TRA-2: Under Cumulative plus Project Conditions, there would be a significant impact at the intersection of Mission Boulevard and Industrial Parkway (#1), which would continue to operate at LOS F during the AM and PM peak hours with an increased delay of 7.4–8.4 seconds. This impact would be mitigated by an adjustment in traffic signal cycle and green time allocation (splits), which would improve intersection operations, with an increase in delay of less than 5.0 seconds during the AM peak hour and to LOS E during the PM peak hour.
28. Mitigation Measure TRA-3: Under Cumulative plus Project Conditions, there would be a significant impact at the intersection of Industrial Parkway and Dixon Street (#2), which would continue to operate at LOS F during the AM and PM peak

hours with an increased delay of 14.3–18.2 seconds. This impact would be mitigated by an adjustment in traffic signal cycle and green time allocation (splits), which would improve intersection operations, with an increase in delay of less than 5.0 seconds during the AM peak hour and to LOS D during the PM peak hour.

29. Mitigation Measure TRA-4: Under Cumulative plus Project Conditions, there would be a significant impact at the intersection of Industrial Parkway and Huntwood Avenue (#3), which would continue to operate at LOS F during the AM and PM peak hours with an increased delay of 8.0–8.4 seconds. This impact would be mitigated by an adjustment in traffic signal cycle and green time allocation (splits), which would improve intersection operations, with an increase in delay of less than 5.0 seconds during the AM and PM peak hours.
30. Mitigation Measure TRA-5: Under Cumulative plus Project Conditions, there would be a significant impact at the intersection of Industrial Parkway and Industrial Parkway Southwest (#4), which would continue to operate at LOS F during the AM and PM peak hours with an increased delay of 5.7–10.4 seconds. This impact would be mitigated by an adjustment in traffic signal cycle and green time allocation (splits), which would improve intersection operations, with an increase in delay of less than 5.0 seconds during the AM and PM peak hours.
31. Measure TRA-6: Under Cumulative plus Project Conditions, there would be a significant impact at the intersection of Mission Boulevard and Valle Vista Avenue (#5), which would continue to operate at LOS F during the AM peak hour with an increased delay of 23.8 seconds, which is above the 5.0-second threshold for intersections already operating at a deficient level of service. Widening and restriping the eastbound approach to one left- only lane and one right turn lane would improve the operations at the Mission Boulevard/Valle Vista Avenue intersection to LOS E in the AM peak hour and LOS B in the PM peak hour. The developer's fair share of the improvement cost is 17 percent for Cumulative plus Project conditions and 51 percent for Background plus Project conditions. Appendix TIA illustrates the fair-share calculations.
32. Mitigation Measure TRA-7: Under Cumulative plus Project Conditions, there would be a significant impact at the intersection of Mission Boulevard and Tennyson Road (#6) during the AM peak hour. An adjustment in traffic signal cycle and green time allocation (splits) would improve the intersection operations, with an increase in delay of less than 5.0 seconds during the AM peak hour.
33. Mitigation Measure TRA-8: Under Cumulative plus Project Conditions, there would be a significant impact at the intersection of Tennyson Road and Dixon Street (#7), which would continue to operate at LOS F during the PM peak hour with an increased delay of 5.3 seconds. This impact would be mitigated by an adjustment in traffic signal cycle and green time allocation (splits), which would improve intersection operations, with an increase in delay of less than 5.0 seconds during the PM peak hour.

34. Mitigation Measure TRA-9: Under Cumulative plus Project Conditions, there would be a significant impact at the intersection of Dixon Street and Valle Vista Avenue (#8), which would continue to operate at LOS F during the AM and PM peak hours with an increased delay of 21.3–29.7 seconds. The installation of a traffic signal would improve operations to an acceptable level of service during both peak hours. As a result of the mitigation measure, intersection conditions would improve to LOS B with 15.4 seconds of delay in the AM peak hour and LOS C with 29.8 seconds of delay in the PM peak hour. The developer's fair share of the improvement cost is 5 percent for Cumulative plus Project Conditions and 28 percent for Background plus Project conditions. Appendix TIA illustrates the fair-share calculations.
35. Mitigation Measure TCR-1: If tribal cultural resources are discovered during project construction activities, all work within 25 feet of the discovery shall be redirected and the tribal monitor shall assess the situation, consult with agencies as appropriate, and make recommendations regarding the treatment of the discovery. Impacts to tribal cultural resources should be avoided by project activities, but if such impacts cannot be avoided, the resources shall be evaluated for their California Register eligibility. If the tribal cultural resource is not California Register-eligible, no further protection of the find is necessary. If the tribal cultural resource is California Register-eligible, it shall be protected from project-related impacts or such impacts mitigated. Mitigation may consist of, but is not necessarily limited to, systematic recovery and analysis, recording the resource, preparation of a report of findings, and accessioning recovered archaeological materials at an appropriate curation facility. Public educational outreach may also be appropriate.

LAND SWAPS & SALES

36. The developer may acquire (or obtain adequate rights, in a form approved by the City, to ensure that the project remains as shown in the plans accompanying these conditions) the property currently owned by the Hayward Area Recreation District (HARD) and referred to as Lot 5 in related agreements, prior to the issuance of grading permits, improvement plans and building permits for the project area (PA 1). Alternatively, if the property acquisition is not completed prior to the issuance of grading permits for PA 1, it will be considered a major modification of the project, subject to additional environmental review. (DS)
37. The developer may acquire the project property currently owned by the Bay Area Rapid Transit District (BART), and Alameda County Flood Control District (ACFCD). If the developer does not acquire the BART and ACFCD property, before obtaining a grading permit for the applicable project area (PA 3), the developer shall submit or update the grading, improvement and building plans to reflect the development of the remaining project site (PA 3). (DS).

PRIOR TO ISSUANCE OF BUILDING PERMITSPrecise Plan

38. In accordance with Zoning Ordinance Section 10-1.2550, and prior to approval of building permits, the applicant shall submit a Precise Development Plan to the Planning Division for review and approval. (DS)
39. The Precise Development Plan shall be in substantial conformance with the approved Preliminary Development Plan and incorporate conditions herein, and shall be submitted either in advance of or in conjunction with the subdivision improvement plans and Final Map. (DS)
40. The project approval includes the following project amenities to support the finding required to be made that “any latitude or exception(s) to development regulations or policies is adequately offset or compensated for by providing functional facilities or amenities not otherwise required or exceeding other required development standards.” Amenities shall include:
 - a. Photovoltaic solar systems shall be installed on all condominium buildings to service all residential units within each building. Photovoltaic solar systems shall be installed and implemented for use on the common areas, commercial and residential portions of the mixed-use buildings. To the greatest extent possible, the project architect shall consult with an energy consultant regarding the design and orientation of roof surfaces and reorient rooflines to maximize solar orientation;
 - b. Trails, parkways, public access easements and mid-block crossings that provide continuous multi-modal access through and across the site shall be recorded as part of the final map for the related area. Improvements shall be installed for the related area prior to issuance of certificates for the respective Planning Area/final map. (DS)
41. The plans shall be modified to provide a minimum of 29 short term bicycle spaces and a total of 26 long term bicycle parking spaces within PA MU and the Park. The Planning Division shall review and approve the short and long-term bicycle parking designs and locations prior to approval of building permits for the mixed-use buildings.
 - a. Of the 29 short term bicycle spaces, 18 shall be provided in various locations around the commercial development within PA MU and 11 shall be provided at the Park.

- b. Of the 26 long-term bicycle parking spaces, a total of 25 shall be provided within PA MU (two for the retail area and 23 for the residents); and two shall be provided within the Park. (DS)
42. A seven-foot-tall fence channel fence or other similar decorative fencing shall be installed between the project site and the adjacent properties along the trail parkway and driveway running west from Dixon Street into the PA 3 neighborhood. The design shall be reviewed and approved by the Planning Division prior to approval of the landscape plans in the respective tract. (DS)
43. To satisfy the common open space requirement for the multi-family residential component, the applicant shall either:
- a. Modify the PA MU plans to provide a minimum 7,200 square foot common group open space (100 square feet per residential unit) for use by residents of the mixed-use buildings. If provided on-site, common group open space requirement may be satisfied through providing an indoor facility and/or accessible rooftop gathering space, or combination thereof; however, it shall be accessible only by residents of the mixed-use buildings. The final location, size and amenities provided within the common open space area(s) shall be reviewed and approved by the Planning Division; or
 - b. Offer membership to private off-site recreational facilities such as health or swim club. If provided off-site, the membership shall be ongoing and provided to all residents who would like to participate in the benefit; or
 - c. Provide a combination of on-site common open space and off-site private recreational amenities.

The proposed combination of on and/or off-site amenities shall be reviewed and approved by the Planning Division prior to issuance of building permits for the PA MU buildings. (DS)

44. All paseos and open space nodes within the residential neighborhoods shall be shown on improvement plans with square footage, dimensions, planned programming including but not limited to furniture such as benches, water fountain, exercise or play equipment and any other planned programming for the area. The final locations, sizes, programming and furniture shall be review and approved by the Planning Division and Landscape Architect prior to the issuance of building permits. (DS-L)
45. Pavement around the retail buildings and entrances to residential neighborhoods shall be enhanced with integral colors, texture, pattern and decorative banding with different material, color and texture. The final enhanced pavement design, including color and materials shall be reviewed and approved by the Planning Division prior to the issuance of building permits. (DS-L)

46. Any proposal for alterations to the proposed site plan and/or design which does not require a variance to any zoning ordinance standard must be approved by the Development Services Director or his/her designee, prior to implementation. (DS)
47. All final exterior building finishes, paint colors and other architectural details shall be reviewed and approved by the Planning Division prior to issuance of a building permit for the project. (DS)
48. The applicant shall install two construction related signs on Mission Boulevard and Industrial Parkway advertising and including renderings of the proposed development. The applicant shall provide the location, size and method of installation of the signs on the Precise Plan submittal. (DS)
49. The Precise Development Plan shall include the following information and/or details:
 - a. A copy of these conditions of approval shall be included on a full-sized sheet(s).
 - b. All architectural and site modifications described in Condition Nos. 39 through 42 above.
 - c. Proposed location for construction staging, designated areas for construction employee parking (on- and off-site), construction office, sales office (if any), hours of construction, provisions for vanpooling construction workers or having them use transit to access the site, provisions for noise and dust control, and common area landscaping.
 - d. Details of address numbers shall be provided. Address number shall be decorative. Building addresses shall be minimum four-inch self-illuminated or six-inch on contrasting background to ensure visibility from the street. See also Condition No. 138 below.
 - e. Large expanses of blank wall shall be prohibited and shall be articulated or otherwise treated with design or architectural features.
 - f. Proposed mailbox design and locations, subject to Post Office approval.
 - g. A final lighting plan shall show all exterior lighting design for commercial residential, and public and private common spaces. Exterior lighting shall be architecturally compatible with the structure to which it is affixed and erected and maintained so that adequate lighting is provided along the pathways, walkways and private streets. Exterior lighting shall be shielded and deflected away from neighboring properties and from windows of houses within the project (see also Condition No. 60d below).

- h. All air conditioners and utility connections for air conditioners shall be located behind solid board fences or walls and shall not exceed the height of the fence or wall (see also Condition No. 21, MM NOI-1 above).
- i. Proposed color and materials board for all buildings, fences and walls. No changes to colors shall be made after construction unless approved by the Planning Director.
- j. All above-ground utility meters, mechanical equipment and water meters shall be enclosed within the buildings or shall be screened with shrubs and/or an architectural screen from all perspectives, unless other noise mitigation is required.
- k. All rooftop mechanical equipment, other than solar panels, shall be fully and completely screened from view by the proposed roof structure or appropriate screening that is reviewed and approved by the Planning Division. Solar panels shall be screened from view on mixed use and PA 1 buildings using parapets, if possible. All roof vents shall be shown on roof plans and elevations. Vent piping shall not extend higher than required by building code. Roof apparatus and utilitarian equipment such as vents shall be painted to match surface to which it is adhered.
- l. An area within each garage for individual garbage and recycling receptacles shall be provided and shall be clear of the required area for the number of cars designated to be parked in the garage. As an alternative, an area within the fenced-in common area may be used for the garbage and recycling containers provided that the receptacle storage area is not located within areas identified as common open space for the residents. The final locations of trash bin locations shall be reviewed and approved by the Planning Division.
- m. All parking stall dimensions shall conform to the City's Off-street Parking Ordinance. Individual townhome garages shall have minimum interior dimensions of 20-foot width by 19-foot depth for two cars side-by-side, 11-foot width by 19-foot depth for a one-car garage and 11-foot width by 38-foot depth for tandem two-car garages. Commercial and multi-family residential parking shall have minimum nine-foot width by 19-foot depth or follow compact parking standards which have eight-foot width by 15-foot depth for up to 30% of parking stalls. Dimensions shall be shown on plans. No doors, stairs, landings, laundry facilities, trash/recycle containers or HVAC shall project within the required interior parking areas. (DS)

Affordable Housing

- 50. This development is subject to the requirements of the Affordable Housing Ordinance (AHO) set forth in HMC Chapter 10, Article 17. Pursuant to HMC Section 10-17.205(d), the Applicant may propose alternatives not listed in the ordinance if approved by the Decision-Making Body. According to the proposed Affordable

Housing Plan, 10% of the units on the project site would be set aside for affordable housing. Specifically, 20 rental units (eight studio units, four one-bedroom units and eight two-bedroom units) would be deed restricted for low-income households; and 28 ground floor one-bedroom for sale units would be deed restricted for moderate income households.

Pursuant to HMC Section 10-17.515, the developer shall enter into an Affordable Housing Agreement (AHA) that shall include all elements set forth in the ordinance prior to the approval of a final map or issuance of the first building permit, whichever occurs first. The form of the AHA resale and rental restrictions, deeds of trust, option agreements and other documents shall be approved by the City Manager or designee prior to execution of Agreement. (Housing)

Parkland Dedication Fees and Credits

51. This development is subject to the requirements of the Property Developers – Obligations for Parks and Recreation set forth in HMC Chapter 10, Article 16.
 - a. Per HMC Section 10-16.10, the applicant shall dedicate land, pay a fee in lieu thereof, or do a combination of both for park and recreation purposes. The land dedication and in lieu fee amount shall be the requirement and fee in effect at the time of building permit issuance for the development.
 - b. Pursuant to HMC Section 10-16.47, Developer Provided Park and Recreation Improvements, a land dedication credit shall be provided publicly accessible park and open spaces. Per the proposed project, the applicant is seeking a credit for Park expansion and a public trail planned through the development. A credit may be provided subject to the following limitations:
 - I. The credit for the proposed Park and parkway shall net out the acreage in the existing Valle Vista Park (approximately one acre) that will be relocated and replaced with the new park and shall exclude land within the Alameda County Flood Control District (ACFCD) channel that is not accessible to the public.
 - II. The developer may receive partial or full credit for improvements to the relocated and expanded Park and parkway, including the pedestrian bridges over the ACFCD channel. However, the developer shall not receive a credit for costs related to required frontage improvements pursuant to HMC Section 10-16.25, or any required drainage, soil or non-visible improvements pursuant to Provision C3 of the Alameda Cleanwater Program related to the proposed commercial and residential uses. (DS)
52. To determine the final amount of the fee credit for improvements, the developer shall submit an Engineer's Estimate for the Park and parkway improvements which shall be reviewed and approved by the City's Public Works - Engineering Division

and the Planning Division in consultation with HARD. The ultimate determination of the amount of credit for land dedication and improvements shall be based on the City's review and approval of the Engineer's Estimate to the satisfaction of the City Engineer. The City reserves the right to cap costs associated with the credit for materials, labor or equipment according to recently completed work, jobs or other known information if the City believes that the Engineer's Estimate is unreasonable or otherwise overstating project-related cost. The Engineer's Estimate shall be submitted and approved by the City prior to the issuance of building permits for the project. (DS)

53. Prior to or concurrently with the developer's acquisition of the HARD property, the applicant shall enter into a license with the City or its designee in order for the City or its designee to operate the Lot 5 park. The license agreement shall address maintenance and liability obligations during ongoing park operations and otherwise ensure that the Lot 5 park will be operated comparable to its existing use and not increase the City's or HARD's obligations beyond those existing as of the date of these conditions. The applicant may not terminate the park license until the applicant obtains a grading permit for construction of Lot 5 and the proposed park on Parcel 10. (DS)
54. The Applicant shall enter into a Park Improvement Agreement (PIA) with the City and HARD to develop the final park layout, design and improvements. The PIA shall be reviewed and approved by the Applicant, the City or its designee and HARD or its designee prior to approval of the landscape plan for the first Tract of project and shall be recorded against title to the proposed project. The PIA shall include plan review opportunities at regular milestones of the construction documents. (DS)
55. The proposed Park on Parcel 10 including all related improvements and the parkway trail to PA 3 shall be constructed, operational and dedicated to the City or HARD within twenty months of the issuance of the first grading permit for the first phase of the project. If the applicant does not complete construction of the Park within the twenty-month period described above, the City may require the Park to be dedicated without the completed improvements. Prior to issuance of the grading permit, the developer will provide a bond benefiting the City in a form approved by the City in an amount sufficient to assure completion of the construction of the Park to the City. (DS)
56. The developer shall obtain an encroachment permit from the Alameda County Department of Public Works and/or Alameda County Flood Control and Water Conservation District (ACFCD), as applicable, prior to construction of any improvements on the public maintenance pathway. The developer is responsible for complying with all Alameda County permit application requirements, fees or other requirements related to improving the maintenance access easement for public use. (DS)

57. The pedestrian bridges that cross the ACFCD channel from the Park to PA-2 neighborhood shall remain open and accessible to the public at all times and shall not be restricted with gates or other apparatus. (DS)

Transportation and Parking Demand Management

58. The Applicant or designee shall implement Transportation Demand Management (TDM) outlined in the Transportation Demand Management Plan (dated February 28, 2018) and included as Appendix TIA to the Initial Study and Mitigated Negative Declaration as follows:
- a. The Applicant or designee shall compile and distribute information regarding all TDM measures outlined in the approved TDM Plan to all first-time residents and commercial tenants through provision of a TDM Contact Person and Tenant Welcome Packet.
 - b. The Applicant or designee shall provide multimodal wayfinding signs, as outlined in the approved TDM Plan, throughout the Project site. The Signs and locations shall be included in the Signing & Striping Plans and submitted for review and approval by Public Works.
 - c. The Applicant or designee shall provide resources for real time transportation information in the Tenant Welcome Packet.
 - d. The Applicant or designee shall provide short and long-term bicycle storage per the City's bicycle parking requirements. Bicycle parking facilities shall be indicated on the Precise Plan and Improvement Plans. See also Condition No. 40.
 - e. The Applicant or designee shall provide information regarding commuter tax benefit programs for employees of the retail tenants and employees of any residential leasing/housing office(s) in the Tenant Welcome Packet.
 - f. The Applicant or designee shall provide Clipper Cards at one per household until the initial amount of \$200,000.00 is expended. This measure shall commence immediately upon project opening date. Clipper Cards can be used toward public transportation on BART and AC Transit among other providers.
 - g. The Applicant or designee shall advertise and promote the following programs in the Welcome Packet:
 - 511 Ride Matching Assistance
 - Carpool/Vanpool Incentives for New Users
 - "Guaranteed Ride Home"
 - AC Transit "Easy Pass"
 - h. The Applicant or designee shall provide coupons for bicycle maintenance service at a local bicycle shop for all residents on an annual basis.

- i. The Applicant or designee shall maintain 10 dedicated Car Share parking spaces throughout the Project Area.
 - j. The Applicant or designee shall provide EV Charging Stations with dedicated public EV parking spaces for use by retail patrons, park patrons and residential area visitors/guests. The number of designated public EV parking spaces shall be determined by CalGreen Parking Requirements (per Building Division). Each designated EV parking space shall include an EV Charging Station. EV Charging Stations shall be installed in public spaces prior to the issuance of occupancy permits in buildings adjacent to the spaces. (PW-ET)
 - k. The Homeowners Association shall provide a \$400 Clipper Card annually to each for sale household unless the household declines the benefit in writing.
59. In addition to implementation of TDM measures, Applicant or designee shall monitor the TDM Program through a TDM Coordinator and submit to the City, on an annual basis, a survey of commute characteristics of project residents and employees and a report on the results of the survey. The surveys shall not coincide with a special event or promotion geared toward increasing alternative modes of transportation (e.g. Bike to Work Day, Walk to School Day) and the applicant or designee shall provide incentives or other means to achieve a minimum of 65 percent of residents must respond to the survey each year. The annual report shall include the status of the overall TDM Program. The first report shall be submitted to the City within one year of issuance of first occupancy permit for the first building constructed on-site. (PW-ET).
60. The Applicant shall acknowledge that the City reserves the right to inspect the project for TDM Program effectiveness and automobile trip reduction and may impose additional measures or penalties if the project does not meet a total of 9% automobile trip reduction as outlined in the Project's TDM Plan. (PW-ET).
61. The TDM Coordinator's contact information shall be provided to all employees and residents of both multi-family residential and condominiums of the Sohay development, and the TDM Coordinator shall be responsible for monitoring parking and resolving parking complaints/disputes throughout the commercial, mixed-use and townhome development. (PW-ET)

Building Plans

62. The development shall be GreenPoint Rated with evidence of such certification/rating to be submitted prior to issuance of the first certificate of occupancy for the development. (DS)
63. Plans for building permit applications shall incorporate/comply with the following:

- a. Compliance with applicable Building and Fire Codes.
 - b. The project shall comply with disabled access provisions of 2016 CBC Chapter 11A. All required accessible and/or adaptable units shall be called out on the plans and unit counts shall comply with the counts required in the code.
 - c. A copy of these conditions of approval shall be included on a full-sized sheet(s) in the plan set.
 - d. A lighting plan prepared by a qualified illumination engineer shall be included to show exterior lighting design. Exterior lighting shall be erected and maintained so that adequate lighting to ensure a safe environment is provided in all common areas, while minimizing impacts on surrounding properties. Exterior lighting shall be shielded and deflected away from neighboring properties and away from windows of the proposed buildings. The final design and location of lighting fixtures shall reflect the architectural style of the building and shall be reviewed and approved by the Planning Division prior to approval of building permits. (DS)
64. Utilities, meters, and mechanical equipment when not enclosed in a cabinet, shall be screened by either plant materials or decorative screen so that they are not visible from the street. Sufficient access for meter-reading by utility staff must be provided to all meters. (DS/U-ES)
65. Any transformer shall be located underground or screened from view by landscaping and shall be located outside any front or side street yard. (DS/PW-ET)

Final Map:

66. Subdivision Improvement Agreement: Prior to the approval of each Final Map within the development, the applicant shall execute a Subdivision Improvement Agreement with the City that guarantees the completion of the required public improvements necessary to support each subdivision to the satisfaction of the Director of Public Works. Each agreement shall include privately engineered plans, surety (i.e. bonds), insurance, and additional deposit for City staff time spent on the project. (DS/PW-ET)
67. Unless otherwise stated, all necessary easements shall be dedicated and all improvements shall be designed and installed, at no cost to the City of Hayward. Prior to or concurrent with applicable final map recordation, developer shall record a reciprocal easement, ingress/egress easement and maintenance agreement(s) to address all common utilities, crossing utilities and all common access ways. (DS/PW-ET)

Required Improvements & Submittals:

68. A Phase I Environmental Site Assessment (dated April 15, 2016) and a Phase II Environmental Site Assessment (dated July 27, 2016) were submitted to the City of Hayward for this project. Updated reports shall be submitted to the Hazardous Materials Division that include a discussion about uses, investigations, data gaps and review of near surface soils for potential contamination prior to the issuance of grading permits for the applicable areas. The applicant shall contact the Hayward Fire Department, Hazardous Material Office prior to preparing the updated reports. If additional work is deemed necessary based on the findings and conclusions of the updated reports, then the applicant may be required to submit a final clearance documentation from either the California Regional Water Quality Control Board or the Department of Toxic Substance Control to ensure that the property meets residential development investigation and cleanup standards. Allowances may be granted for some grading activities if necessary to ensure environmental and health based clearances. (Haz Mat)
69. The Applicant shall submit Signing & Striping plans, to be included with Improvement Plans, to Public Works Engineering and Transportation for review and approval. The Signing and Striping plans shall include both on-site (private) and off-site (public) roadways. For off-site (public) roadways, signing and striping plans shall include all locations (both sides of street) that front project areas/lots. The Signing and Striping Plans shall further include proposed pedestrian crosswalks and associated signage on Mission Boulevard and on Dixon Street as indicated in the approved Traffic Study. The Signing and Striping Plans shall be approved by Public Works and the City Engineer prior to issuance of first Building permit. (PW-ET)
70. Off-street private parking shall only be allowed within the proposed parking bay location(s). Where no parking is designated, the curbs shall be painted red and "No Parking" signs shall be installed along the sides of the access driveway. The locations of signs and red curbs shall be approved by the Fire Chief and City Engineer. Fire lanes shall be kept free of cars, materials, or other obstructions. (PW-ET)
71. The Applicant shall submit photometric plans, to be included in the Improvement Plans package, to Public Works for review and approval. Photometric plans shall include both on-site (private) and off-site (public) areas. For off-site (public) areas, photometric plans shall include all locations that front project areas/lots, including roadways. The Photometric Plans shall be approved by Public Works and the City Engineer prior to issuance of first Building permit. (PW-ET)
72. Privately engineered studies and design documents shall be submitted to the Director of Public Works for review and approval prior to issuance of building permits unless otherwise stated below. In addition to improvement plans associated and required for each subsequent Final Map, the applicant shall submit an improvement plan for backbone improvements (i.e. sewer, water, and street improvements) for review and approval by the City Engineer prior to approval of

the first final map. The engineered plans shall include, but not be limited to, the following design requirements:

- a. The public facilities such as water meters, RP backflow preventers, sewer clean outs, etc., shall be placed so access is maintained and kept clear of traffic. All improvements must be in accordance with the City of Hayward standard detail and specs and built to the City Engineer's satisfaction and accepted by the City prior to issuance of any first certificate of occupancy for the project.
- b. As part of the backbone improvements plan, the applicant shall modify the eastbound approach at the intersection of Mission Boulevard and Valle Vista Avenue, including widening as necessary, to include one 11-foot exclusive left turn pocket and one 11-foot through-right lane. Applicant shall submit detailed plans for this modification to Public Works as part of the backbone Improvement Plans, which shall be reviewed and approved by Public Works and the City Engineer prior to approval of the first final map. Furthermore, Applicant shall be responsible for construction and all costs associated with this modification, including any need to modify the existing traffic signal, loop detectors or hardware and signing and striping to accommodate the widened roadway.
- c. The applicant shall install and maintain a public multi-use bike and pedestrian trail across PA 2-3 that connects to the Mission Seniors trail located north of the project site. The applicant shall dedicate and maintain the Public Access Easement at a minimum of 8 feet wide with 2 feet buffer on both sides (total 12 feet) to meet FHWA standards. The trail shall remain unlocked, ungated and accessible for public use between the hours of 6:00 AM and 8:00 PM on all days of the week. Location and design of the trail shall be reviewed and approved by City of Hayward Public Works-Transportation Division prior to issuance of Certificate of Occupancy for the development.
- d. The applicant shall contribute to the City twenty percent (20%) of the total cost toward design and installation of a HAWK signal, crosswalk, sidewalk ramps, median modifications and associated signage on Mission Boulevard between Project Area (PA 2-3) and the proposed retail space and park. The total cost, in dollars, will be determined by Public Works and the City Engineer. The Applicant's contribution amount shall be paid in full prior to issuance of building permits.
- e. Concurrent with the improvements in the PA 3 areas, the applicant shall install a raised decorative crosswalk, bulb-outs, pedestrian signage and striping, and pedestrian flashing beacons on Dixon Street between PA 2-2 and PA 3-1. Raised crosswalk and bulb-outs plans shall be submitted to Public Works for review and approval. Signage and pavement markings shall be included in the Signing & Striping Plan.

- f. Applicant shall contribute 5 percent (per MM for Cumulative Plus Project) of the total cost toward design and installation of a traffic signal at the intersection of Dixon Street and Valle Vista Avenue. The total cost and applicant's contribution, in dollar amount, shall be determined by Public Works and City Engineer. Payment shall be submitted prior to approval of improvement plans and issuance of building permits.
- g. The developer shall establish a public access easement on the PA-3 trail that extends from Dixon Street to Industrial Parkway. The easement shall be recorded and reflected on the Final Map recorded for the property.
- h. Project shall dedicate five feet of right-of-way along Valle Vista Avenue fronting PA 1 as shown on Sheet TM1.1 to a total of 30 feet half street right of way. Project shall dedicate 30 feet of right-of-way and P.U.E as needed based on ultimate Joint Trench Plans along Valle Vista Avenue fronting PA 2-4 as shown on Sheet TM4.1 to a total of 60 feet right-of-way along the PA2-4 frontage.
- i. Valle Vista Avenue street pavement shall be widened and resurfaced with a minimum two-inch thick hot-mix-A.C. to provide a 40-foot wide travel way between curb faces. Concrete curbs, gutters and a minimum 5-foot wide sidewalk shall be provided on both sides of Valle Vista Avenue across the subdivision frontages. Signs and street markings shall be provided. Valle Vista Avenue right-of-way shall have a total width of 60-feet with six-foot wide public utilities easements along both sides across the subdivision frontages.
- j. An easement for public access shall be dedicated over Lane 1-1A and Drive Aisle RB as labeled on TM 1.7 as well as across all project street connections to the satisfaction of the Director of Public Works. This is to ensure the applicant will not restrict parking for and access to the public park.
- k. An easement shall be granted to ACFC for ingress-egress rights between parcel APN 083-0455-010-02 and the nearest Public Street(s) to the satisfaction of ACFC and Director of Public Works.
- l. Existing damaged curb, gutter and sidewalk along Industrial Parkway and Dixon Street frontages shall be replaced in kind.
- m. Existing overhead public utilities along all streets frontage shall be removed and placed in underground conduits and vaults. Undergrounding of overhead public utilities shall be limited to the extents shown on Sheet TM0.4.
- n. Existing non-LED street lights shall be converted to LED along all project frontages.
- o. Segments of Mission Boulevard, Valle Vista Avenue and Dixon Street pavements with excavations related to the project shall be repaired with T-trench sections

and resurfaced with a minimum two-inch thick hot-mix A.C. across their full or partial widths as required by the City Engineer.

- p. Vehicular access from Mission Boulevard into PA-MU shall have curb returns with landscaped bulb outs as shown on sheet TM1-4. (PW-ET)
73. Applicant shall contribute cost of City staff time necessary to re-time the traffic signals identified in the approved Traffic Study as Mitigation Measures. The Applicant's fair-share amount for this task is \$2,000.00 and shall be paid prior to issuance of building permits. (PW-ET)
74. It is Applicant's responsibility to get permit or approval from all affected agencies or private parties. Copies of applicable permits or approvals shall be provided to the City with building permit application submittal. (DS)

Grading and Drainage:

75. A grading and drainage plan showing proposed finish grades and drainage is required and shall be submitted with the improvement plans prior to building permit issuance. Applicant has the option to apply for a rough grading permit. The grading and drainage plan shall include, but not be limited to, the following design & submittal requirements:
- a. All on-site storm drainage conveyance facilities and earth retaining structures four feet in height or less (top of wall to bottom of footing) shall be reviewed and approved by Public Works. Earth retaining structures greater than four feet in height shall be reviewed and approved by the Building Division of the Development Services Department. The plans should include all proposed underground pipes, building drains, area drains and inlets. The on-site storm drainage system (if applicable) shall be designed to convey a 10-year storm event.
 - b. This project involves a land disturbance of one or more acres therefore the Applicant is required to submit a Notice of Intent to the State Water Resources Control Board and to prepare a Storm Water Pollution Prevention Plan (SWPPP) for controlling storm water discharges associated with construction activity. Copies of these documents must be submitted to the Director of Public Works prior to issuance of a grading permit.
 - c. A soils report must be submitted to and accepted by the City prior to the issuance of a grading permit.
 - d. For subdivision PA 2-3 of the Tentative Map, a Geological Report prepared by a registered Engineering Geologist must be submitted to and accepted by the City prior to the issuance of a grading permit.

- e. The project's Stormwater Control Plan which will include, but not be limited to, drainage management areas, location and details of all treatment control measures and site design measures, and sizing calculations in conformance with Alameda County Clean Water Program C3 design guidelines.
 - f. An updated stormwater requirements checklist shall be submitted to and accepted by the City prior to issuance of building permits.
 - g. Prior to map recordation, the property owner shall enter into the City's standard "Stormwater Treatment Measures Maintenance Agreement" as prepared by the City. The Maintenance Agreement shall be recorded with the Alameda County Recorder's Office to ensure that the maintenance responsibility for private treatment control and site design measures is bound to the property in perpetuity. (PW-ET)
76. Applicant shall identify opportunities for rainwater harvesting and indicate where barrels or other containers will be placed to capture runoff from all residential buildings. (PW-ET)
77. The on-site storm drain system shall be privately owned and maintained by the property management association and homeowner's association. (DS/PW-ET)

Flood Zone Requirements:

78. Portions of the project site is within the Federal Emergency Management Agency (FEMA) Flood Zone AE and those portions are subject to the following conditions:
- a. The lowest floor elevation of the proposed buildings shall be elevated to at least one foot above the base flood elevation (BFE).
 - b. Building support utility systems within the flood zone such as HVAC, electrical, plumbing, air conditioning equipment, including ductwork, and other service facilities must be elevated above the BFE or protected from flood damage.
 - c. An Elevation Certificate (FEMA Form 086-0-33) for the proposed structures within the flood zone, based on construction drawings, is required prior to issuance of a building permit. Consequently, an Elevation Certificate based on finished construction is required for the built structure prior to issuance of any certificates of occupancy. (DS/PW-ET)

Utilities: Water

79. Modify Improvement Plans Sheet TM 5.5B to extend water main in court 3-1A and court 3-1B to loop on the side of the buildings 3-1.3 and 3-1.6. Modifications shall be shown on improvements plans prior to approval of improvement plans and issuance of building permits. (U-ES)

80. The development's water mains shall be public, owned and maintained by the City. If the water mains are located in a private roadway, either the entire roadway shall be a public utility easement or a minimum 10-foot wide easement shall be granted to the City. (U-ES)
81. All water mains must be looped. Dead end water mains will not be allowed. Water mains must be connected to other water mains, via dedicated easements if necessary. (U-ES)
82. Where a public water main is in an unpaved easement or under decorative, stamped, or colored concrete (including turf-blocks), the water main shall be constructed of ductile iron. Shut-off valves are required where a water main transitions from a paved area to an unpaved easement. (U-ES)
83. All public water mains shall be constructed in accordance with the City's "Specifications for the Construction of Water Mains (12-inch diameter or less) and Fire Hydrants," latest revision at the time of permit approval. (U-ES)
84. All water services from existing water mains shall be installed by City Water Distribution Personnel at the applicant's/developer's expense. This includes relocating existing services and water main tie-ins. The developer may only construct new services in conjunction with their construction of new water mains. (U-ES)
85. Existing water services, if any, that cannot be reused for the proposed development shall be abandoned by City Water Distribution Personnel at the developer's expense. (U-ES)
86. Each dwelling unit shall have an individual domestic water meter. Facilities fees for residential connections are based on the domestic demand for the home. A larger water meter may be installed if the service is combined with a private fire service. The developer is required to pay water facilities fees and installation charges for connections to water mains and work performed by City forces. (U-ES)
87. The initial single retail space shall have an individual master domestic water meter. Separate meters shall be installed if and when the retail space is subdivided into separate spaces. Facilities fee for non-residential connections are based on the water meter size required to meet the indoor demand for the operation. (U-ES)
88. Each structure shall have its own fire service, sized per the requirements of the Fire Department. Fire services shall have an above ground Double Check Valve Assembly, per City Standard Details SD-201 and SD-204. (U-ES)
89. Residential combined domestic and fire services are allowed, per City Standard SD-216. The minimum size for a residential fire service connection is one-inch. (U-ES)

90. Separate irrigation water meter(s) shall be installed for landscaping purposes. The size will be based on the gallon per minute demand of the irrigation system. (U-ES)
91. The applicant/developer shall install a Reduced Pressure Backflow Prevention Assembly on each irrigation water meter, per City Standard SD-202. Backflow preventions assemblies shall be at least the size of the water meter or the water supply line on the property side of the meter, whichever is larger. (U-ES)
92. All water meters shall be radio-read type. (U-ES)
93. Water mains and services, including the meters, must be located at least 10 feet horizontally from and one-foot vertically above any parallel pipeline conveying untreated sewage (including sanitary sewer laterals), and at least four feet from and one foot vertically above any parallel pipeline conveying storm drainage, per the current California Waterworks Standards, Title 22, Chapter 16, Section 64572. The minimum horizontal separation distances can be reduced by using higher grade piping materials, with the City's approval. (U-ES)
94. The existing 6-inch water main along Valle Vista Avenue between Mission Boulevard and Dixon Street shall be replaced with a minimum 12-inch water main as shown on sheet TM 0.4. (U-ES)
95. The existing 6-inch water main along Dixon Street shall be replaced with a minimum 12-inch water main between Valle Vista Avenue and the entrance to PA-3 as shown on sheet TM 0.4. (U-ES)

Utilities: Sewer

96. The development's sanitary sewer mains and manholes shall be public, owned and maintained by the City. If the sewer mains are located in a private roadway, either the entire roadway shall be a public utility easement or a minimum 10-foot wide easement shall be granted to the City. (U-ES)
97. All sewer mains and appurtenances shall be constructed in accordance to the City's "Specifications for the Construction of Sewer Mains and Appurtenances (12-inch Diameter or Less)," latest revision at the time of permit approval (available on the City's website at <http://user.govoutreach.com/hayward/faq.php?cid=11188>). Sewer cleanouts shall be installed on each sewer lateral at the connection with the building drain, at any change in alignment, and at uniform intervals not to exceed 100 feet. Manholes shall be installed in the sewer main at any change in direction or grade, at intervals not to exceed 400 feet, and at the upstream end of the pipeline. (U-ES)

98. Each single-family residential dwelling unit shall have an individual sanitary sewer lateral. The sanitary sewer laterals shall have cleanouts and be constructed per City Standard Detail SD-312. (U-ES)
99. The applicant/developer shall install a grease control device to control fat, oil and grease discharge from any food service establishments. The type, size, and location of the device shall be approved by the Utilities & Environmental Services Department and shall be installed prior to occupancy of the commercial tenant space(s). (U-ES)
100. The developer is responsible for payment of sewer connection fees at the current rates at the time and application for water and sewer service is submitted.
 - a. Sewer connection fees for residential connections are charged on a flat fee per number of residential units.
 - b. Sewer connection fees for non-residential connections are calculated based on the volume (in gallons per day) and strength of the wastewater discharge (in measures of CBOD and SS). (U-ES)
101. The existing eight-inch sewer main along Valle Vista Avenue between Mission Boulevard and Dixon Street shall be replaced with a minimum 12-inch sewer main as shown on sheet TM 0.4. (U-ES)
102. The existing 10-inch sewer main along Dixon Street shall be replaced with a minimum 12-inch sewer main between Valle Vista Avenue and the entrance to PA-3 as shown on sheet TM 0.4. (U-ES)

Utilities: Solid Waste

103. Submit a Solid Waste Handling Plan as a sheet in the site plans as part of your building permit submittal. The Solid Waste Handling Plan shall be reviewed and approved by the Utilities & Environmental Services Department prior to issuance of building permits. The plan should include the following details:
 - a. How residential and commercial waste will be collected and conveyed from the individual units to the appropriate dedicated enclosure(s) for pickup; and
 - b. The waste collection vehicle access to each trash enclosure onsite; and
 - c. The weekly volumes of trash, recyclables, and organics generated for the residential and commercial portions of the project. (U-ES)
104. The building permit submittal shall provide details on any proposed commercial uses including but not limited to whether restaurants, retail, grocery stores, etc. are planned in the commercial spaces. If the proposed development does not have

confirmed commercial tenants (i.e. a speculative development), City staff reserves the right to require modifications to the enclosures constructed by the Applicant to include more enclosures and/or to revise the dimensions of the constructed enclosures as individual tenants submit their plans. (U-ES)

105. All trash enclosures must adhere to all the basic design guidelines provided in Section 3 of the City's Standard Design Requirements for Collection & Storage of Trash, Recyclables and Organics for Commercial (Business) and Multi-Family Projects. The building permit submittal shall include a detailed set of plans that show the design details of the enclosures, including the location of all bins and label each bin with the capacity (ex: three cubic yards, four cubic yards, etc.) as well as the type of waste (trash, recyclables, organics). (U-ES)
106. Ensure each residence has access to either a bin or cart into which they can separate food waste for composting. (U-ES)
107. A Construction and Demolition Debris Recycling Statement shall be submitted with building permit applications. The minimum debris recycling requirements are 100% for asphalt, concrete, and similar materials, and 65% of remaining debris. (U-ES)

Utilities: Other

108. All service to the development shall be an "underground service" designed and installed in accordance with the Pacific Gas and Electric Company, AT&T (phone) Company and local cable company regulations. Transformers and switch gear cabinets shall be placed underground unless otherwise approved by the Planning Director and the City Engineer. Underground utility plans must be submitted for City approval prior to installation. (DS/PW-ET)
109. All proposed surface-mounted hardware (fire hydrants, electroliers, etc.) along the proposed streets shall be located outside of the sidewalk within the proposed Public Utility Easement in accordance with the requirements of the City Engineer or, where applicable, the Fire Chief. (DS/PW-ET)
110. The developer shall provide and install the appropriate facilities, conduit, junction boxes, etc., to allow for installation of a fiber optic network within the development. (DS/PW-ET)
111. All utilities shall be designed in accordance with the requirements of the City of Hayward and applicable public agency standards. (DS/PW-ET)
112. The improvements associated with the Pacific Gas and Electric Company, AT&T (phone) company and local cable company shall be installed to the satisfaction of the respective companies. (DS/PW-ET)

Landscaping and Irrigation

Model Homes:

113. Pursuant to HMC Section 10-12.17, Public Education, Model Homes: All model homes that are landscaped shall use signs and written information to demonstrate the principles of water efficient landscapes as follows:
- a. Signs shall be used to identify the model as an example of a water efficient landscape featuring elements such as hydrozones, irrigation equipment, and others that contribute to the overall water efficient theme.
 - b. Information shall be provided about designing, installing, managing, and maintaining water efficient landscapes. (DS-L)
114. Inspections for Model Homes: Landscape inspection shall be required prior to issuance of Temporary Certificate of Occupancy (TCO), and a follow-up inspection shall be conducted prior to issuance of Certificate of Occupancy (C of O) at the time of converting the model for sale. The project landscape architect shall inspect and accept the installation prior to requesting an inspection from City Landscape Architect. The project landscape architect shall complete Appendix C: Certificate of Completion in the City's Bay-Friendly Water Efficient Landscape Ordinance. The completed Certificate of Completion Part 1 through Part 7 shall be faxed, e-mailed or mailed to the City's Landscape Architect prior to scheduling a request for an inspection from the City Landscape Architect. (DS-L)

Landscaping Submittals:

115. The improvement plans shall be prepared by a licensed landscape architect on an accurately surveyed base plan. The plans shall comply with the City's water efficient landscape ordinance (California Building Code Title 23) and all relevant Municipal Codes. (DS-L)
116. No building permit shall be issued prior to approval of landscape and irrigation improvement plans for the tract in which the building is located. This does not apply to building permits for model buildings. Prior to issuance of the first building permit, detailed landscape and irrigation improvement plans shall be approved by the City. Mylar of the final, approved improvement plans shall be submitted to the City for approval signature. Copies of the final, approved and signed improvement plans shall be submitted as a part of the building permit submittal. (DS-L)
117. Mylar of the approved landscape and irrigation improvement plans shall be submitted to the Engineering Department. Mylar shall be wet-signed and shall be provided with a bar scale. The size of Mylar shall be twenty-two (22) inches by thirty-four (34) inches. A signing block shall be provided in the low right side on

each sheet of Mylar. The signing block shall contain two signature lines and two date lines for City of Hayward, Landscape Architect and City Engineer. (DS-L)

118. Landscape Improvement Plans shall include landscape statement: "I have complied with the criteria of City of Hayward Bay-Friendly Water Efficient Landscape Ordinance and applied them for the efficient use of water in the landscape and irrigation design plan." (DS-L)
119. All plans shall be numbered consecutively. (DS-L)
120. All plans shall be legible. No plans shall sacrifice the readability for the sake of consolidating information one sheet. (DS-L)

Landscape Design and Layout:

121. The bio-retention areas south of Building 2-3.1 and the south of Lane 2-A are located adjacent to the walkway. Improvement plans shall include cross sections of these areas to ensure that there is not an elevation drop that would compromise pedestrian safety next to the walkway. Cross sections and pathway plans shall account for the fact that C.3 soil mix with high sand content shifts and settles more than standard planting soil. (DS-L)
122. Group open space shall be usable and cross slopes shall not exceed five percent (5%). The following areas do not meet that standards and cannot be utilized to meet group open space unless modified to meet the slope requirements:
 - a. The area between the public sidewalk and the parallel walkway to the east of Building 2-4.5, which has a slope of two to one (2:1);
 - b. The paseo between the parallel walkways between Building 2-3.5 and 2-3.4 and Building 2-3.3 and 2-3.2 have a slope of two to one (2:1), and does not meet the minimum cross slope allowance. (DS-L)
123. Pursuant to HMC Section 10-12.07, (2), (C), plant spacing shall not be closer the minimum spread provided in reference books to allow mature plant growth without subjecting plants to routine cutbacks and shearing. Reference plant books in the landscape ordinance and additional reference books of "Landscape Plants for California Gardens" by Robert Perry and "California Native Plants for the Garden" by Carol Bornstein, David Fross and Bart O'Brien shall be used, and the list of reference book shall be provided in the plant legend. (DS-L)
124. WUCOLS Edition IV published in 2014 shall be used for water use requirements. (DS-L)
125. *Platanus acerifolia* 'Columbia' shall be specified in place of 'Bloodgood'. Bloodgood variety is known to be resistant to anthracnose but Columbia variety is known to be resistant to both anthracnose and mildew. (DS-L)

126. Rhus lancea shall not be specified for having short life span, invasive root system and dying back internal branches as matures. (DS-L)
127. Artificial turf shall only be used for recreational purposes where traditional turf would have been specified. Artificial turf shall not be used as a paving type. (DS-L)
128. A tree inventory plan shall provide on the mitigation summary chart. The mitigation summary chart shall provide trees to be removed, value of trees to be removed, trees with assigned identification numbers in the arborists report, total value of mitigation, and proposed tree sizes and their value equaling the mitigation value. Tree mitigation shall be provided above and beyond providing required trees such as street trees, front yard trees, parking shade trees and screening trees. (DS-L)
129. All common area landscaping, irrigation and other required improvements shall be installed in accordance with the approved improvement plans prior to acceptance of tract improvements, or occupancy of eighty-percent (80%) of the dwelling units, whichever first occurs. Certificate of Completion, as-built Mylar and an Irrigation Schedule shall be submitted upon acceptance of the landscape improvements for the Tract to the Department of Public Works Engineering by the developer. (DS-L)

Fire Department:

130. Area PA 2-3 is located within the City of Hayward Wildland/Urban Interface Area, and shall meet the construction requirements as stated in the City of Hayward Hillside Design and Urban/Wildland Interface Guidelines, which includes Class A roofing materials and exterior non-combustible siding materials (such as stucco), and double-pane windows. Wood shake or treated wood shake roofs is prohibited. The building construction shall comply with the requirements contained in the California Residential Code Section R327.
 - a. All decks shall comply with requirements of the Hayward Fire Department Urban Wildland Interface Deck Construction.
 - b. Construct fences with an open wire mesh or noncombustible material within ten feet of a structure to prevent fire from spreading to the structure.
 - c. Provide spark arrestors with one-fourth inch metal mesh screens on all chimneys. Homeowners should inspect spark arrestors every year to ensure mesh screen integrity.
 - d. Restrict outdoor storage of firewood, kindling, or compost material within 30 feet of any structure, unless the material is stored in an approved bin or enclosure.

- e. Chimneys shall be located a minimum of ten feet away from existing tree canopies.
 - f. Enclose all roof eaves with minimum required attic vents covered with metal mesh in accordance with Chapter 7A of California Building Code. The dimensions of mesh openings shall be a minimum one-sixteenth-inch and shall not exceed one-eighth-inch in size. (Fire)
131. Design of the public streets and private streets and courts shall meet all City of Hayward and California Fire Code Standards. (Fire)
 132. All public and private streets and private courts shall be designed with an all-weather surface pavement. (Fire)
 133. All public streets, private streets and private courts shall be designed and engineered to withstand 75,000 lbs. gross vehicle weight of fire apparatus. This standard is also applicable to pavers or decorative concrete. (Fire)
 134. Parking of vehicles is allowed one-side parking on 30-foot-wide road. No parking is allowed on 24-foot-wide road. Where there is no on-street parking, fire lane signage shall be installed in locations required by the Hayward Fire Department. "No Parking" sign shall meet the City of Hayward Fire Department fire lane requirements. (Fire)
 135. Spacing and locations of fire hydrants shall be subject to review and approval by the Hayward Fire Department. The type of fire hydrant shall be Modified Steamer Hydrant (Clow Valve Co. Model LB 614 with one two and one-half inch outlet and one four and one-half inch outlet) in single-family residential area, capable of flowing 1,500 gallons per minute. The design and layout of the hydrants shall be reviewed and approved by the Fire Department. (Fire)
 136. Blue reflective pavement markers shall be installed at fire hydrant locations in the street. If fire hydrants are located to be subjected to vehicle impacts as determined by the Hayward Fire Department, crash posts shall be installed around the fire hydrant(s). (Fire)
 137. Buildings are required to install fire sprinkler systems in accordance with NFPA 13 for commercial retail buildings and 13/13D Standards for residential buildings. A separate plan/permit is required prior to the installation of the overhead fire sprinkler system. All fire overhead fire sprinkler systems shall be designed and installed by a Licensed C-16 Contractor. (Fire)
 138. Maximum 80 PSI water pressure should be used when water data indicates a higher static pressure. Residual pressure should be adjusted accordingly. (Fire)

139. Underground fire service line serving NFPA 13D/13 sprinkler system shall be installed in accordance with NFPA 24 and the Hayward Public Work Department SD-216/204. Water meter shall be a minimum of one-inch in diameter for residential application or four-inch for a (NFPA 13) commercial grade system. (Fire)
140. An audible alarm bell (device) shall be installed to sound on the exterior of each individual building. The device shall activate upon any fire sprinkler system water flow activity and in some applications, monitored for integrity. (Fire)
141. An interior audible alarm device shall be installed within residential dwellings in a location to be heard throughout the home. The device shall activate upon any fire sprinkler system water flow activity. (Fire)
142. All bedrooms and hallway areas shall be equipped with smoke detectors, CO detectors and/or combination CO/Smoke detectors, hard-wired with battery backup. Installation shall conform to the California Building Code (CBC). (Fire)
143. When a flow switch is not installed on the riser of a flow thru sprinkler system, smoke alarms shall be interconnected to sound an audible alarm in all sleeping areas within the dwelling unit. (Fire)
144. CO detectors should be placed near the sleeping area on a wall about five feet above the floor. The detector may be placed on the ceiling. Each floor needs a separate detector. (Fire)
145. A minimum four-inch tall self-illuminated address shall be installed on the front of the dwelling in a location to be visible from the street. Otherwise, a minimum six-inch tall address shall be installed on a contrasting background and shall be in a location approved by the Fire Department. (Fire)
146. Fire Department Connection (FDC) – The Fire Department Connection shall be located on the street side of the building or in a location approved by the Fire Department. A sign shall be attached to the fire department connection with letters having a minimal 1-inch height and height and shall indicate the type of service for which the FDC is intended, (i.e., AUTOSPKR, STANDPIPE, etc.). (Fire)
147. Fire Alarm System Required. A manual fire alarm system shall be installed in a Group R-2 Occupancy when the building contains more than 16 dwelling units. System design and installation shall meet the CFC and NFPA 72 Standards as well as all ADA requirements. (Fire)
148. Standpipe system required. Per California Fire Code and City of Hayward Ordinance 905, buildings three stories or more in height shall have an approved standpipe system. (Fire)

Hazardous Materials

149. The Hayward Fire Department's Hazardous Materials Office shall be notified immediately at (510) 583-4900 if hazardous materials or associated structures are discovered during demolition or during grading. These shall include, but shall not be limited to: actual/suspected hazardous materials, underground tanks, or other vessels that may have contained hazardous materials. (Haz Mat)
150. Prior to grading: Structures and their contents shall be removed or demolished under permit in an environmentally sensitive manner. Proper evaluation, analysis and disposal of materials shall be done by appropriate professional(s) to ensure hazards posed to development construction workers, the environment, future residents and other persons are mitigated. (Fire)
151. Discovery of Potentially Hazardous Materials or Vessels/Containers shall be reported to the Hayward Fire Department's Hazardous Materials Office shall be notified immediately at (510) 583-4900 if hazardous materials are discovered during demolition or during grading. These shall include, but shall not be limited to, actual/suspected hazardous materials, underground tanks, vessels that contain or may have contained hazardous materials. (Fire)
152. Use of Hazardous Materials or Generation of Hazardous Waste. During construction, hazardous materials used and hazardous waste generated shall be properly managed and disposed. (Fire)

DURING CONSTRUCTION

153. The developer shall ensure that unpaved construction areas are sprinkled with water as necessary to reduce dust generation. Construction equipment shall be maintained and operated in such a way as to minimize exhaust emissions. If construction activity is postponed, graded or vacant land shall immediately be revegetated. (DS/PW-ET)
154. The following control measures for construction noise, grading and construction activities shall be adhered to, unless otherwise approved by the Planning Director or City Engineer:
 - a. In conformance with Section 4-1.03-4 of the City's Municipal Code, construction activities between 7:00 a.m. and 7:00 p.m. Monday through Saturday or between 10:00 a.m. and 6:00 p.m. on Sundays or holidays, unless other construction hours are permitted by the City Engineer or Chief Building Official, shall not include any individual equipment that produces a noise level exceeding 83 dB measured at 25 feet, nor shall activities produce a noise level outside the project property lines in excess of 86 dB. During all other hours, noise shall not exceed the limits defined in Municipal Code Section 4-1.03.1 (70 dB daytime or 60 dB nighttime, measured at residential property lines).
 - b. Grading and construction equipment shall be properly muffled;

- c. Unnecessary idling of grading and construction equipment is prohibited;
- d. Stationary noise-generating construction equipment, such as compressors, shall be located as far as practical from occupied residential housing units;
- e. Applicant/developer shall designate a "noise disturbance coordinator" who will be responsible for responding to any local complaints about construction noise. Letters shall be mailed to surrounding property owners and residents within 300 feet of the project boundary with this information.
- f. The developer shall post the property with signs that shall indicate the names and phone number of individuals who may be contacted, including those of staff at the Bay Area Air Quality Management District, when occupants of adjacent residences find that construction is creating excessive dust or odors, or is otherwise objectionable. Letters shall also be mailed to surrounding property owners and residents with this information prior to commencement of construction.
- g. Daily clean-up of trash and debris shall occur on project street frontages, and other neighborhood streets utilized by construction equipment or vehicles making deliveries.
- h. Gather all construction debris on a regular basis and place them in a dumpster or other container which is emptied or removed on a weekly basis. When appropriate, use tarps on the ground to collect fallen debris or splatters that could contribute to storm water pollution;
- i. Remove all dirt, gravel, rubbish, refuse and green waste from the sidewalk, street pavement, and storm drain system adjoining the project site. During wet weather, avoid driving vehicles off paved areas and other outdoor work;
- j. The site shall be watered twice daily during site grading and earth removal work, or at other times as may be needed to control dust emissions;
- k. All grading and earth removal work shall follow remediation plan requirements, if soil contamination is found to exist on the site;
- l. Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved access roads, parking areas and staging areas at construction sites;
- m. Sweep daily (with water sweepers) all paved access roads, parking areas and staging areas at construction sites;
- n. Sweep public streets daily if visible soil material is carried onto adjacent public streets;

- o. Apply (non-toxic) soil stabilizers or hydroseed to inactive construction areas (previously graded areas inactive for 10-days or more);
 - p. Enclose, cover, water twice daily or apply (non-toxic) soil binders to exposed stockpiles (dirt, sand, etc.).
 - q. Broom sweep the sidewalk and public street pavement adjoining the project site on a daily basis. Caked on mud or dirt shall be scraped from these areas before sweeping;
 - r. No site grading shall occur during the rainy season, between October 15 and April 15, unless approved erosion control measures are in place.
 - s. Install filter materials (such as sandbags, filter fabric, etc.) at the storm drain inlet nearest the downstream side of the project site prior to: 1) start of the rainy season; 2) site dewatering activities; or 3) street washing activities; and 4) saw cutting asphalt or concrete, or in order to retain any debris or dirt flowing into the City storm drain system. Filter materials shall be maintained and/or replaced as necessary to ensure effectiveness and prevent street flooding. Dispose of filter particles in the trash;
 - t. Create a contained and covered area on the site for the storage of bags of cement, paints, flammables, oils, fertilizers, pesticides or any other materials used on the project site that have the potential for being discharged to the storm drain system through being windblown or in the event of a material spill;
 - u. Never clean machinery, tools, brushes, etc., or rinse containers into a street, gutter, storm drain or stream. See "Building Maintenance/Remodeling" flyer for more information;
 - v. Ensure that concrete/gunite supply trucks or concrete/plasters finishing operations do not discharge washwater into street gutters or drains; and
 - w. The developer shall immediately report any soil or water contamination noticed during construction to the City Fire Department Hazardous Materials Division, the Alameda County Department of Health and the Regional Water Quality Control Board. (DS/PW-ET)
155. The minimum soils sampling and testing frequency shall conform to Chapter 8 of the Caltrans Construction Manual. The subdivider shall require the soils engineer to daily submit all testing and sampling and reports to the City Engineer. (PW-ET)
156. All buildings shall be designed using the California Building Codes in effective at the time of submitting building permit applications. (DS)

157. All common area landscaping, irrigation and other required improvements shall be installed according to the approved plans. (DS-L)
158. All public improvements, including the complete installation of all improvements relative to streets, fencing, sanitary sewer, storm drainage, water system, underground utilities, etc., shall be completed and attested to by the City Engineer before approval of occupancy of any unit. Where facilities of other agencies are involved, such installation shall be verified as having been completed and accepted by those agencies. (DS/PW-ET)

PRIOR TO ISSUANCE OF CERTIFICATE OF OCCUPANCY & FINAL INSPECTION

159. Lighting and Landscaping Assessment District: Prior to the issuance of the first certificate of occupancy for the development, the applicant shall form a benefit zone(s) to annex within the City's Landscape and Lighting Assessment District 96-1 (LLD) to provide funding for operations maintenance and servicing of amenities, facilities, landscaping, hardscape, and lighting improvements in public rights-of-way, public areas, and public parks as follows (all other areas not specifically listed below would be maintained by the HOA):
 - a. Public park as shown as Parcel P or designated as "PARK" on the Vesting Tentative Map adjacent to the Alameda County Flood Control Channel and between Mission Boulevard and Dixon Street.
 - b. Eight-foot-wide trail and necessary lighting and landscaping within Parcel 3-1 and a ten-foot-wide public access easement across lots and parcels as shown on the tentative map from Dixon Street to Industrial Parkway.
 - c. Public walkway feature across the Alameda Flood Control Channel and over Lots 2-1.1 and 2-1.2 on the Tentative Map.
160. Prior to the issuance of Certificate of Occupancy for a specific building, all landscape and irrigation adjacent to the specific building shall be completed in accordance to the approved plan and accepted by the City Landscape Architect. Before requesting an inspection from the City Landscape Architect, the project landscape architect shall inspect and accept landscape improvements and shall complete Appendix C. Certificate of Completion in the City's Bay-Friendly Water Efficient Landscape Ordinance. The completed Certificate of Completion Part 1 through Part 7 or applicable parts shall be faxed/e-mailed/turn in prior to requesting an inspection from the City Landscape Architect. (DS-L)
161. Children's playground equipment certification: Health and Safety Code in Chapter 4 titled "Safe Recreational Land Use (115725 - 115800)" calls for compliance with standard of ASTM and federal Consumer Protection and Safety Commission. Playground equipment is required an inspection by a certified playground safety inspector by the National Playground Safety Institute, and the certification letter

shall be submitted City Landscape Architect prior to the final inspection and issuance of Certificate of Occupancy. (DS-L)

162. Prior to final inspection and issuance of final certificates of occupancy, all pertinent conditions of approval and all improvements shall be completed to the satisfaction of the Public Works Director and Development Services Director or his/her designees. (DS/PW-ET)
163. Prior to issuance of final certificates of occupancy or final building inspections, the developer shall submit "as built" plans indicating the following:
 - a. Approved landscape and irrigation improvements;
 - b. All underground facilities, sanitary sewer mains and laterals, water services (including meter locations), Pacific Gas and Electric, AT&T (phone) facilities, local cable company, etc.;
 - c. All the site improvements, except landscaping species, buildings and appurtenant structures; and
 - d. Final Geotechnical Report. (PW-ET)
164. The Stormwater Treatment Measures Maintenance Agreement for the project, prepared by Public Works Engineering and Transportation Division staff, shall be signed and recorded in concurrence with final inspection, to ensure that the maintenance is bound to the property in perpetuity. (PW-ET).
165. As-built plans for all public improvements shall be prepared on Mylar (22-inch by 34-inch sheets) and developer shall submit a digital format of the Record Drawings (AutoCAD format is preferred) upon completion of improvements. The public facilities such as water meters, RP backflow preventers, sewer clean outs, etc., shall be placed so access is maintained and kept clear of traffic. All improvements must be in accordance with the City of Hayward standard detail and specs and built to the City Engineer's satisfaction and satisfaction and accepted by the City prior to issuance of any certificate of occupancy for the project. (PW-ET).

Property Management Company:

166. Prior to final inspections or issuance of final certificates of occupancy for the commercial and multi-family residential building(s), the owner shall provide evidence that a suitable property management firm has been selected, and a Property Management Plan (PMP) that specifics maintenance details, schedules and responsibilities, shall be submitted and approved by the Development Services Director. (DS)

167. The rent charged for a residential unit shall be unbundled from the cost of a parking space. The rents for units who choose not to purchase a parking space shall be reduced by an amount equal to that charged for a parking space.
168. The PMP shall include/address the following provisions:
- a. Description of how the stormwater best management practices associated with privately owned improvements and landscaping shall be maintained.
 - b. A reserve fund shall be maintained to cover the costs of improvements and landscaping to be maintained by the Property Management Company.
 - c. The Property Management Company shall maintain on-site storm drain systems on the PA MU site.
 - d. If the Property Management Company fails to maintain the common facilities, landscaping and irrigation in all common areas for which it is responsible so that tenants, guests, customers or adjacent owners will be impacted regarding the enjoyment, use or property value of the/their project, the City shall have the right to enter upon the project and to commence and complete such work as is necessary to maintain the common areas and private streets, after reasonable notice, and lien the property for the costs.
 - e. A requirement that the building exteriors and fences shall be maintained free of graffiti. The Property Management Company shall inspect the premises on a weekly basis and any graffiti shall be removed within 72 hours of inspection or within 72 hours of notification by the City.
 - f. The premises shall be kept clean and free of debris at all times.
 - g. Color change selections shall be compatible with the existing setting.
 - h. Balconies may not be used for storage and personal items may not be draped over the railings.
 - i. The residents shall not use parking spaces for the storage of recreational vehicles, camper shells, boats or trailers. These spaces shall be monitored by the property management firm, which shall remove vehicles parked contrary to this provision. The lease agreements of all tenants shall include language that gives the property management firm the authority to tow illegally-parked vehicles. (DS)
 - j. Landscaping shall be maintained by the Property Management Company and shall be in a healthy, weed-free condition at all times and shall be designed with efficient irrigation practices to reduce runoff, promote surface filtration, and minimize the use of fertilizers and pesticides, which can contribute to

runoff pollution. The owner's representative shall inspect the landscaping on a monthly basis and any dead or dying plants (plants that exhibit over 30% dieback) shall be replaced within ten days of the inspection. Three-inch deep mulch should be maintained in all planting areas. Mulch shall be organic recycled chipped wood in the shades of Dark Brown Color, and the depth shall be maintained at three inches deep. (DS-L)

- k. All trees planted as a part of the development and as shown on the approved landscape plans shall be "Protected" and shall be subject to the City's Tree Preservation Ordinance. Tree removal and pruning shall require a tree pruning or removal permit prior to removal by City Landscape Architect. Any damaged or removed trees without a permit shall be replaced in accordance with the City's Tree Preservation Ordinance within the timeframe established by the City and pursuant to the Municipal Code. (DS-L)
- l. Irrigation systems shall be tested periodically to maintain uniform distribution of irrigation water; irrigation controller shall be programmed seasonally; irrigation system should be shut-off during winter season; and the whole irrigation system should be flushed and cleaned when the system gets turn on in the spring. (DS-L)

Homeowner's Association:

169. Prior to the sale of any parcel, or prior to the acceptance of site improvements, whichever occurs first, Conditions, Covenants and Restrictions (CC&R's), creating a Homeowner's Association (HOA) for the property, shall be reviewed and approved by the Planning Director and City Attorney and recorded. The CC&Rs shall include the following provisions:
 - a. The HOA shall be managed and maintained by a professional property management company.
 - b. The HOA shall own and maintain the private access roads and on-site storm drain systems in the development, excluding those located within the public right-of-way.
 - c. The CC&R's shall describe how the stormwater BMPs associated with privately owned improvements and landscaping shall be maintained by the association.
 - d. A provision that the building exteriors and fences shall be maintained free of graffiti. The owner's representative shall inspect the premises on a weekly basis and any graffiti shall be removed within **72 hours** of inspection or within **72 hours** of notification by the City.
 - e. The HOA shall maintain the common area irrigation system and maintain the common area landscaping in a healthy, weed-free condition.

- f. The HOA shall maintain all fencing, parking surfaces, common landscaping, lighting, drainage facilities, project signs, exterior building elevations, etc. The CC&Rs shall include provisions as to a reasonable time period that the building shall be repainted, the limitations of work (modifications) allowed on the exterior of the buildings, and its power to review changes proposed on a building exterior and its color scheme.
 - g. On-site streetlights and pedestrian lighting, not including those maintained by the LLD, shall be owned and maintained by the HOA and shall have a decorative design approved by the Planning Director and the City Engineer.
 - h. Street sweeping of the private street and private parking stalls shall be conducted at least once a month.
 - i. The garage for each unit shall be maintained for off-street parking for one or two vehicles, as designed, and shall not be converted to living or storage areas. An automatic garage door opening mechanism shall be provided for all garage doors.
 - j. The residents shall not use parking spaces for storage of recreational vehicles, camper shells, boats or trailers. These parking spaces shall be monitored by the HOA. The HOA shall remove vehicles parked contrary to this provision. The CC&R's shall include authority for the HOA to tow illegally parked vehicles.
 - k. The association shall ensure that no less than 75 percent of the units shall be owner-occupied. The CC&Rs shall further provide that the leasing of units as a regular practice for business, speculative investment or other similar purpose is not permitted. However, to address special situations and avoid unusual hardship or special circumstances, such as a loss of job, job transfer, military transfer, change of school or illness or injury that, according to a doctor, prevents the owner from being employed, the CC&Rs may authorize the governing body to grant its consent, which consent shall not be unreasonably withheld, to a unit owner who wishes to lease or otherwise assign occupancy rights to a specified lessee for a specified period. (DS/PW-ET)
170. Construction Damages: The Developer shall be responsible to remove and replace curb, gutter, and sidewalk damaged during construction of the proposed project prior to issuance of the Final Construction Report by the City Engineer. (DS/PW-ET)
171. Large Tract Development, Releases: All required improvement leading and adjacent to units to be occupied shall be installed according to the approved plan, including completion of punch list items. The public shall not be allowed to pass through areas of activity to reach occupied units. (DS/PW-ET)

172. **Conceptual Multi-Phased Exhibit (Unit Release Plan):** Prior to issuance of certificates of occupancy for any unit within the project, an exhibit showing the proposed phased closures/openings during the course of construction and phased unit releases shall be submitted to the satisfaction of the City Engineer. Positive methods must be in place to separate adjacent construction activities from occupied units. All improvements, including punch list, must be complete prior to the occupancy of 80% of the dwelling units. (DS/PW-ET)
173. Prior to issuance of certificate of occupancy or final inspection, the developer shall pay the following additional fees/taxes, in accordance with existing regulations. The amounts of the fees/taxes shall be in accordance with the fee schedule or codes in effect at the time of building permit application submittal, unless otherwise indicated herein:
- a. Supplemental Building Construction and Improvement Tax;
 - b. School Impact Fee; and
 - c. Park In-Lieu Fee, as applicable. (DS)

Conditions Generated by Following Department Staffs:

DS: Development Services Department

DS-L: Development Services Department - Landscaping

PW-ET: Public Works – Engineering and Transportation Dept.

U-ES: Utilities and Environmental Services Department

Fire: Fire Department

Haz Mat: Hazardous Materials Division

Housing: Housing Division



CITY OF HAYWARD

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

File #: CONS 18-279

DATE: May 15, 2018

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT

Authorization to Extend Professional Services Contract with Maze & Associates for Annual Audit Services

RECOMMENDATION

That Council adopts a Resolution (Attachment II) authorizing the City Manager to extend the contract between the City and Maze & Associates for a professional services agreement for a one-year audit term.

SUMMARY

The current agreement with Maze & Associates will expire on June 30, 2018. The City issued an RFP for audit services on April 4, 2018 for services to commence with fiscal year ending June 30, 2019. This extension will bring the total term of the current contract to eight years, and the current annual audit cost of \$140,000 (for a total contract amount of \$1,120,402 over eight years) to perform the City's annual financial statement audits and related services for the fiscal year ending June 30, 2018. The contract period will end June 30, 2019 to allow for completion of the fiscal year 2018 audit and will allow appropriate time for staff to carefully evaluate proposals and select a qualified audit firm.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution



DATE: May 15, 2018

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT Authorization to Extend Professional Services Contract with Maze & Associates for Annual Audit Services

RECOMMENDATION

That Council adopts a Resolution (Attachment II) authorizing the City Manager to extend the contract between the City and Maze & Associates for a professional services agreement for a one-year audit term.

SUMMARY

The current agreement with Maze & Associates will expire on June 30, 2018. The City issued a request for proposals (RFP) for audit services on April 4, 2018 for services to commence with fiscal year ending June 30, 2019. This extension will bring the total term of the current contract to eight years, and the current annual audit cost of \$140,000 (for a total contract amount of \$1,120,402 over eight years) to perform the City's annual financial statement audits and related services for the fiscal year ending June 30, 2018. The contract period will end June 30, 2019 to allow for completion of the fiscal year 2018 audit and will allow appropriate time for staff to carefully evaluate proposals and select a qualified audit firm.

BACKGROUND

In March 2011, the City issued an RFP for auditing services and selected Maze & Associates to provide financial audit and reporting services beginning with the audit for the fiscal year ended June 30, 2011. The original contract was for five years and included a provision of two optional one-year extensions that the City exercised as part of the original agreement that ends with the conclusion of fiscal year 2017 audit services.

DISCUSSION

Maze & Associates has been in the governmental audit and accounting business for more than thirty-five years and they currently provide audit services to over 100 municipal clients. Maze & Associates has provided the City exceptional service as the City's independent external

auditors from 1996 through 2007 and then again beginning in 2011 and through the most recent fiscal year ended June 30, 2017.

The City has faced several complicated financial reporting changes during this recent audit contract term, including the dissolution of the City's Redevelopment Agency, new Government Accounting Standards Board requirements, and the implementation of a comprehensive citywide financial system. During this time, Maze has provided audit services and assisted the City in improving its financial reporting and internal controls. Current best practices are to retain audit services for at least five years, then issue a Request for Proposals (RFP) to select a new audit firm. Below is an excerpt from the Government Finance Officers Association Best Practice on Audit Procurement:

“Governmental entities should enter into multiyear agreements of at least five years in duration when obtaining the services of independent auditors. Such multiyear agreements can take a variety of different forms (e.g., a series of single-year contracts), consistent with applicable legal requirements. Such agreements allow for greater continuity and help to minimize the potential for disruption in connection with the independent audit. Multiyear agreements can also help to reduce audit costs by allowing auditors to recover certain "startup" costs over several years, rather than over a single year. Governmental entities should undertake a full-scale competitive process for the selection of independent auditors at the end of the term of each audit contract, consistent with applicable legal requirements...”

The current agreement with Maze & Associates will expire on June 30, 2018. The City issued a request for proposals (RFP) for audit services on April 4, 2018 for services to commence with fiscal year ending June 30, 2019. This extension will bring the total term of the current contract to eight years, and the current annual audit cost of \$140,000 (for a total contract amount of \$1,120,402 over eight years) to perform the City's annual financial statement audits and related services for the fiscal year ending June 30, 2018. The contract period will end June 30, 2019 to allow for completion of the fiscal year 2018 audit and will allow appropriate time for staff to carefully evaluate proposals and select a qualified audit firm.

ECONOMIC IMPACT

There is no economic impact associated with this action.

FISCAL IMPACT

Annual audit services are currently funded by the General Fund in the Finance Department. The annual City-wide audit services cost for fiscal year 2017 was \$140,000. The recommended audit contract extension will be \$140,000 for fiscal year 2018 and is included in the FY 2019 Proposed Operating Budget.

STRATEGIC INITIATIVES

This item is a routine operational item and does not relate to the strategic initiatives.

PUBLIC CONTACT

There has been no public contact associated with this item.

Prepared by: Marichu Maramba, Accounting Manager

Recommended by: Dustin Claussen, Director of Finance

Approved by:

A handwritten signature in black ink, appearing to read "K. McAdoo", written in a cursive style.

Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A ONE-YEAR EXTENSION TO THE EXISTING PROFESSIONAL SERVICES CONTRACT WITH MAZE AND ASSOCIATES FOR AUDIT SERVICES THROUGH FISCAL YEAR ENDING JUNE 30, 2018.

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to execute a one-year extension of the existing professional services contract with Maze and Associates, in a form approved by the City Attorney, for audit services through fiscal year ending June 30, 2018.

WHEREAS, this extension will lengthen the term of the contract to 8 years and a total of \$1,120,402, including \$140,000 for fiscal year 2018 audit services; and

WHEREAS, the contract term will be extended to June 30, 2019 to allow for completion of the fiscal year 2018 audit.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

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

File #: CONS 18-293

DATE: May 15, 2018

TO: Mayor and City Council

FROM: Interim Director of Public Works

SUBJECT

Transportation Development Act, Article 3 Funds: FY 2019: Wheelchair Ramps Approval to File Application and Authorization for City Manager to Execute a Professional Services Agreement with Metropolitan Transportation Commission

RECOMMENDATION

That Council adopts the attached resolution:

- 1) Authorizing the filing of an application with the Metropolitan Transportation Commission (MTC) for Transportation Development Act (TDA) Article 3 funding in FY 2019 to construct wheelchair ramps at various locations in the City; and
- 2) Authorizing the City Manager to execute an agreement with MTC once funding is approved.

SUMMARY

Consistent with past City practice and Council direction, staff requests authorization to apply to the MTC for funding in the amount of \$158,769 to construct wheelchair ramps in FY 2019 at various locations in the Calaroga and Santa Clara neighborhoods.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Attachment 1 of 2 to Resolution: Project Application Form
Attachment IV	Attachment 2 of 2 to Resolution: Findings
Attachment V	Location Maps



DATE: May 15, 2018

TO: Mayor and City Council

FROM: Interim Director of Public Works

SUBJECT: Transportation Development Act, Article 3 Funds: FY 2019: Wheelchair Ramps Approval to File Application and Authorization for City Manager to Execute a Professional Services Agreement with Metropolitan Transportation Commission

RECOMMENDATION

That Council adopts the attached resolution:

- 1) Authorizing the filing of an application with the Metropolitan Transportation Commission (MTC) for Transportation Development Act (TDA) Article 3 funding in FY 2019 to construct wheelchair ramps at various locations in the City; and
- 2) Authorizing the City Manager to execute an agreement with MTC once funding is approved.

SUMMARY

Consistent with past City practice and Council direction, staff requests authorization to apply to the MTC for funding in the amount of \$158,769 to construct wheelchair ramps in FY 2019 at various locations in the Calaroga and Santa Clara neighborhoods.

BACKGROUND

Each year, TDA funds are made available to the cities in Alameda County for construction projects including: bicycle paths; sidewalks; wheelchair ramps; and other bicycle and pedestrian facilities. One of the conditions for MTC's approval of TDA funding is the submittal of a resolution by the governing body of the City authorizing the filing of an application for funds.

DISCUSSION

With additional TDA funds for FY 2019, the City can continue to upgrade existing accessible ramps to current standards or install new ramps at all the intersections in specific neighborhoods to build on the success of the program in prior years. A total of 68 ramp locations were selected in accordance with the Curb Ramp Guidelines established in the City's Americans with Disabilities Act (ADA) Transition Plan. The proposed wheelchair ramp installations are in the Calaroga and Santa Clara neighborhoods. For cost

effectiveness, the ramp locations were chosen for their proximity to each other.

Alameda County provided a preliminary estimate of \$158,769 available in TDA Article 3 funds for the City to construct the project. The TDA funds will be approved by MTC upon receipt of the City's final project application. The Alameda County Board of Supervisors is expected to review and approve all applications on June 26, 2018, and will submit the approved applications to MTC. Action by MTC is expected in August 2018, and the funds are anticipated to be available this fall.

ECONOMIC IMPACT

The entire amount of \$158,769 is fully reimbursed to the City by Alameda County, without any matching contribution requirements.

FISCAL IMPACT

In the past, the City supplemented TDA funds with Gas Tax funds, when needed; however, because no local match is required for this application, there is no impact to the City's General Fund or other funds.

STRATEGIC INITIATIVES

This agenda item supports the Complete Streets Strategic Initiative. The purpose of the Complete Streets Strategic Initiative is to build streets that are safe, comfortable, and convenient for travel for everyone, regardless of age or ability, including motorists, pedestrians, bicyclists, and public transportation riders. This item supports the following goal and objective:

Goal 1: Maintaining sufficient funding to provide for existing and future transportation facility and service needs.

Objective 2: Establish a sustainable funding mechanism and dedicated funding source to build a complete streets network.

SUSTAINABILITY FEATURES

Curb ramps will provide pedestrians convenient and safe access, thereby encouraging active modes of transportation while reducing vehicular trips and greenhouse gas emissions.

All material generated during demolition and construction will be sent to designated facilities for recycling. Recycled Portland Cement Concrete is specified for use as an aggregate base for any new concrete curb, gutter, ramps, and sidewalk.

PUBLIC CONTACT

Past installation of the ramps was very well received by the public. The accessible ramp process stems from ongoing requests from the public to improve access to sidewalks for pedestrians with special needs.

Construction of accessible ramps will coincide with the City's sidewalk repair and rehabilitation projects scheduled for 2019. When a construction schedule is determined, property owners in the affected neighborhoods will be appropriately notified of the project schedule.

NEXT STEPS

Upon approval of the TDA funding and execution of the agreement with MTC, construction plans and specifications will be prepared for City Council's authorization to advertise for bids.

Prepared by: Lucky Narain, Sr. Management Analyst

Recommended by: Alex Ameri, Interim Director of Public Works

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-

Introduced by Council Member _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAYWARD SUPPORTING
SUBMISSION OF CLAIM TO THE METROPOLITAN TRANSPORTATION COMMISSION
FOR THE ALLOCATION OF FISCAL YEAR 2019 TRANSPORTATION DEVELOPMENT
ACT (TDA) ARTICLE 3 PEDESTRIAN/BICYCLE PROJECT FUNDING FOR
INSTALLATION OF WHEELCHAIR RAMPS

WHEREAS, Article 3 of the Transportation Development Act (TDA), Public Utilities Code (PUC) Section 99200 et seq., authorizes the submission of claims to a regional transportation planning agency for the funding of projects exclusively for the benefit and/or use of pedestrians and bicyclists; and

WHEREAS, the Metropolitan Transportation Commission (MTC), as the regional transportation planning agency for the San Francisco Bay region, has adopted MTC Resolution No. 875, Revised, entitled "Transportation Development Act, Article 3, Pedestrian/Bicycle Projects," which delineates procedures and criteria for submission of requests for the allocation of TDA Article 3 funding; and

WHEREAS, MTC Resolution No. 875, Revised requires that requests for the allocation of TDA Article 3 funding be submitted as part of a single, countywide coordinated claim from each county in the San Francisco Bay region; and

WHEREAS, per a recent revision to MTC's TDA Article 3 policies, the projects described in Attachment III-a have been reviewed by the Alameda County Transportation Commission's Bicycle and Pedestrian Advisory Committee prior to submitting the request to MTC; and

WHEREAS, the CITY OF HAYWARD desires to submit a request to MTC for the allocation of TDA Article 3 funds to support the projects described in Attachment III-a to this resolution, which are for the exclusive benefit and/or use of pedestrians and/or bicyclists.

NOW, THEREFORE, BE IT RESOLVED that the CITY OF HAYWARD declares it is eligible to request an allocation of TDA Article 3 funds pursuant to Section 99234 of the Public Utilities Code.

BE IT FURTHER RESOLVED, that there is no pending or threatening litigation that might adversely affect the project or projects described in Attachment III (a-b) to this

resolution, or that might impair the ability of the CITY OF HAYWARD to carry out the project.

BE IT FURTHER RESOLVED that the CITY OF HAYWARD attests to the accuracy of and approves the statements in Attachment III-b to this resolution.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to execute all related documents, including the acceptance and appropriation of such funds for the intended purpose.

BE IT FURTHER RESOLVED that a certified copy of this resolution and its attachments, and any accompanying supporting materials shall be forwarded to the congestion management agency, countywide transportation planning agency, or county association of governments of Alameda County for submission to MTC as part of the countywide coordinated TDA Article 3 claim.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

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

TDA Article 3 Project Application Form

Fiscal Year of this Claim: FY 19 Applicant: City of Hayward

Contact person: Lucky Narain

Mailing Address: 777 B Street, Hayward CA 94541

E-Mail Address: lucky.narain@hayward-ca.gov Telephone: 510-583-4763

Secondary Contact (in event primary not available) Mir Ali

E-Mail Address: Mir.ali@hayward-ca.gov Telephone: 510-583-4764

Short Title Description of Project: Installation of wheelchair ramps in the Calaroga and Santa Clara Neighborhoods

Amount of claim: \$158,769

Functional Description of Project:
Installation of wheelchair ramps in the – Calaroga and Santa Clara Neighborhoods in accordance with ADA requirements in order to provide greater mobility to disabled pedestrians.

Financial Plan:

List the project elements for which TDA funding is being requested (e.g., planning, environmental, engineering, right-of-way, construction, inspection, contingency, audit). Use the table below to show the project budget. Include prior and proposed future funding of the project. If the project is a segment of a larger project, include prior and proposed funding sources for the other segments.

Project Elements:

Funding Source	All Prior FYs	Application FY	Next FY	Following FYs	Totals
TDA Article 3	1,919,606	<u>158,769</u>	<u>158,769</u>	<u>158,769</u>	2,395,913
list all other sources:					
1.					
2.					
3.					
4.					
Totals	1,919,606	<u>158,769</u>	<u>158,769</u>	<u>158,769</u>	2,395,913

Project Eligibility:	YES?/NO?
A. Has the project been approved by the claimant's governing body? (If "NO," provide the approximate date approval is anticipated).	Yes
B. Has this project previously received TDA Article 3 funding? If "YES," provide an explanation on a separate page.	Yes
C. For "bikeways," does the project meet Caltrans minimum safety design criteria pursuant to Chapter 1000 of the California Highway Design Manual? (Available on the internet via: http://www.dot.ca.gov).	n/a
D. Has the project been reviewed by a Bicycle Advisory Committee? (If "NO," provide an explanation).	n/a
E. Has the public availability of the environmental compliance documentation for the project (pursuant to CEQA) been evidenced by the dated stamping of the document by the county clerk or county recorder? (required only for projects that include construction).	Yes
F. Will the project be completed before the allocation expires? Enter the anticipated completion date of project (month and year) June 2019_____	Yes
G. Have provisions been made by the claimant to maintain the project or facility, or has the claimant arranged for such maintenance by another agency? (If an agency other than the Claimant is to maintain the facility provide its name:	Yes

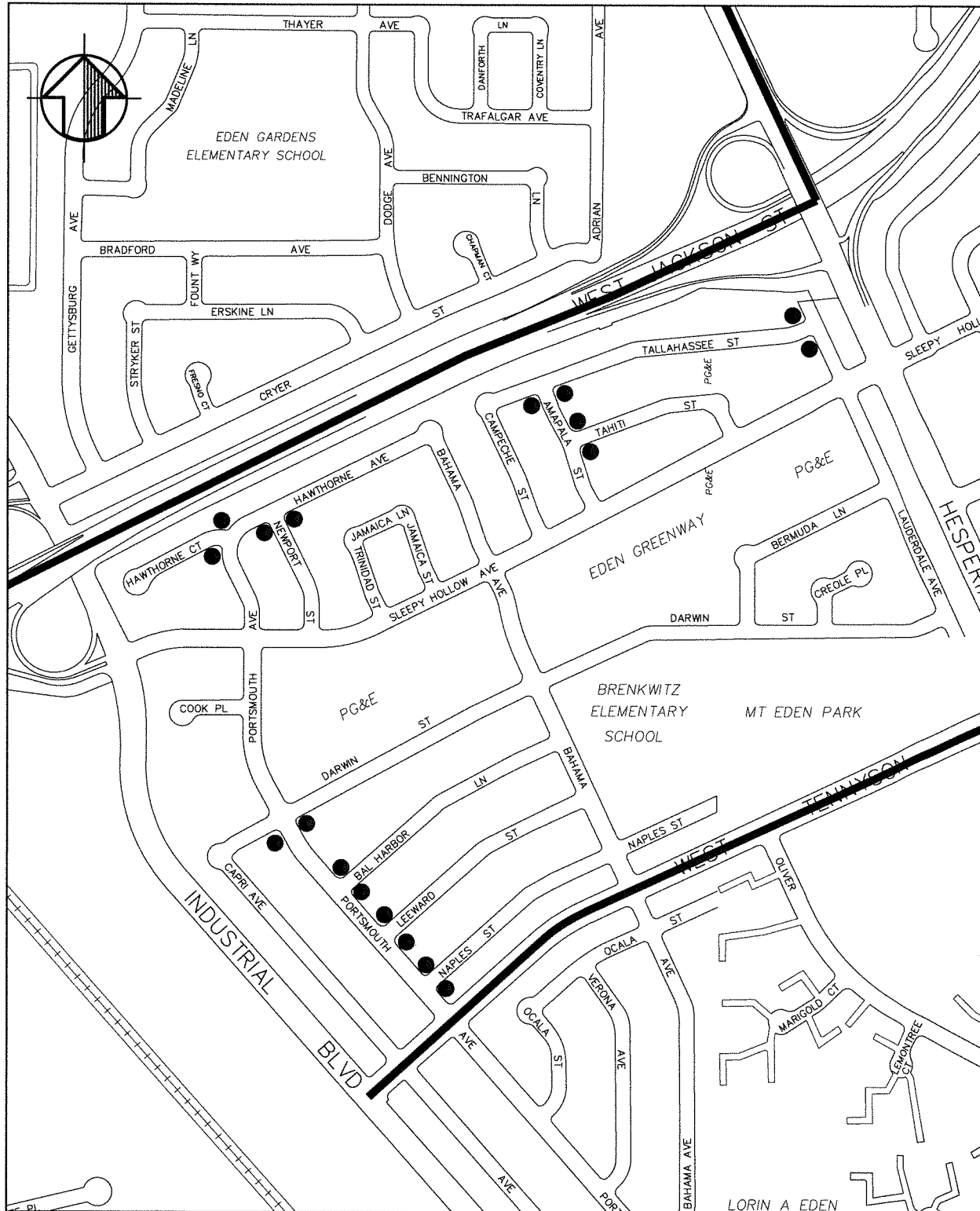
B. Yes, funding for installation of wheelchair ramps is an ongoing project.

D. No, since the project does not pertain to bicycles.

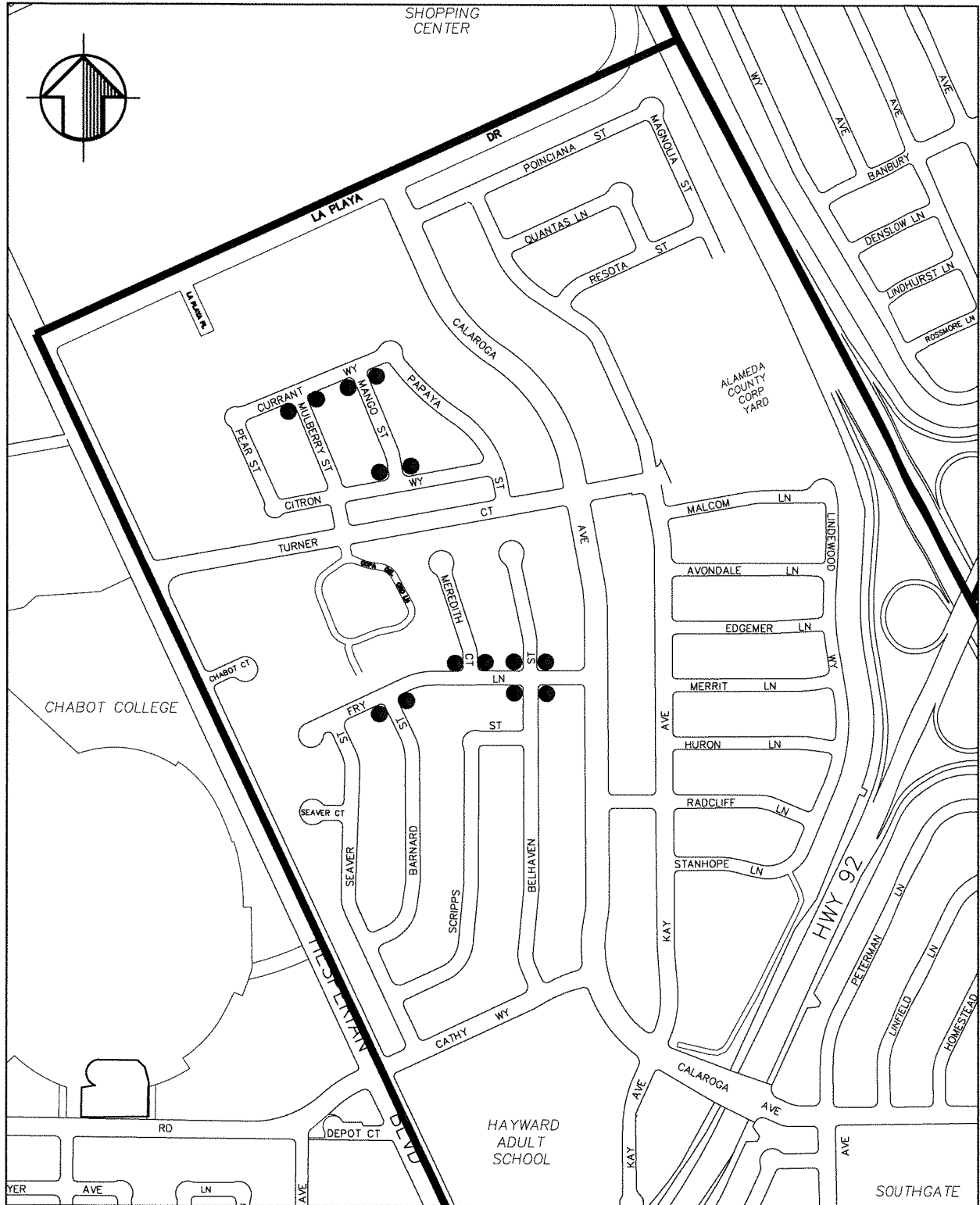
Re: Request to the Metropolitan Transportation Commission for the Allocation of Fiscal Year 2019 Transportation Development Act Article 3 Pedestrian/Bicycle Project Funding

Findings

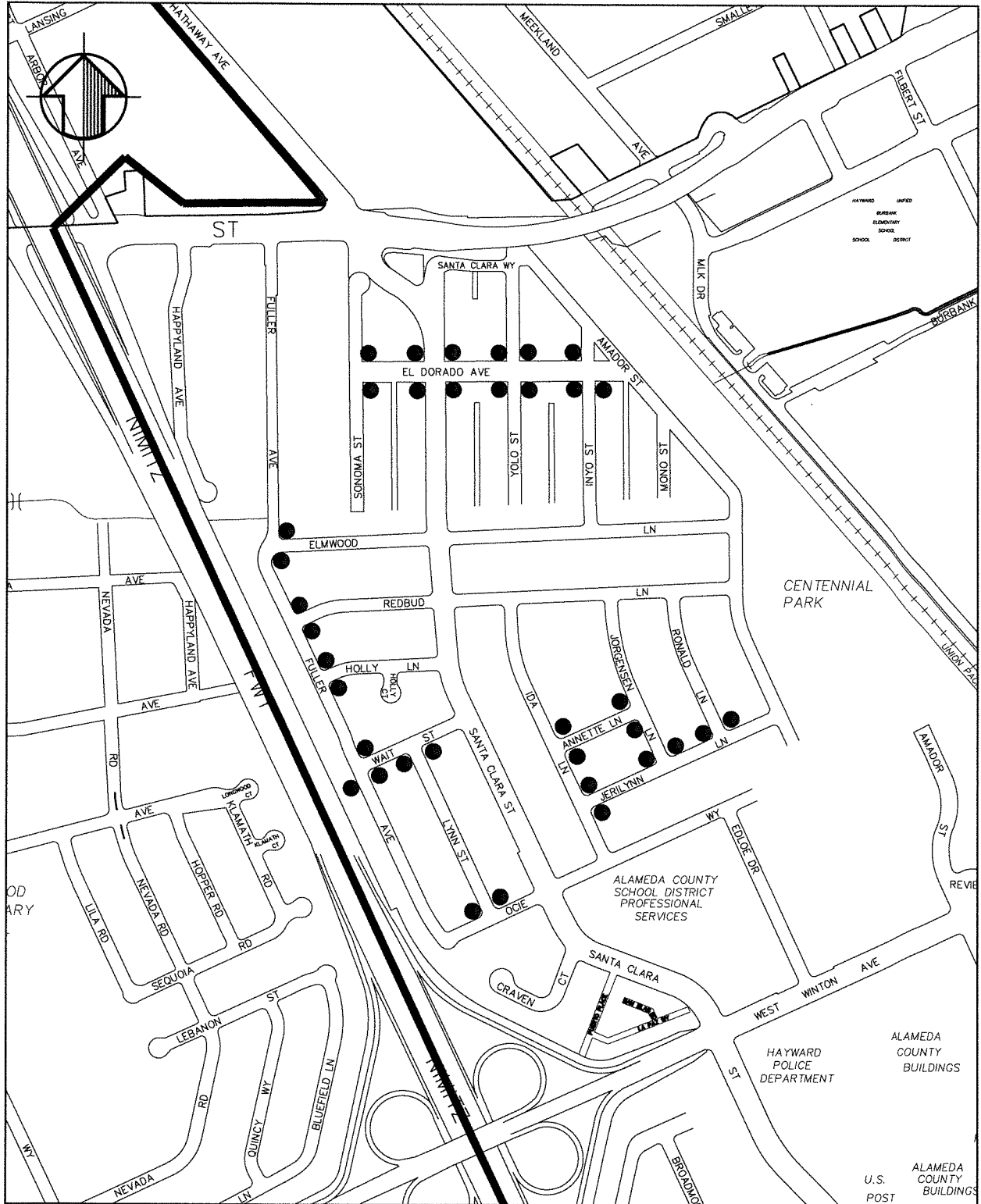
1. That the City of Hayward is not legally impeded from submitting a request to the Metropolitan Transportation Commission for the allocation of Transportation Development Act (TDA) Article 3 funds, nor is the City of Hayward legally impeded from undertaking the project(s) identified in "Attachment III" of this resolution.
2. That the City of Hayward has committed adequate staffing resources to complete the project(s) identified in Attachment III.
3. A review of the project(s) identified in Attachment III has resulted in the consideration of all pertinent matters, including those related to environmental and right-of-way permits and clearances, attendant to the successful completion of the project(s).
4. Issues attendant to securing environmental and right-of-way permits and clearances for the projects identified in Attachment III have been reviewed and will be concluded in a manner and on a schedule that will not jeopardize the deadline for the use of the TDA funds being requested.
5. That the project(s) identified in Attachment III comply with the requirements of the California Environmental Quality Act (CEQA, Public Resources Code Sections 21000 et seq.).
6. That the sources of funding other than TDA are assured and adequate for completion of the project(s) identified in Attachment I-a.
7. That the project(s) identified in Attachment III are for capital construction and/or design engineering; and/or for the maintenance of a Class I bikeway which is closed to motorized traffic; and/or for the purposes of restriping Class II bicycle lanes; and/or for the development or support of a bicycle safety education program; and/or for the development of a comprehensive bicycle and/or pedestrian facilities plan, and an allocation of TDA Article 3 funding for such a plan has not been received by the City of Hayward within the prior five fiscal years.
8. That the project(s) identified in Attachment III is included in a locally approved bicycle, pedestrian, transit, multimodal, complete streets, or other relevant plan.
9. That any project identified in Attachment III that is a bikeway meets the mandatory minimum safety design criteria published in Chapter 1000 of the California Highway Design Manual.
10. That the project(s) identified in Attachment III will be completed before the funds expire.
11. That the City of Hayward agrees to maintain, or provide for the maintenance of, the project(s) and facilities identified in Attachment III, for the benefit of and use by the public.



**LOCATION MAP
WHEELCHAIR RAMPS FY18 & FY19
CALAROGA AND SANTA CLARA**



LOCATION MAP
WHEELCHAIR RAMPS FY18 & FY19
CALAROGA AND SANTA CLARA



**LOCATION MAP
WHEELCHAIR RAMPs FY18 & FY19
CALAROGA AND SANTA CLARA**



CITY OF HAYWARD

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

File #: CONS 18-294

DATE: May 15, 2018

TO: Mayor and City Council

FROM: Interim Director of Public Works

SUBJECT

Road Repair and Accountability Act (RRAA) FY19 Pavement Rehabilitation Project - Approval of Project List

RECOMMENDATION

That the City Council adopts a resolution approving the project list for RRAA FY19 Pavement Rehabilitation funding.

SUMMARY

A yearly application is submitted to the California Transportation Commission (CTC) to continue receiving RRAA funding, which requires the inclusion of a resolution approving the project list of street segments for the estimated revenue. The FY19 project list includes eleven street segments to utilize a revenue estimate of \$2,674,000.

On April 25, 2018, the Council Infrastructure Committee reviewed and commented on the FY 2019 Pavement Rehabilitation and Preventative Maintenance Project.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution



DATE: May 15, 2018

TO: Mayor and City Council

FROM: Interim Director of Public Works

SUBJECT: Road Repair and Accountability Act (RRAA) FY19 Pavement Rehabilitation Project - Approval of Project List

RECOMMENDATION

That the City Council adopts a resolution approving the project list for RRAA FY19 Pavement Rehabilitation funding.

SUMMARY

A yearly application is submitted to the California Transportation Commission (CTC) to continue receiving RRAA funding, which requires the inclusion of a resolution approving the project list of street segments for the estimated revenue. The FY19 project list includes eleven street segments to utilize a revenue estimate of \$2,674,000.

On April 25, 2018, the Council Infrastructure Committee reviewed and commented on the FY 2019 Pavement Rehabilitation and Preventative Maintenance Project.

BACKGROUND

On April 28, 2017, the Governor signed Senate Bill 1 (SB 1), the RRAA of 2017, to address basic road maintenance, rehabilitation, and critical safety needs through an increase in per gallon fuel excise taxes and vehicle registration fees.

To receive each year's SB 1 apportionments, cities must apply to the CTC for the funds by submitting a specific project list approved by resolution to the CTC. The project list must contain a list of street segments undergoing rehabilitation, an estimated completion date for the project, and the estimated useful life of the paving methods utilized.

On September 19, 2017, Council approved the creation of Capital Improvement Fund (CIP) Fund 211- Gas Tax-RRAA SB1 to receive apportionments, to budget for RRAA paving projects, and to identify the project list for FY2018. Project 05230 – Pavement Rehabilitation - FY18 RRAA will pave Fairway Street from Carroll Avenue to Brae Burn Avenue, Brae Burn Avenue to Mission Boulevard, and Calaroga Avenue from Catalpa Way to Tennyson Road.

DISCUSSION

Project 05231 - Pavement Rehabilitation - FY19 RRAA will rehabilitate the following eleven street segments:

Street Name	Begin Location	End Location	Cost	Estimated Useful Life
Breakwater Av	Breakwater Ct	Whitesell St	\$234,000	10-15 Years
Fairway St	Mission Blvd	Faircliff St	\$513,000	10-15 Years
Lester Av	Hesperian Blvd	Thelma St	\$169,000	10-15 Years
Miami Av	Melbourne Av	Calaroga Av	\$218,000	10-15 Years
Mohr Dr	West St	Occidental Rd	\$175,000	10-15 Years
Oakes Dr	Chatham Ct	Durham Wy	\$428,000	10-15 Years
Pontiac St	Dale St	Jackson St	\$150,000	10-15 Years
San Antonio St	San Luis Obispo Av	Zephyr Av	\$221,000	10-15 Years
San Luis Obispo Av	Medallion Dr	San Antonio St	\$171,000	10-15 Years
San Luis Obispo Av	Huntwood Av	Medallion Dr	\$149,000	10-15 Years
Vanderbilt St	Briergate Wy	Garin Av	\$246,000	10-15 Years
		Total	\$2,674,000	

This project is part of the larger \$8,374,000 FY2019 Pavement Rehabilitation and Preventative Maintenance Project, which includes 26 street sections for rehabilitation treatment, and 16 street sections for preventative maintenance treatment. Construction is expected to begin in March 2019 and be completed in July 2019. The estimated total project cost is \$8,374,000 and estimated useful life is 10 to 15 years.

ECONOMIC IMPACT

This project is fully funded by the City's CIP through RRAA.

FISCAL IMPACT

The estimated revenue from RRAA for FY2019 is \$2,674,000. This amount will be budgeted in the Recommended FY19-FY28 CIP that will go to Council for adoption later this month.

STRATEGIC INITIATIVES

This agenda item is a routine operational item and does not relate to one of the Council's Strategic Initiatives.

SUSTAINABILITY FEATURES

The action taken for this agenda report will not result in a new physical development, purchase or service, or a new policy or legislation. Any physical work will be approved in a separate Council action. Sustainability features for individual CIP projects are listed in each staff report.

PUBLIC CONTACT

The public had an opportunity to comment on the project at the April 25, 2018 CIC meeting.

NEXT STEPS

If Council approves this recommendation, staff will submit the approved street list and resolution to the CTC.

Prepared by: Karyn Neklason, Management Analyst II

Recommended by: Alex Ameri, Interim Director of Public Works

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-____

Introduced by Council Member _____

RESOLUTION APPROVING PROJECT LIST FOR FY 2019 ROAD REPAIR AND ACCOUNTABILITY ACT (RRAA) FUNDING

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of Hayward are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must approve a list of all projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City will receive an estimated \$2,674,000 in RMRA funding in Fiscal Year 2019 from SB1; and

WHEREAS, this is the second year in which the City of Hayward is receiving SB 1 funding and will enable the City of Hayward to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, the City has undergone a robust public process to ensure public input into our community's transportation priorities; and

WHEREAS, the City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain and rehabilitate eleven street sections as listed below in Fiscal Year 2019 and dozens of similar projects into the future; and

WHEREAS, the 2016 California Statewide Local Streets and Roads Needs Assessment found that the City’s streets and roads are in an “at low risk” condition and this revenue will help us increase the overall quality of our road system and over the next decade will help bring our streets and roads into a “good” condition; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that:

1. The foregoing recitals are true and correct.
2. The fiscal year 2018-19 list of projects planned to be funded with Road Maintenance and Rehabilitation Account revenues include:

Street Name	Begin Location	End Location	Cost	Estimated Useful Life
Breakwater Av	Breakwater Ct	Whitesell St	\$234,000	10-15 Years
Fairway St	Mission Blvd	Faircliff St	\$513,000	10-15 Years
Lester Av	Hesperian Blvd	Thelma St	\$169,000	10-15 Years
Miami Av	Melbourne Av	Calaroga Av	\$218,000	10-15 Years
Mohr Dr	West St	Occidental Rd	\$175,000	10-15 Years
Oakes Dr	Chatham Ct	Durham Wy	\$428,000	10-15 Years
Pontiac St	Dale St	Jackson St	\$150,000	10-15 Years
San Antonio St	San Luis Obispo Av	Zephyr Av	\$221,000	10-15 Years
San Luis Obispo Av	Medallion Dr	San Antonio St	\$171,000	10-15 Years
San Luis Obispo Av	Huntwood Av	Medallion Dr	\$149,000	10-15 Years
Vanderbilt St	Briergate Wy	Garin Av	\$246,000	10-15 Years
		Total	\$2,674,000	

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

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

File #: CONS 18-295

DATE: May 15, 2018

TO: Mayor and City Council

FROM: Interim Director of Public Works

SUBJECT

Approve Resolution in Support of Proposition 69 to Preserve Transportation Funding and Oppose Efforts to Repeal the Road Repair and Accountability Act (SB-1)

That the City Council:

- 1) Approves the attached Resolution in support of Proposition 69, which is on the June 2018 ballot, and aims to support SB-1 (Beall) and prevent new transportation funds from being diverted for non-transportation purposes; and
- 2) Opposes any proposed November 2018 ballot proposition that would seek to repeal SB-1.

SUMMARY

Staff requests that Council approve a resolution supporting Proposition 69, the June 2018 constitutional amendment to prevent new transportation funds from being diverted for non-transportation purposes, and opposing the proposed November ballot proposition that would repeal the new SB-1 transportation funds and make it more difficult to raise state and local transportation funds in the future.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution



DATE: May 15, 2018

TO: Mayor and City Council

FROM: Interim Director of Public Works

SUBJECT: Approve Resolution in Support of Proposition 69 to Preserve Transportation Funding and Oppose Efforts to Repeal the Road Repair and Accountability Act (SB-1)

RECOMMENDATION

That the City Council:

- 1) Approves the attached Resolution in support of Proposition 69, which is on the June 2018 ballot, and aims to support SB-1 (Beall) and prevent new transportation funds from being diverted for non-transportation purposes; and
- 2) Opposes any proposed November 2018 ballot proposition that would seek to repeal SB-1.

SUMMARY

Staff requests that Council approve a resolution supporting Proposition 69, the June 2018 constitutional amendment to prevent new transportation funds from being diverted for non-transportation purposes, and opposing the proposed November ballot proposition that would repeal the new SB-1 transportation funds and make it more difficult to raise state and local transportation funds in the future.

BACKGROUND

In 2017, the California Legislature and Governor Brown approved SB-1, providing the first significant, stable, and on-going increase in state transportation funding in more than two decades. SB-1 makes new state revenues available for transportation investments across all modes of transportation. To raise the necessary monies for this significant investment program, SB-1 instituted the following taxes and fees to include the following:

- A 12-cent per gallon increase in the gasoline excise tax
- A 20-cent per gallon increase in the diesel excise tax
- A 4% per gallon increase in the diesel sales tax rate
- A new vehicle registration fee ("Transportation Improvement Fee")

- A new \$100 per year "Road Improvement Fee" on zero-emission vehicles starting with year 2020 models and later

These new state fees and rates are indexed annually to the CPI beginning July 2020 to limit loss of purchase power to inflation. The City's FY 2019 SB-1 allocation is expected to be approximately \$2,674,000.

DISCUSSION

With SB-1 imposing new taxes and fees on consumers, there is a proposed initiative that has not yet qualified for the November 2018 state ballot, which seeks to repeal SB-1, the California Voter Approval for Gas and Vehicle Taxes Initiative. The approved summary for the initiative states, "Repeals a 2017 transportation law's tax and fee provisions that pay for repairs and improvements to local roads, state highways, and public transportation. Requires the Legislature to submit any measure enacting specified taxes or fees on gas or diesel fuel, or on the privilege to operate a vehicle on public highways, to the electorate for approval." Proponents of the initiative have until May 21, 2018 to gather required signatures, at which point it would qualify to be placed on the November 6, 2018 General Election ballot. If passed, the Initiative would require a majority vote of Californians to increase transportation revenues once passed by two-thirds of the California State Legislature.

The proposed November proposition would take \$3 million in street repair funds annually (approximately \$28 million projected over ten years) dedicated to the City, and halt critical investments in future transportation improvement projects in the community.

The City continues to face a short-fall in funding to maintain City roads even at current levels, and is projected to see road conditions continue to deteriorate if additional funding is not provided. SB-1 funds are an essential part of the solution to provide safe and well-maintained roads in the City.

The League of CA Cities and the California State Association of Counties (CSAC), among other supporters and proponents, have requested cities and counties oppose efforts to repeal SB-1. Action is sought for local legislative bodies (i.e., city councils) to be listed as a member endorsing efforts of the "Fix Our Roads Coalition" to support safer roads and to protect and invest in the maintenance and improvement of our interconnected transportation system.

ECONOMIC IMPACT

The direct economic impact of these projects is not quantifiable.

FISCAL IMPACT

The amount of funding generated by SB-1 that will be distributed to the City is approximately \$898,000 in Fiscal Year 2018, which is a partial year, and \$2,674,000 in Fiscal Year 2019, the first full year of revenue. The proposed November 2018 ballot proposition would take away this annual funding for critical maintenance and improvement of our transportation infrastructure.

STRATEGIC INITIATIVES

This agenda item supports the Complete Streets Strategic Initiative. The purpose of the Complete Streets Strategic Initiative is to build streets that are safe, comfortable, and convenient for travel for everyone, regardless of age or ability, including motorists, pedestrians, bicyclists, and public transportation riders. This item supports the following goal and objective:

Goal 1: Maintaining sufficient funding to provide for existing and future transportation facility and service needs.

Objective 2: Establish a sustainable funding mechanism and dedicated funding source to build a complete streets network.

SUSTAINABILITY FEATURES

The action taken for this agenda report will not result in a physical development, purchase or service, or a new policy or legislation. Any project that will use SB-1 funds will depend on a future Council action.

PUBLIC CONTACT

The Council agenda has been posted on the City's website.

NEXT STEPS

If Council approves the attached resolution, staff will distribute the signed resolution to the appropriate bodies, as well as post a copy of the resolution on the Legislative Program website.

Prepared by: Lucky Narain, Sr. Management Analyst
Kathy Garcia, Deputy Public Works Director

Recommended by: Alex Ameri, Interim Director of Public Works

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18 - ____

Introduced by Council Member _____

RESOLUTION SUPPORTING PROPOSITION 69 AND OPPOSING "THE ROAD REPAIR AND ACCOUNTABILITY ACT" (SB 1 - BEAL) REPEAL

WHEREAS, California's cities, counties and transportation agencies face a statewide backlog of over \$130 billion in needed funds to make transportation infrastructure improvements; and

WHEREAS, "The Road Repair and Accountability Act" (SB 1- Beal) passed by the Legislature and signed by the Governor last year will raise \$5 billion annually in long-term, dedicated transportation funding to make road safety improvements, fill potholes and repair local streets, highways, bridges and overpasses, with the revenues split equally between state and local government projects; and

WHEREAS, SB 1 provides critically-needed funding in the City of Hayward ("City"); and

WHEREAS, SB 1 contains strong accountability provisions to streamline projects by cutting bureaucratic redundancies and red tape to ensure transportation funds are spent efficiently and effectively, while also establishing the independent office of Transportation Inspector General to perform audits, improve efficiency and increase transparency; and

WHEREAS, Proposition 69 on the June 2018 ballot would add additional accountability for taxpayers by preventing the State Legislature from diverting or raiding any new transportation revenues for non-transportation improvement purposes; and

WHEREAS, there is also a proposed ballot measure aimed for the November 2018 ballot (Attorney General #17-0033) that would repeal the new transportation revenues provided by SB 1 and make it more difficult to increase funding for state and local transportation improvements in the future; and

WHEREAS, this proposed November proposition would raid funding from the City and halt critical investments in future transportation improvement projects in our community.

NOW, THEREFORE, BE IT RESOLVED, that the City hereby supports Proposition 69, the June 2018 constitutional amendment to prevent new transportation funds from being diverted for non-transportation purposes; and

BE IT FURTHER RESOLVED, that the City hereby opposes the proposed November ballot proposition (Attorney General #17-0033) that would repeal the new transportation funds and make it more difficult to raise state and local transportation funds in the future; and

BE IT FURTHER RESOLVED, that the City supports and can be listed as a member of the Coalition to Protect Local Transportation Improvements, a diverse coalition of local government, business, labor, transportation and other organizations throughout the state, in support of Proposition 69 and opposing the repeal of SB 1 and we direct staff to email a copy of this adopted resolution to Kyle Griffith of the Coalition to Protect Local Transportation Improvements campaign at kgriffith@bcfpublicaffairs.com.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

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

File #: LB 18-021

DATE: May 15, 2018

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Resolution of Intention to Form the Downtown Hayward Community Benefit District

RECOMMENDATION

That the City Council takes the following actions related to the proposed Downtown Hayward Community Benefit District (CBD):

1. Receive and file the Downtown Hayward CBD petition results;
2. Adopt a Resolution of Intention (Attachment II) to form the Downtown Hayward CBD, authorizing the City Manager to sign the petition and forthcoming ballot for the City-owned parcels, commence balloting, schedule a public hearing for July 10, 2018, approve the Management District Plan and Engineer's Report, and direct the City Clerk to mail ballots to the proposed CBD property owners.

SUMMARY

Over the past three years, the City has been working to establish a Community Benefit District (CBD) in Downtown Hayward. Earlier this year, the City secured petitions to establish a CBD from over 50% of property owners in the proposed district. The attached Resolution of Intention triggers the issuance of ballots for proposed district property owners to formally vote to establish the Downtown Hayward CBD. The Resolution also details the 10-year term of the CBD and other logistical and operational considerations.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Management District Plan
Attachment IV	Engineer's Report
Attachment V	Support Petition Report

File #: LB 18-021



DATE: May 15, 2018

TO: Mayor and City Council

FROM: City Manager

SUBJECT Resolution of Intention to form the Downtown Hayward Community Benefit District

RECOMMENDATION

That the City Council takes the following actions related to the proposed Downtown Hayward Community Benefit District (CBD):

1. Receive and file the Downtown Hayward CBD petition results;
2. Adopt a Resolution of Intention (Attachment II) to form the Downtown Hayward CBD, authorizing the City Manager to sign the petition and forthcoming ballot for the City-owned parcels, commence balloting, schedule a public hearing for July 10, 2018, approve the Management District Plan and Engineer's Report, and direct the City Clerk to mail ballots to the proposed CBD property owners.

SUMMARY

Over the past three years, the City has been working to establish a Community Benefit District (CBD) in Downtown Hayward. Earlier this year, the City secured petitions to establish a CBD from over 50% of property owners in the proposed district. The attached Resolution of Intention triggers the issuance of ballots for proposed district property owners to vote to establish the Downtown Hayward CBD. The resolution also details the 10-year term of the CBD and other logistical and operational considerations.

BACKGROUND

Community Benefit Districts, which are property assessment districts set up to fund special benefit services above and beyond those provided by the City, have been widely adopted by property owners to enhance neighborhood appearance, increase marketing activities, improve local amenities and ultimately to develop a more vibrant, positive experience for visitors to the downtown. Community benefit districts have been found to provide quantitative benefits, including reduced crime rates and increased property values.

Downtown Oakland and the Uptown/Lake Merritt districts have spurred a dramatic turnaround of those districts since 2010. In 2013, property owners in Downtown San Leandro approved their Downtown Community Benefit District and their special services have recently begun to roll out. New development is already occurring there.

The Path to Establishment

In the wake of mounting fiscal pressures on the City's general fund and the loss of Redevelopment monies for downtown improvement projects, the City contracted with New City America (consultant) in May of 2014 to explore the possibility of creating a Downtown Community Benefit District (CBD).

An informational letter and survey questions were distributed to the owners of approximately 200 Downtown Parcels in 2014 and 2015. Feedback from the surveys indicated that property owners were generally supportive of moving forward to further investigate formation of the CBD. The survey replies confirm that many property owners wanted a new, bigger and better maintenance and promotional program above and beyond what is currently provided. The call for "special services" meets the test for a "special district." Under this condition, the City must continue to maintain its base line of services and not supplant or replace them with this new special assessment.

The highest ranked services from the respondents were as follows:

- In terms of security and public safety, the overwhelming majority believe that Downtown Hayward is safe, but suffers from an unsafe image;
- 85% of the respondents believe that safety ambassadors should be funded to supplement Hayward Police services;
- 80% of the respondents support regular sidewalk sweeping services and steam cleaning services over and above what the City currently provides;
- 69% of the respondents support supplemental planting, trimming and maintenance of trees, flowers and shrubs to beautify the area; and
- 58% support special events and marketing and promotional activities that will improve the image of Downtown Hayward.

Staff held numerous meetings with various downtown property owners and stakeholders. This group became known informally as the Downtown CBD Steering Committee.

On March 24, 2015, the City Council adopted Ordinance No. 15-12 adding Article 20, Chapter 8 of the Hayward Municipal Code setting up the framework to allow future establishment of Community Benefit Districts. The Ordinance incorporates the provisions of the State's Property and Business Improvement District Law of 1994 (Streets and Highway Code SS 36600 et seq. - the property-based improvement district or PBID Law). Rather than the five-year term prescribed by the State Law, the City's Ordinance allows the CBD to exist for a maximum of 15 years. It also provides for the establishment of a not-for-profit corporation to govern the CBD.

DISCUSSION

Downtown Hayward area is the City's historic central business district. It includes an area of approximately twenty-four (24) whole or partial blocks. There are approximately 238 parcels with 150 property owners in the proposed Downtown CBD area.

Downtown Hayward possesses a number of valuable assets which present an opportunity to make it a stand-out destination in the East Bay. It is highly walkable due to its compact size, mix of land uses, and relatively small scale of its buildings and streets. Secondly, it is filled with numerous locally owned stores, restaurants and services. Third, it is near a regional BART station and City Hall which serve as anchors of the community. Finally, Downtown is known for several historic buildings and houses which have been restored and are in active use. The goal of the City, and the CBD, is to leverage these assets and shape the area into a destination and urban experience.

Petition Phase

In October 2015, New City America mailed a cover letter, summary Management District Plan (MDP), petition, and return envelope to each property owner within the proposed CBD. The cover letter asked owners to return petitions, with no set date put in place. This was due to the pending sale of two very large properties (Lincoln Landing and Maple and Main) within the district whose final close of escrow could not be known at that time. City staff and the consultant held many meetings and phone conversations with property owners to share facts about the proposed CBD. As of the date of this writing, owners representing a total of 50.18% of the total assessments under the CBD have submitted signed petitions in support of the formation of the CBD (Attachment V).

Under Article 20, Chapter 8 of the Hayward Municipal Code, owners of 50% of the total assessments under the CBD must submit signed petitions for the City Council to move forward with approval of a Resolution of Intention and official balloting. The current total has met that threshold, exceeding the 50% threshold, thus permitting the City Council to move forward with the Resolution of Intention, balloting, and public hearing.

Management District Plan

The proposed Resolution of Intention is attached as Attachment II and references the proposed Management District Plan and Engineer's Report (Attachment III and IV respectively). The resolution details a ten-year term for the CBD, and notes that the CBD can be dissolved in the same manner as it can be formed. It also establishes the metrics to calculate each parcel's special assessment. Consistent with State law, each parcel is assessed in three ways based upon: 1) linear frontage, 2) building square footage, and 3) lot square footage. A fourth factor is included to address residential condominiums which need special attention because future condominium owners will have partial title tied to one common area parcel as well as air space condominiums. There are no residential condominiums in the proposed district now; however, properties may convert to condominiums in the future. The District map attached to the Management District Plan also indicates with specificity the district boundaries and Benefit Zones. This assessment formula is used in local CBDs in

Oakland and San Leandro. According to the City's consultant, this assessment formula is the standard for most CBDs.

There are four general categories of services articulated in the Plan. Each category will receive a certain percentage of the total assessments as shown below:

1. Sidewalk Operations—This menu category of special benefits reserves 69% of expenditures for safety, cleanliness, beautification, and the maintenance of an attractive appearance of the District (described on page 16 of the Management Plan).
2. District Identify and Streetscape Improvements—This category reserves 15% of expenditures for branding and advertising, seasonal decorations and events, art, potential valet service, and public space design and development.
3. Program Management and Corporate Operations—This category reserves 13% of expenditures for staff and administration, insurance, rent, legal, and accounting.
4. Contingency/City and County Fees/Reserve—This category reserves 3% of expenditures for delinquencies, City and County fees, and reserves.

There is an effort in the Management District Plan to directly link the assessments to the services to be rendered and the Engineer's Report further elaborates on those facts as required by law. The proposed distribution of revenues by service level percentages will remain in place for the life of the District unless amended by another petition and balloting process. There is a cost of living increase provision that provides for up to a 5% annual increase in rates at the discretion of the Management Board.

Balloting Phase

If approved by the City Council, the Resolution of Intention initiates the Proposition 218 balloting process. Ballots will be mailed to each property owner and votes cast are returned to the City Clerk. The ballots will be tabulated at a public hearing scheduled for the July 10, 2018 City Council meeting.

The tabulation is weighted based on the value of the total assessment. The owners of the largest properties, with bigger buildings, greater lot size more street frontage, and their location within a specific benefit zone, will be subject to paying more into the District, and will therefore have their votes count in proportion to what they will pay. A simple majority of the returned weighted ballot is required to form the CBD. The City ballots may be considered in the tabulation of the balloting.

Time Consideration

The balloting process defined by State Proposition 218, establishes mandatory time frames between the date of the petition's submittal and the actual voting, to allow sufficient time for every property owner to return their ballots to the City Clerk. To be effective in fiscal year 2019, the process must be completed before the County Assessor's July 31st deadline. It is anticipated that the ballots will be finalized and mailed after the adoption of this Resolution of Intention, with at least 45 days between the mailing and the public hearing on July 10th, 2018 when the ballots will be counted.

Other Considerations

Non-Profit and Ecumenical Properties

Under Proposition 218, no properties including public, non-profit, or tax-exempt entities may be exempted from CBD assessments since said properties will be receiving the special benefits the CBD provides.

However, in other CBDs, management corporations have adopted "hardship policies" that allow for churches or properties with a financial hardship to receive annual reductions of their assessments. Additionally, the management corporation may arrange to reduce assessments for these entities in return for access to storage space for equipment and supplies for the CBD's maintenance crew in their facilities.

According to the City's consultant, churches and non-profits have willingly paid their assessments in other districts; however, the City has received several comments from non-profit and ecumenical properties expressing a desire for a "hardship policy." Staff recommends action on this take place following the Public Hearing on July 10, 2018, in which staff will recommend the Council request the Management Corporation to establish a "hardship policy" for non-profit and ecumenical properties. The City will have a seat on the Management Corporation board and will be able to effectuate such action there.

Ordinance Constraints

Staff has been working on establishing this CBD for over the past three years. This is almost entirely due to the 50% support petition threshold to trigger the balloting phase or formal election to establish the CBD. Moving forward, it would be worthwhile for the Council to revisit this threshold and consider lowering it, especially if the Council wants to explore establishing other CBDs in the City, for instance in the Tennyson Corridor.

According to the City's consultant, CBDs usually have a threshold of 30% to enter the balloting phase of the process. While in the Downtown Hayward CBD, the City has nearly 30% of the weighted property assessments, in other neighborhoods this will not be the case. Lowering the threshold will shorten the time it takes for property owners to consider establishing a CBD.

ECONOMIC IMPACT

Staff estimates the Downtown Hayward Community Benefit District will raise \$596,000 annually to be spent for special benefit services in Downtown for the purpose of increasing demand, commerce and creating a cleaner and more dynamic community. Similar districts have produced a return on investment in the form of higher sales, higher rents, and higher property values. The survey results and petitions received from property owners as described in this report indicate that there is solid support from owners willing to invest in these special benefits for their property, their surroundings and to improve the Downtown's image.

FISCAL IMPACT

The City Council previously approved funds for the New City America contract and ancillary items related to the formation of the Downtown Hayward CBD. The City's payment for the startup costs would be reimbursed over time from the District revenues.

If the CBD is approved, the City's annual assessment cost would be \$163,844.62 and would be funded by the General Fund. This cost has not yet been included in the FY 2019 Operating Budget. If the balloting to form the District is successful, staff will recommend an appropriation at the time of district formation.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities strategic initiative. The purpose of the Complete Communities initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. Specifically, this item supports the following goal and objectives:

Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods.

Objective 1: Increase neighborhood safety and cohesion.

Objective 2: Foster a sense of place and support neighborhood pride.

Objective 3: Increase collaboration with businesses.

NEXT STEPS

Following Council adoption of the attached resolution, staff will commence the balloting phase as this staff report identifies. The ballots will be counted in a public hearing at the July 10, 2018 City Council meeting.

Prepared & Recommended by:

John Stefanski, Management Analyst II
Marco Li Mandri, Consultant, New City America

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. _____

Introduced by Council Member _____

RESOLUTION OF INTENTION TO ESTABLISH THE HAYWARD DOWNTOWN COMMUNITY BENEFIT DISTRICT AND TO LEVY AND COLLECT ASSESSMENTS WITHIN SUCH DISTRICT PURSUANT TO ARTICLE 20, CHAPTER 8 OF THE HAYWARD MUNICIPAL CODE AND CALIFORNIA STREETS AND HIGHWAYS CODE SECTION 36600, ET SEQ. AND APPOINTING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO

WHEREAS, the City Council adopted the Community Benefit District Ordinance of 2015, (the "Law") which added Article 20 to Chapter 8 of the Hayward Municipal Code, which incorporates provisions of California Streets and Highways code section 36600 et seq. ("the State PBID Law") and authorized the establishment, of Community Benefit Districts (CBD) to promote the economic revitalization and physical maintenance of mixed use and business districts in Hayward; and

WHEREAS, the Law authorizes the City to levy and collect assessments on real property within such districts for the purpose of providing improvements and promoting activities that specially benefit real property within such districts; and

WHEREAS, Articles XIIC and XIID of the California Constitution and Section 53753 of the California Government Code impose certain procedural and substantive requirements relating to the levy of new or increased assessments; and

WHEREAS, written petitions have been submitted by district property owners requesting the City Council to initiate proceedings pursuant to the Law to establish the District for a ten-year period; and

WHEREAS, such petitions were signed by property owners in the proposed district who will pay more than fifty percent (50%) of the assessments proposed to be levied; and

WHEREAS, no real properties deriving special benefit within the proposed Downtown CBD will be exempted from payment into the District;

WHEREAS, a Management District Plan entitled the "Hayward Downtown CBD Management District Plan" (the "Management District Plan") has been prepared and submitted to the City Clerk, containing all the information required by Section 36622 of the California Streets and Highway Code, Section 36600, and the local Law, including a description of the boundaries of the District, the improvements and activities proposed for the District, and the cost of such improvements and activities;

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

Section 1. Pursuant to the local Law and Section 36621(a) of the California Streets and Highway Code declares its intention to establish for a period of ten years, the Downtown Hayward Community Benefit District and to levy and collect assessments against lots and parcels of real property within the District commencing with fiscal year 2018-19.

Section 2. The City Council hereby approves the Management District Plan, on file in the office of the City Clerk.

Section 3. The City Clerk shall make the Management District Plan and other documents related to the District available to the public for review during normal business hours.

Section 4. NOTICE IS HEREBY GIVEN that the City Council shall conduct a public hearing on the establishment of the District and the levy and collection of assessments for fiscal year 2018-19 on July 10th, 2018 at 7:00 p.m. or as soon thereafter as the matter may be heard, in the City Council Chambers located at 777 B Street, Hayward, CA 94541. At the public hearing, the City Council will consider all objections or protests, if any, to the proposed establishment of the District and the proposed assessment. Any interested person may present written or oral testimony at the public hearing. At the conclusion of the public testimony portion of the public hearing, the City Clerk shall open and tabulate all ballots received and not withdrawn at that time. Results of the ballot procedure will be announced, and, provided a weighted majority in opposition to the District establishment does not occur, the City Council may then establish the District by adopting a resolution to that effect.

Section 5. The boundaries of the proposed District generally include all properties listed within the boundaries of the map on file in the Management District Plan filed in the Clerk's office.

Section 6. The proposed activities for the District may include, but not be limited to, sidewalk cleaning, private security, beautification, marketing and promotional activities, administration of the services, public space development and enhancement for residential property owners in the CBD and contingency/reserves. All proposed services and improvements benefit real property owners located in the District.

Section 7. The assessment proposed to be levied and collected for fiscal year 2018-19 is \$596,000. The amount to be levied and collected for subsequent years may be increased, by an amount not to exceed five (5) percent per year.

Section 8. The City Clerk is hereby authorized and directed to give notice of the public hearing as provided in Section 53753 of the Government Code and Article XIID, Section 4 of the California Constitution.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

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



The Downtown Hayward Community Benefit District 2018 Management District Plan

Final Plan – April 2018

Formed Under Article 20, Chapter 8 of the Hayward Municipal Code

Prepared by:
New City America, Inc.
and
The Downtown Hayward CBD Steering Committee



Corporate Office ■ 710 W. Ivy Street ■ San Diego, CA 92101 ■ 888-356-2726 ■ 619-233-5009 ■ Fax 619-239-7105
San Francisco Bay Area Office ■ 954 Lee Avenue, ■ San Leandro, CA 94577
New England Office: 42 Pearl Street, ■ New Bedford, MA ■ 02745
mail@newcityamerica.com ■ www.newcityamerica.com ■ Facebook: New City America, Inc.

Downtown Hayward Community Benefit District (CBD) Management District Plan

Table of Contents

Section Number

1.	Management District Plan Summary	3
2.	Downtown Hayward CBD Boundaries	12
3.	District Improvement and Activity Plan	15
4.	Assessment Methodology	21
5.	District Rules, Regulations and Governance	33
6.	Implementation Timetable	34
7.	Assessment Roll of Properties Included	36

Section 1

Management District Plan Summary

In the summer of 2014, a new Downtown Hayward Community Benefit District Steering Committee was established to survey Downtown property owners about their feelings on the creation of an enhanced services assessment district. The Steering Committee consisted of long time property owners in Downtown Hayward, the City of Hayward and New City America, a consulting company that works in this field in the Bay Area.

Survey results from 2015 show that property owners believe the image of Downtown Hayward is probably its weakest asset. Consequently, a Steering Committee was tasked to explore this issue and identify possible remedies. The Committee identified CBD establishment as a vehicle for image enhancement.

In summary, a Downtown Hayward CBD is a special benefits assessment district whereby property owners would pay for, and control the assessments they generate through the CBD. The CBD can fund solutions to safety and homeless/vagrancy problems; fund sidewalk cleanliness, install/improve decorative amenities such as street furniture/fixtures/equipment/lighting; promote and enhance the brand/image of Downtown; manage events; create a strong social media presence and promote public relations for Downtown businesses; and other activities that are warranted. The purpose of the CBD is to increase commerce, increase rents, attract new businesses and development and manage all aspects of Downtown Hayward.

Most importantly, the new Downtown Hayward CBD can fund campaigns and marketing programs that improve the name "Downtown Hayward" to the general public and attract consumers from a 10 – 15 miles radius of Downtown.

The name of this Community Benefit District is the Downtown Hayward Community Benefit District (the "CBD"). The District is being formed pursuant to Article 20 in Chapter 8 of the Hayward Municipal Code hereinafter referred to as the "Ordinance."

Developed by the Downtown Hayward CBD Steering Committee – this Management District Plan is proposed to improve and provide special benefits to individual parcels located within the boundaries of the proposed 2015 Downtown Hayward Community Benefit District. The proposed CBD will provide special benefit district improvements and activities, including cleaning, security, beautification, district identity services, business attraction, promoting commerce, attracting new residential development, possible transportation related activities and other special benefit programs to parcels within the boundaries of the proposed district.

Recent Changes in Downtown Hayward

In 2011, the State Legislature ordered the 408 Redevelopment Agencies in the state to be dismantled and the funds returned to the Counties, school districts and cities, instead of being reinvested in the redevelopment areas. A lawsuit was filed to stop this elimination of redevelopment agencies by the California League of cities and in late 2012, the California Supreme Court ruled that all redevelopment agencies had to cease to exist by February 2013. Therefore, the financial tool that the City of Hayward used for decades to fund Downtown improvements no longer exists.

In the past, the opportunity to fund pedestrian lighting, new sidewalks, and public improvements in Downtown Hayward has typically been through this redevelopment tax-increment financing.

But in a post-redevelopment environment, how do property owners make sure that Downtown's brand will become positive, that vacancies won't remain high, that greater demand will be placed on the buildings resulting in greater rental rates, that commerce will increase for retailers and that the public rights of way will become more orderly and attractive? That was the basis for the investigation of a new Downtown Hayward CBD.

Downtown Hayward has many things going for it, including the following:

1. Excellent linear retail corridors along A and B Streets and Foothill with historic buildings throughout the district; (though B Street has too many vacancies currently);
2. Major anchors including City Hall (with its hundreds of employees) and the movie theatre complex at B Street and Foothill which brings thousands of movie goers to the Downtown every week, two grocery stores and many consumer amenities;
3. Easy access from all major East Bay freeways and Foothill Blvd;
4. A strong student base with over 14,000 students at CSU East Bay and over 13,000 at Chabot Community College;
5. An extensive inventory of structured and street parking yielding over 1,500 parking spaces throughout the District;
6. A BART station in Downtown (BART stations will generate the highest property values in the next 20 years throughout the Bay Area);
7. Downtown Hayward already has a small inventory of market rate housing near the BART station and has the ability to have hundreds of more units either in or directly surrounding Downtown. This would extend the Downtown retail day and put much more demand on commercial spaces on B and A Streets.
8. Cultural and public amenities including adjacent parks, the Post Office, the Historical Society Center, public spaces (in need of activation but at least they are there) and a charming walkable ambiance.
9. Pending development of the old Mervyns Headquarters site which will contain, once completed, 80,000 square foot of retail space and hundreds of new residential units;

Boundaries:

The boundaries shall include approximately 24 whole or partial blocks with 239 parcels owned by 150 property owners. See Downtown Hayward Proposed Special Benefit District Zones map in Section 2, pages 13 - 15. The District is generally bounded by Civic Center Drive and Hazel Avenue on the north, D Street on the south the Downtown Hayward BART station on the west and both sides of 2nd Avenue from Russell to C Street on the east. Any current single family residential land uses included in the proposed district have been minimally assessed due to the reduced amount of anticipated special benefit they will receive. If and when these single family residential uses have been converted to multi-family or commercial/retail/office uses, they will then be fully assessed, based upon the assessment methodology set forth in this plan and special benefits will be delivered to those individual parcels consistent with their benefit zone.

Budget:

The total first year Downtown Hayward CBD budget based upon assessable individual parcel owners for 2018, will be approximately \$ 595,644.00. Please see Section 3 for a breakdown of the categories of special benefit services and their allocation of services by Benefit Zone.

Proposed Benefit Zones:

There are four proposed "benefit zones" which are determined by anticipated benefit to be received in the proposed Downtown Hayward CBD: (see attached map)

Benefit Zone 1 properties would include:

All parcels fronting along B Street from Grand Street (south side of Grand to Watkins) and then both sides of B Street up to the four corners of 2nd Avenue;

Benefit Zone 2 properties would include:

All parcels not included in Benefit Zone 1, except those very large parcels listed identified in Benefit Zone 3;

Benefit Zone 3

The Safeway shopping center on Foothill, the parcels on the back side of the Safeway shopping center fronting along Maple Street to City Center Drive, the Lucky shopping center between Mission Drive, B and C Streets and the BART station. These large parcels within the boundaries of Downtown have been designated as a special benefit zone since the majority of their lot size is dedicated to customer parking for their tenants. Their Benefit Zone will not be assessed for lot size, but will be assessed for building square footage and linear frontage costs.

Benefit Zone 4

All residential condominiums (currently non-existent in Downtown).

CBD Property Data: (as of April 1st, 2018) by Benefit Zone:

Benefit Zone	Building Square Footage	Lot Size (square feet)	Linear Frontage
1	445,991 (31%)	805,802 (25%)	7,262 (21%)
2	723,388 (50%)	2,551,142 (75%)	22,942 (63%)
3	289,709 (19%)	0	5,675 (16%)
4	0	0	0
Total in Downtown Hayward CBD	1,459,088	3,356,944 (77 acres)	35,879 (6.8 miles)

Proportional Benefit Analysis, Assessment Methodology:

1. Linear frontage costs in Benefit Zones 1, 2 and 3 will fund approximately 50% of Sidewalk operations related services; (curb to property line); different rates for Benefit Zones 1 and 2. Benefit Zone 3 is assessed similar to Benefit Zone 1.
2. Lot size square footage assessments Benefit Zones 1 and 2 will fund approximately:
 - a. 50% of sidewalk operations (curb to property line services)
 - b. administration services
 - c. contingency
3. Building Square footage in Benefit Zones 1, 2 and 3 will fund approximately any
 - a. district branding
 - b. marketing, events
 - c. beautification,
 - d. public space development and improvements
 - e. signage
 - f. social media, web site, public relations
 - g. administrative services related to oversight of district identity programs;
(City building square footage is not included in this data)
4. Future Residential Condo parcels will fund the same menu of services with a different assessment methodology, but allocated in the same proportions as the rest of the budget (please see pages 27-28)

Under the state constitution, there must be a relationship between how much a property owner pays and what type of benefit they receive. "Weighted property" owners must receive more benefits due to the size of their linear frontage, lot square footage or buildings square footage. All parcels within the boundaries of the Downtown Hayward CBD will be required to pay into the assessment district (no properties will be exempt). Costs are determined by the type and frequency of services and the location within a benefit zone. The one distinction in this plan is the cost and frequency of sidewalk operations between Benefit Zones 1 and 2.

CBD Budget Category Analysis:

The Steering Committee wants to give the property owners the greatest flexibility in determining the type and frequency of special benefit services that would be allocated on a year to year basis. As the Downtown evolves, services that are needed one year might not be needed the next year. Therefore, we have created “buckets” of categories of special benefit funding and have divided them into 4 broad categories that will give the property owner management corporation the percentages per services for the life of the district, but the flexibility to prioritize or minimize a service found within that category during the life of the CBD. The four categories of services include Sidewalk Operations, District Identity, Administration and Contingency. These categories of services and their percentages represent the service plan the Downtown Hayward property owners will be voting on when the CBD comes up for a mail ballot early this Fall. Under that scenario and with the typical percentages allocated to the “buckets of special benefit services”, the overall budget would be:

PROGRAM OR ACTIVITY FUNDED BY THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT	APPROXIMATE% OF FIRST YEAR ANNUAL BUDGET	ESTIMATED ANNUAL COSTS (ROUNDED)
Sidewalk Operations, Beautification and Order	69%	\$410,000.00
District Identity Streetscape Improvements	15%	\$ 90,000.00
Administration/Corporate Operations	13%	\$ 76,000.00
Contingency/City and County Fees/Reserves	3%	\$ 19,644.00
TOTAL	100%	\$ 595,644.00

Method of Financing:

The financing of the Downtown Hayward CBD is based upon the levy of special assessments upon real property that receive special benefits from the improvements and activities. See Section 4 for assessment methodology and compliance with Proposition 218. There will be five factors used in the determination of proportional benefit to the parcels in the CBD. Those five factors are:

- Linear frontage, (broken down by Benefit Zones). Parcels will be charged different frontage rates based upon the frequency of services that the Benefit Zone frontage will receive from the Sidewalk Operations portion of the CBD budget;
- Lot size or the footprint of the parcel;
- Building square footage (excluding parking structures built within the building that predominantly serve the tenants of the building and are not open to the public); and
- Future residential condos that will be constructed within the District;
- Benefit Zones.

The following data represents the foundation of the assessments that will generate the revenue to fund the Downtown Hayward CBD: (verified as of June 1st, 2017);

Costs based upon the Scenario budget above:

	Benefit Zone 1 and 3 Linear Frontage	Benefit Zone 2 Linear Frontage	Lot Square footage District Wide	Building Square footage District Wide	Total budget
Annual costs	\$ 7.00	\$ 5.00	\$0.089514	\$ 0.0616027	
Total amount generated by property variable	\$ 90,558	\$ 114,709	\$ 204,526.00 for Sidewalk operations \$ 96,950.00 for Administration and Contingency		
Total budget	\$ 205,267.00		\$ 300,493.00	\$89,884.00	\$ 595,644.00

Calculation of Annual Assessments and Benefit Zones:

Based upon the chart above, a property in Benefit Zone 1 would pay as follows:

- \$7.00 per linear foot of their parcel;
- \$0.089514 per square foot of lot size of their parcel;
- \$0.0616027 per square foot of building square footage of their parcel

All three factors would be added up and that would equal the first year annual assessment;

Based upon the chart above, a property in Benefit Zone 2 would pay as follows:

- \$5.00 per linear foot of their parcel;
- \$0.089514 per square foot of lot size of their parcel;
- \$0.0616027 per square foot of building square footage of their parcel

All three factors would be added up and that would equal the first year annual assessment;

Based upon the chart above, a property in Benefit Zone 3 would pay as follows:

- \$7.00 per linear foot of their parcel;
- \$0.0616027 per square foot of building square footage of their parcel

The two factors would be added up and that would equal the first year annual assessment;

Residential Condos: (Benefit Zone 4 Parcels)

Currently there are not any residential condominium parcels within the boundaries of the Downtown Hayward CBD, however they are anticipated to be constructed in the next few years. Whereas apartment buildings will be assessed as commercial properties in the Benefit Zone 1 and 2 methodology above, residential condo owners are their own separate and distinct parcel and must be assessed differently since not all condos, particularly on upper floors, do not have linear frontage or lot size per se.

In this plan, future residential condos will be assessed for their actual building square footage of their unit. The CBD assessment for residential condos will be \$0.20 per square foot for the building square footage of the actual parcel.

District Formation:

The current CBD enabling ordinance requires that 50% of the "weighted" assessments, represented by parcel owners in the district, sign a petition of support to initiate the public hearing procedures and assessment ballot proceedings in the CBD district formation process. Once 50% plus 1 of the proposed CBD assessees sign a petition of support for the CBD, these petitions will be submitted to the City Manager for verification, leading up to a "Resolution of Intent" to be presented to the City Council to establish the district. The value of weighted property owners needed to sign the petition and trigger this Resolution must equal at least \$298,001.00. When that threshold has been met and the Resolution of Intent has been adopted by the City Council, the City Clerk's office will mail out ballots to all affected property owners. The property owners will have a minimum of 45 days to return the ballot prior to the district public hearing. If the weighted returned ballots support the district formation, the City Council may adopt a "Resolution of Formation" to assess the CBD property owners in order to fund the special benefit services outlined in this plan.

Annual Adjustments:

Under this plan, the property owner controlled District Management Corporation may elect to increase the annual assessments by a factor not to exceed 5% per year. This would be a decision of the Board of Directors of the Management Corporation. Increases will be determined by the Owners' Association/District Management Corporation and may vary between 0% and 5% annually. Changes in land use, development of empty parcels, conversion of tax exempt to profitable land uses, demolition of existing buildings, and creation of new parcels through new building or residential condo development may alter the budget from year to year based upon the changes in the building square footage of an individual parcels. Since linear frontage and lot size normally are not altered in the redevelopment of a site, the only changes realized in the CBD will be through the building square footage. In addition, changes in the budget may occur due to the conversion of single parcels to multiple parcels due to the construction of residential or commercial condos.

Term:

Under Article 20, Chapter 8 of the Hayward Municipal Code (the local CBD enabling ordinance), the CBD may be established for up to 15 years. The Steering Committee is recommending that the district be established for 10 years with opportunities for annual disestablishment. The Downtown Hayward CBD shall have a ten-year term which shall commence on January 1st, 2019 and expire on December 31st, 2028, with operations winding down by November 30th, 2028, unless the district is renewed by the CBD property owners through a new assessment ballot proceeding in 2028.

Disestablishment:

Under the local enabling ordinance, Downtown CBD participants will have an annual period in which to petition the City Council to disestablish the CBD. If the property owners vote, by weighted majority to disestablish the district, the district assessments will be removed from the parcels the following fiscal year.

Bonds:

The District will not issue any bonds related to any program.

Time and Manner for Collecting Assessments:

Commencing in December 2018, the Downtown Hayward CBD assessments will appear as a separate line item on annual property tax bills prepared by the County of Alameda. The assessments shall be collected at the same time and in the same manner as for the ad valorem property tax paid to the County of Alameda. These assessments shall provide for the same lien priority and penalties for delinquent payment as is provided for the ad valorem property tax.

Any delinquent assessments owed for the first year will be added to the property tax roll for the following year together with any applicable interest and penalties. The "property owner" means any person shown as the owner/taxpayer on the last equalized assessment roll or otherwise known to be the owner/taxpayer by the City.

Government Assessments:

The Downtown Hayward CBD Management Plan assumes that the City of Hayward, the Successor Agency, Alameda County and other government entities will pay assessments for the public property within the boundaries of the District. Article XIII D, Section 4 of the California Constitution was added in November of 1996 to provide for these payments.

Parcels owned by the City of Hayward, controlled by the Successor Agency, the State of California, the Alameda County shall receive benefits, commensurate with the assessments paid into the Downtown Hayward CBD. The publicly owned parcels are presumed to benefit equally to the privately owned parcels for the sidewalk and administrative special benefits provided, however City and County parcels shall be exempt from assessments on their building square footage since they will not derive benefit from the "District Identity" special benefit services,

Governance:

Pursuant to the City of Hayward's Community Benefit District Ordinance and Section 36600 of the California Streets and Highway Code, a District Management Corporation or Owners' Association, will operate the district on a day to day basis, review District budgets and policies annually within the limitations of the Management District Plan. The Management Corporation will file Annual Reports with the City of Hayward (City) and will oversee the day-to-day implementation of services as defined in the Management District Plan. Streets and Highway Code, Section 36614.5 states:

The "Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement activities and improvements specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose."

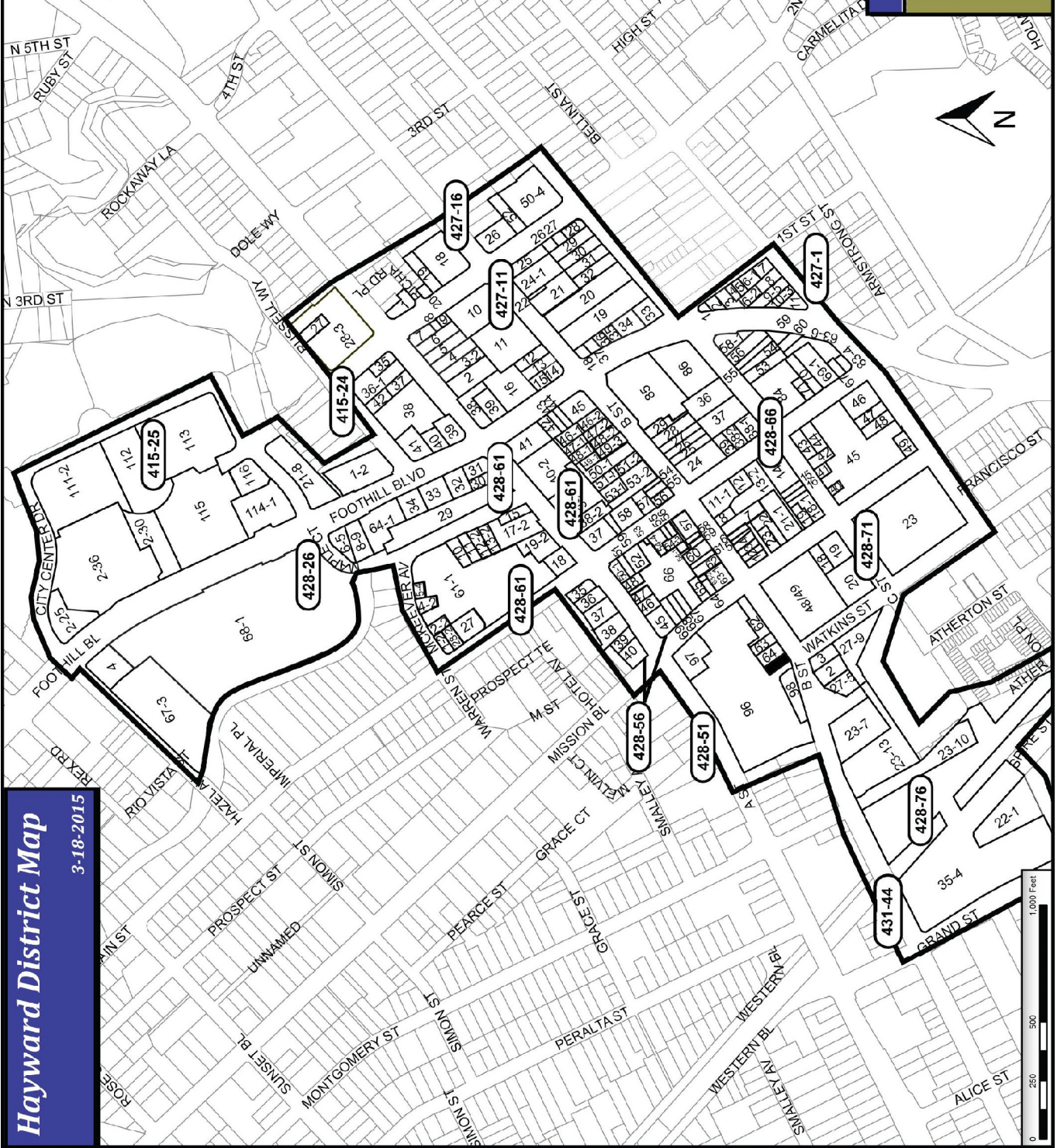
Section 2

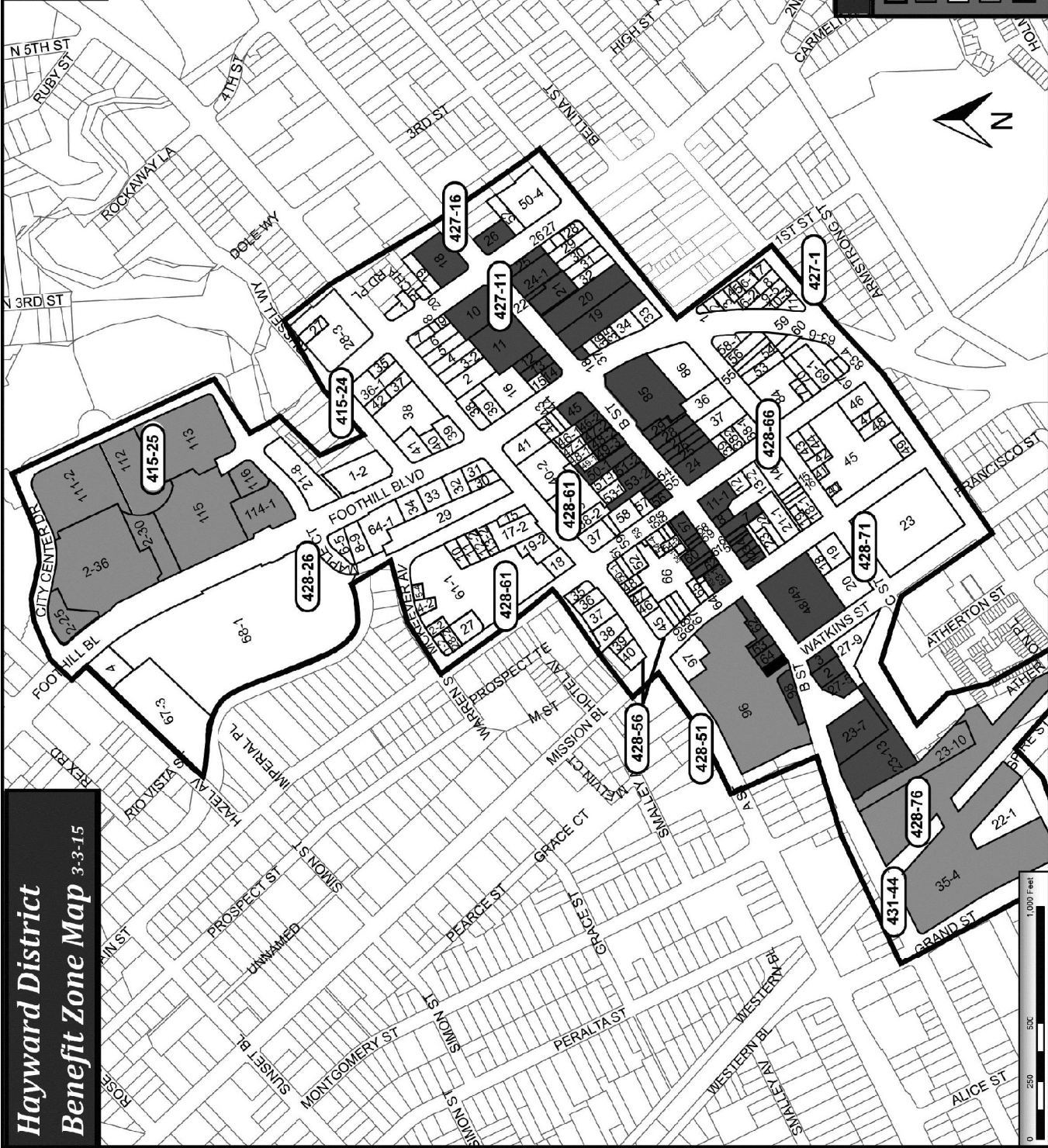
Downtown Hayward Community Benefit District Boundaries

Boundaries: The following text will define the boundaries of the Downtown Hayward CBD.

General Description of the proposed boundaries: Parcels in the commercial corridors of the Downtown Hayward CBD will include as follows:

- Northern Boundary: All of the parcels to the south of City Center Drive, starting at parcel number 415-25-111-2 running westward to the corner of Hazel Avenue and the San Lorenzo Creek. This includes the Safeway shopping center on the east side of Foothill Blvd. and the former Mervyn's corporate headquarters site on the west side of Foothill Blvd. (please see map on page 14 for greater detail)
- Southern Boundary: Starting at the two corners on the north side of the intersection of C Street and 2nd Street, running westward to the intersection of 1st Street and C Street. Running south to include the parcels on the west side of 1st Street to D Street. Then proceeding westward to include the parcels along the north side of D Street up to the intersection of Watkins and D Street, ending at the parcel at the northeast corner of D St and Watkins. (please see map on page 14 for greater detail)
- Eastern Boundary: Starting at the intersection of Russell Way and 2nd Street, running southward including all of the parcels on both sides of the 2nd Avenue up to the intersection of C Street and 2nd, ending at the parcels at the northeastern and northwestern corners of C and 2nd. (please see map on page 14 for greater detail)
- Western Boundary: West of the BART Station at the southeastern corner of the intersection of Grand Street and B Street, including the entire BART station; (please see map on page 14 for greater detail)





Section 3

District Improvement and Activity Plan

In August 2014, Downtown property owners began to meet with New City America and City staff to review the steps for investigation of the new Downtown Hayward CBD. After this initial meeting last summer, the newly formed Downtown Hayward CBD Steering Committee approved and mailed out a survey to Downtown property owners and stated in the survey that once we had received a reasonable number of responses, we would update the property owners on the results of that survey. This newsletter represents continuation of a series of correspondences and mailings regarding the proposed Downtown Hayward Community Benefit District (CBD).

Priority Special Benefit Services – According to the Survey:

The survey asked a variety of specific questions regarding property owner funding of services over and above what the City of Hayward was currently providing. The priority services outlined by the responding property owners prioritized the following:

1. 58 parcel owner respondents stated that they believed the image of Downtown Hayward as portrayed in the media over the past few years has “negatively affected their property values”. 10 parcel owners believe the media’s portrayal of Downtown Hayward was positive;
2. 99 parcel owner respondents believed that Downtown Hayward is “relatively safe but may suffer an unsafe image”. This compares to 5 respondents who believed the image of Downtown was “safe and orderly”;
3. 82 parcel owner respondents supported property owner funded services to “deal with homes and panhandling issues within the district”. 12 parcel respondents opposed this service;
4. 88 parcel owner respondents supported property owner funded “sidewalk and gutter sweeping services”, 20 respondents opposed this service;
5. 97 parcel owner respondents supported property owner funded new amenities including improved lighting, furniture and other decorative features to enhance public spaces in Downtown, 13 parcel owners opposed this service.
6. 89 parcel owner respondents supported “marketing and promotions campaigns to bring new business and attract new tenants to Downtown”, 19 respondents opposed this service;

The CBD Steering Committee began reviewing the results of the survey, and possible “benefit zones” within a bounded area. These benefit zones would divide parcels based upon the frequency of special benefit services to be delivered as well as their proximity to the core area of the district.

Numerous public meetings have been held with the CBD Steering Committee. Public meeting dates were as follows:

- August 13th, 2014
- October 3rd, 2014
- November 7th, 2014
- December 10th, 2014
- January 21st, 2015
- February 27th, 2015
- March 27th, 2015 (City Council meeting to approve the new CBD enabling ordinance)
- April 21st, 2015
- May 27th, 2015
- August 5th, 2015
- September 6th, 2017

At this point, the effort was put on hold pending the final sale of the huge former Mervyn's corporate site. The redevelopment of this site, as well as the sale of the "Green Shutter" SRO and the Main and Maple properties, were all going to have a dramatic impact on the district so it was the desire of the CBD proponents to wait until all of the escrows were closed and entitlements were completed.

In addition, the following mailings were sent out to property owners updating them on the CBD investigation and formation process:

1. Initial CBD survey;
2. Property data verification form
3. Newsletter summarizing survey results and preliminary plan
4. Petition drive and summary of Management District Plan

Explanation of Special Benefit Services:

All of the improvements and activities detailed below are provided only to properties defined as being within the boundaries of the Downtown Hayward CBD, as the improvements and activities will provide special benefit to the owners of those properties. No improvements or activities will be provided to properties outside the Downtown Hayward CBD boundaries. All benefits derived from the assessments outlined in this Management District Plan fund services directly benefiting the property owners in this special benefit district. Inasmuch as all services will be provided to the properties defined as being within the District boundaries and no services will be provided outside the District boundaries.

The City of Hayward will continue to provide general services to the Downtown which will include public safety, street tree trimming, street sweeping, trash collection of public refuse containers, etc. The frequency of these general benefits may change from year to year and time to time based upon budget constraints. However, City general benefits will not be withdrawn from the Downtown Hayward CBD unless they are withdrawn by an equal amount City wide. The CBD

funded special benefits will not replace City funded general benefits, but rather will provide special benefits to parcel owners over and above the general benefits provided by the City of Hayward.

All services funded by the assessments outlined in the Management District Plan are intended to directly benefit the property, business owners and residents within this area to support increased commerce, business attraction and retention, retain and increase commercial property rentals, enhanced safety and cleanliness in the CBD, improved district identity, and eventually fund specialized beautification and enhanced services for the condo residential unit parcels within the District.

CBD Budget Category Analysis:

To ensure that Downtown Hayward CBD property owners are given the greatest flexibility in determining the type and frequency of special benefit services that would be allocated on a year to year basis, we have proposed a categorically flexible system that ensures responsiveness to changes in the District. For example, if hundreds of new residential parcels or market rate apartments are added into the district as in-fill projects, the dynamics of use of the public rights of way will change dramatically. As the Downtown evolves, services that are needed one year might not be needed the next year. Therefore, we have created “buckets” of categories of special benefit funding and have divided them into 4 broad categories that will give the property owner management corporation the percentages per services for the life of the district, but the flexibility to prioritize or minimize a service found within that category during the life of the CBD.

The four categories of services include Sidewalk Operations Beautification and Order, District Identity and Streetscape Improvements, Administration and Contingency. These categories of services and their percentages represent the service plan the Downtown Hayward property owners will be voting on when the CBD comes up for a mail ballot early this Fall.

SIDEWALK OPERATIONS, BEAUTIFICATION, ORDER: 69%

(The frequency of these sidewalk cleaning services will be seven days per week in Zone 1 and 3 and five per week days in Zone 2). Other sidewalk operations services respond to all issues between the curb and the property line of the sidewalks within the proposed Downtown Hayward CBD. Examples of these special benefit services and costs over and above current City Services. These services include, but are not limited to:

- ❑ Regular sidewalk and gutter sweeping
- ❑ Periodic sidewalk steam cleaning
- ❑ Beautification of the district
- ❑ Enhanced trash emptying
- ❑ Timely graffiti removal, within 24 hours as necessary
- ❑ Tree and vegetation maintenance
- ❑ Special events maintenance and set up
- ❑ Maintenance of existing and new public spaces

- ❑ Installation and maintenance of hanging plants, planting flowers throughout the district, particularly around redeveloped areas with high density residential condo parcel owners within one block
- ❑ Possible private security and cameras in the public rights of way
- ❑ Working with HPD and County to respond to issues in and around the creek;
- ❑ Administration of the sidewalk operations service providers or employees;

DISTRICT IDENTITY AND STREETScape IMPROVEMENTS: 15%

Examples of these special benefit services and costs include, but are not limited to:

- ❑ Web site development and updating
- ❑ App development
- ❑ Management and coordination of special events
- ❑ Social media
- ❑ Holiday and seasonal decorations
- ❑ Branding of Downtown Hayward so a positive image is built
- ❑ Banner programs
- ❑ Public art displays
- ❑ Logo development
- ❑ Public space design and improvements
- ❑ Public relations
- ❑ Signage
- ❑ Installation of bike racks
- ❑ Administration oversight of District Identity programs

ADMINISTRATION AND CORPORATE OPERATIONS: 13%

Examples of these special benefit services and costs include, but are not limited to:

- ❑ Staff and administrative costs
- ❑ D and O Insurance
- ❑ Office related expenses, rent
- ❑ Financial reporting, Accounting, Legal work

CONTINGENCY/CITY AND COUNTY FEES/RESERVE: 3%

Examples of these special benefit services and costs include, but are not limited to:

- ❑ Delinquencies, City Fees, County fees
- ❑ Reserves

Under that scenario and with the typical percentages allocated to the “buckets of special benefit services”, the overall budget would be:

Table 3A – First Year CBD Budget and Percentages - 2019

PROGRAM OR ACTIVITY FUNDED BY THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT	APPROXIMATE% OF FIRST YEAR ANNUAL BUDGET	ESTIMATED ANNUAL COSTS (ROUNDED)
Sidewalk Operations, Beautification and Order	69%	\$410,000.00
District Identity Streetscape Improvements	15%	\$ 90,000.00
Administration/Corporate Operations	13%	\$ 76,000.00
Contingency/City and County Fees/Reserves	3%	\$ 19,644
TOTAL	100%	\$ 595,644.00

*Note: \$ 50,000 in CBD formation costs may need to be paid back to the City over the course of 1 – 5 years. The City of Hayward contributed to the investigation and formation costs of the Downtown Hayward CBD and as per the enabling ordinance, may be entitled to be reimbursed within the first five years of the adoption of the CBD by the City Council. Costs that can be recovered include: (1) The costs of preparation of the management plan and engineer's report required by state law; (2) The cost of circulating and submitting the petition to the City Council seeking establishment of the District; (3) The costs of printing, advertising and the giving of published, posted or mailed notices; (4) Compensation of any engineer or consultant employed to render services in proceedings associated with formation of the Downtown Hayward CBD; and (5) Costs associated with any ballot proceedings required by law for approval of the CBD assessment. The total amount to be reimbursed ,ay not exceed \$50,000.

Ten-Year Operating Budget:

A projected ten-year operating budget for the Downtown Hayward CBD is provided below. The projections are based upon the following assumptions:

- Increases will be determined by the District Management Corporation and in no case shall annual increases exceed 5% per year.

The budget for specific programs may be reallocated within the categories by up to 10% of each budget category. The Management Corporation Board may alter the budget based upon service needs and such changes shall be included in the Annual report and submitted to the Hayward City Council for review and approval.

Table 3 – B

Ten-Year Projection of Maximum Assessment
Amounts per Category for the Downtown Hayward CBD – FY 2019

	FY 1	FY 2	FY 3	FY 4	FY 5
Sidewalk Operations	\$410,000.00	\$430,500.00	\$452,025.00	\$474,626.25	\$498,357.56
District Identity	\$90,000.00	\$94,500.00	\$99,225.00	\$104,186.25	\$109,395.56
Administration	\$76,000.00	\$79,800.00	\$83,790.00	\$87,979.50	\$92,378.48
Contingency	\$19,644.00	\$20,626.20	\$21,657.51	\$22,740.39	\$23,877.40
Total	\$595,644.00	\$625,426.20	\$656,697.51	\$689,532.39	\$724,009.00

	FY 6	FY 7	FY 8	FY 9	FY 10
Sidewalk Operations	\$523,275.44	\$549,439.21	\$576,911.17	\$605,756.73	\$636,044.57
District Identity	\$114,865.34	\$120,608.61	\$126,639.04	\$132,970.99	\$139,619.54
Administration	\$96,997.40	\$101,847.27	\$106,939.63	\$112,286.61	\$117,900.94
Contingency	\$25,071.28	\$26,324.84	\$27,641.08	\$29,023.13	\$30,474.29
Total	\$760,209.46	\$798,219.93	\$838,130.92	\$880,037.47	\$924,039.34

Notes:

- Assumes a 5% yearly increase on all budget items.
- Any accrued interest or delinquent payments will be expended in the above categories.
- Residential condo assessments are zero for the first year, and to be determined when the first residential condos are actually built in Downtown

Section 4

Assessment Methodology

The Downtown Hayward CBD is a property-based special benefit assessment district where the property owners within the district pay special assessments to fund special services above and beyond general municipal service levels. Assessment district programs and activities may confer a combination of general and special benefits to properties. However, state law only allows special benefits to be subject to the imposition of special assessments. State law defines "special benefit" as a "a particular and distinct benefit over and above general benefits conferred on real property located in the District or to the public at large". For the purposes of the Downtown Hayward CBD, "general benefits" are benefits provided within Downtown Hayward that are not "particular and distinct" and are not over and above the benefits that other city parcels receive. General benefits can include benefits conferred on real property located in the district, outside the district or to the public at large.

State law requires that the special assessments not exceed the reasonable cost of the proportional special benefit conferred on each parcel. The proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. This management plan provides a statement of the method or methods by which program costs are to be distributed amongst all identified specially benefited properties based on the proportional amount of special program benefit each property is expected to derive. .

Services, programs and improvements provided by the Downtown Hayward CBD are designed to provide special benefits to identified parcels within the boundaries of the District.

The property uses within the boundaries of the proposed Downtown Hayward CBD which will receive special benefits from CBD funded programs and services, are currently a mix of retail, service, office, religious, residential and parking. Parcels that receive the programs, services and improvements outlined on pages 18 and 19 of this plan (Section 3), will attract more customers, employees, tenants and investors as a result of these programs, services and improvements, thereby increasing business volumes, sales transactions, occupancies, rental income and return on investments and for future residents, make this Downtown more walkable, attractive and livable.

Since these programs, services and improvements will only be provided to each individual assessed parcel within the Downtown Hayward CBD boundaries and not to any non-assessed parcels within or outside the District these programs, services and improvements constitute "special benefits" for which special assessments may be imposed pursuant to State law.

Existing City of Hayward services will not be replaced or duplicated, by Downtown Hayward CBD funded services. The purpose of this District is to fund supplemental programs, improvements and services within the Downtown boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. All assessments to be levied on parcels within the Downtown CBD are for services, programs and improvements directly benefiting each individual parcel within this area and support increased cleanliness, commerce, business attraction and retention, increased commercial property rental income and improved District identity. No CBD funded services, activities or programs will be provided beyond the CBD boundaries.

Although the purpose of the CBD is to provide special services to parcels within the CBD, parcels outside the district and the public at large will derive benefits from the special services as well. Enhancement of property values inside and outside the District as a result of the special services is a type of general benefit. State law only allows special assessments to be imposed on special benefits and general benefits cannot be funded by special assessment revenues. Since the special services will inevitably provide a mixture of general and special benefits to parcels within the District, every effort must be made to separate the general benefits from the special benefits to determine the proportion of program costs attributable to the general benefits which may not be assessed.

Empirical assessment engineering analysis throughout California has found that general benefits within a given business improvement district tend to range from 1-5% of the total costs. There are three methods that have been used by the Downtown CBD Assessment Engineer for determining general and special benefit values within assessment districts:

- (1) The parcel by parcel allocation method
- (2) The program/activity line item allocation method, and
- (3) The composite district overlay determinant method.

A majority of PBIDs and CBDs in California for which this plan's Assessment Engineer has provided assessment engineering services since the enactment of Proposition 218, have used Method #3, the composite district overlay determinant method which will be used for this CBD. This method of computing the value of general benefit involves a composite of three distinct types of general benefit – general benefit to assessed parcels within the District, general benefit to the public at large within the District and general benefit to parcels outside the District.

Downtown Hayward CBD Programs and Improvements

Composite General Benefit

Based on the general benefit values delineated in the three sections as outlined in the Assessment Engineer's report that is attached to this Management District Plan, the total value of general benefits conferred on assessed parcels within the District, the public at large and parcels outside the District equates to \$9,594 (\$0 + \$8,487 + \$1,127) or 1.59% of total program costs of \$605,614 [\$595,644 (special benefit) + \$9,614 (general benefits)]. For the purposes of this analysis, this 1.59% value will be conservatively

rounded up to 2%. This leaves a value of 98% assigned to special benefit related costs. The 2% general benefit value now equates to \$12,156 and when added to the special benefit value of \$595,644 (Year 1 –2019 assessments) equates to a total Year 1 – 2019 program cost of \$607,800. Remaining costs that are attributed to general benefits of \$12,156 will need to be derived from other sources. A comparison of special and general benefit funding sources is shown on a chart below.

Downtown Hayward CBD Programs and Improvements

The total special and general benefit program activities and budget allocations that will be provided to each individual parcel assessed in the proposed Downtown Hayward CBD are shown in the chart below:

Table 4 A
Total Year 1 – 2019 - Special + General Benefit Costs

Service	YR 1 Assessment Costs	YR 1 Non-Assessment Costs	YR 1 Total Costs	% of Total
Sidewalk Operations	\$410,000	\$8,367	\$418,367	69%
District Identity	\$90,000	\$1,837	\$91,837	15%
Administration	\$76,000	\$1,551	\$77,551	13%
Contingency/Reserve	\$19,644	\$401	\$20,045	3%
Total	\$595,644	\$12,156	\$607,800	100%

All program costs associated with general benefits will be derived from sources or credits other than CBD assessments. Sample “other” revenue sources can be derived from special events, grants, volunteer hours and must simply equal a total of \$ 12,156 per year which would equal the general benefit cost of 2% of the computed total CBD cost of \$ 607,800.00 from the Table above. Here, program costs are spread among property variables that are common to each parcel include linear frontage, lot or parcel size and building square footage, and residential condo parcels.

Assessed valuation cannot be used as the basis for revenue generation in the state of California since Proposition 13 sets the assessed valuation at the time of purchase of the parcel, therefore adjacent parcels may be similar in size, but have different assessed valuations. We must therefore spread the assessments among the consistent factors of each parcel, based upon 2015 data. The following data represents the foundation of the assessments that will generate the revenue to fund the Downtown Hayward CBD:

Table 4 B
CBD Property Data: (as of April 1st, 2018) by Benefit Zone:

Benefit Zone	Building Square Footage	Lot Size (square feet)	Linear Frontage
1	445,991 (31%)	805,802 (25%)	7,262 (21%)
2	723,388 (50%)	2,551,142 (75%)	22,942 (63%)
3	289,709 (19%)	0	5,675 (16%)
4	0	0	0
Total in Downtown Hayward CBD	1,459,088	3,356,944 (77 acres)	35,879 (6.8 miles)

Proposed Benefit Zones:

There are four proposed “benefit zones” which are determined by anticipated benefit to be received in the proposed Downtown Hayward CBD: (see attached map)

Benefit Zone 1 properties would include:

All parcels fronting along B Street from Grand Street (south side of Grand to Watkins) and then both sides of B Street up to the four corners of 2nd Avenue;

Benefit Zone 2 properties would include:

All parcels not included in Benefit Zone 1, except those very large parcels listed identified in Benefit Zone 3;

Benefit Zone 3

The Safeway shopping center on Foothill, the parcels on the back side of the Safeway shopping center fronting along Maple Street to City Center Drive, the Lucky shopping center between Mission Drive, B and C Streets and the BART station. These large parcels within the boundaries of Downtown have been designated as a special benefit zone since the majority of their lot size is dedicated to customer parking for their tenants. Their Benefit Zone will not be assessed for lot size, but will be assessed for building square footage and linear frontage costs.

Benefit Zone 4

All residential condominiums (currently non-existent in Downtown)

Proportional Benefit Analysis, Assessment Methodology:

1. Linear frontage costs in Benefit Zones 1, 2 and 3 will fund approximately 50% of Sidewalk operations related services; (curb to property line); different rates for Benefit Zones 1 and 2. Benefit Zones 1 and 3 parcel owners will have 7 days per week of Sidewalk Operations services, Benefit Zone 2 parcel owners will receive 5 days per week of sidewalk operations services.
2. Lot size square footage assessments Benefit Zones 1 and 2 will approximately fund:

- a. 50% of sidewalk operations (curb to property line services)
 - b. administration
 - c. contingency
3. Building Square footage in Benefit Zones 1, 2 and 3 will approximately fund any services related to improving the image of the district including:
- a. district branding
 - b. marketing, events
 - c. beautification,
 - d. public space development and improvements
 - e. signage
 - f. social media, web site, public relations
 - g. administration services related to oversight of district identity programs;
(City building square footage is not included in this data)
4. Future Residential Condo parcels will fund the same menu of services with a different assessment methodology but allocated in the same proportions as the rest of the budget.

Linear Frontage Defined:

Individual parcels will be assessed for all sides of each parcel fronting on a public street. Alley frontage is not assessed. Each side of the parcel (excluding alley areas) will receive Sidewalk Operations special benefit services based upon the frequency of services articulated in this plan, (seven times per week in Zones 1 and 3 and five times per week in Zone 2). Linear front footage data was obtained from the County Assessor's parcel maps. All benefit zones will be assessed for linear frontage costs. Linear frontage will fund 50% of the sidewalk operations services in the budget or approximately \$205,000 for the first year the CBD is in existence.

Building Square Footage Defined:

Building square footage is defined as gross building square footage throughout the Downtown Hayward CBD. The percentage of building square footage that is dedicated to private or internal tenant parking needs may be deducted from the gross building square footage. Only parking structures that are open to the public and charge fees to the general public on a regular basis will have their building square footage assessed as any other commercial building. Apartment buildings within the boundaries of the Downtown Hayward CBD will be assessed as commercial buildings since there is a landlord/tenant relationship in that property. Under this plan, City and County owned parcels will pay assessments on their linear frontage and lot size, but will be exempted from assessments on building square footage since they will not derive special benefit from the District Identity services outlined in Section 3, page 18. Building square footage cost will be applied to all Benefit Zones equally since the point of District Identity services is to attract new business, residents, visitors, investors and Hayward citizens to Downtown as a whole. The building square footage assessments will total approximately \$90,000 per year for the first year of the CBD and will fund all district identity services as well as administrative services to oversee the promotion of the CBD.

Lot Square Footage Defined:

Lot square footage is defined as the total amount of area within the borders of the parcel. The lot square footage of a parcel has been verified by the County Assessor's parcel maps. Lot size assessments will be applied to Benefit Zones 1 and 2 only due to the fact that Zone three parcels are primarily dedicated to surface parking lots and they will not derive special benefit services to those areas of the parcel. Benefit Zone 3 parcels will still pay for linear frontage and building square footage assessments, but not lot size assessments. Lot size assessments in Benefit Zones 1 and 2 will fund 50% of the sidewalk operations services, administration and contingency costs of the District. The lot size assessments will total approximately \$300,000 for the first year of the CBD.

Commercial Condominium Parcels Defined:

Ground floor commercial condominiums will be treated as independent "mini" commercial buildings and assessed based on their actual building square footage, the footprint of land they cover or lot size of the commercial condo, and the amount of direct primary street frontage on the exterior of the building. Ground floor commercial condominiums will pay 100% of the special benefits for the assessment, based upon which benefit zone they are within.

Future Residential Condo Unit Parcels Defined:

Future residential condo units building square footage is defined as the livable building square footage within the walls of the condo residential unit parcel. They are included in a special zone to designate their unique special benefits relative to the other commercial parcels within the Downtown Hayward CBD. Unlike the other commercial parcels in the district, including commercially operated apartment buildings, residential condo parcels are assessed for building square footage only, and are not assessed for linear frontage and lot square footage.

Future residential condo individually assessed parcels are assessed as a separate category. These future residential condo individual parcels will be assessed for their building square footage only at the rate of \$0.20 per square foot per year, commencing the first year of their completion. The rationale for assessing future residential condos only for the building square footage rate is provided below.

Future residential condo individually assessed parcels are assessed differently than multi-unit, for-rent apartment buildings, due to the frequency of special benefit services required by each parcel as described below. The multi-unit apartment buildings are commercial properties in which the tenant and landlord have an economic relationship as opposed to residential condo buildings where individual property owners own separate "air space parcels" on a single floor. Future residential apartment buildings can be bought or sold just as like commercial buildings whereas residential condo individual units are separately owned and must be individually bought and sold.

Distinctions between residential apartment buildings with tenants and residential condominium building with individual parcel owners are as follows:

1. The Davis Sterling Act establishes rules and regulations for residential condo owners based upon "separate interests" (i.e. ownership rights), as opposed to renters who only have a possessory interest.
2. Generally, residential condo unit owners demonstrate greater care for their property and concerns about quality of life issues due to their investment in real estate.
3. Residential owners and have the right to vote in a Proposition 218 hearing, tenants do not have that right.
4. Residential condo owners are required to contribute to a legally established Homeowners Associations to oversee building maintenance, tenants are not.;

The assessment methodology has been written to confer special benefits to future residential condo individual assessed parcels since future residential condo owners have unique investment backed expectations about the care and maintenance of the building and its surroundings compared to the interest of residential tenants who have a possessory not an ownership interest. The future residential condos' special assessment methodology ensures that a fund will be established to maintain high levels of special benefit services that apply directly and proportional to the blocks that demand virtually seven days per week, 365 days per year special benefits.

Table 4 C
Proportional Allocation of Assessments to Benefiting Property Owners
Generation of assessments which fund categories of special benefit services.

	Benefit Zone 1 and 3 Linear Frontage	Benefit Zone 2 Linear Frontage	Lot Square footage District Wide	Building Square footage District Wide	Total budget
Annual costs	\$ 7.00	\$ 5.00	\$0.089514	\$ 0.0616027	
Total amount generated by property variable	\$ 90,558	\$ 114,709	\$ 204,526.00 for Sidewalk operations \$ 96,950.00 for Administration and Contingency		
Total budget	\$ 205,267		\$ 300,493.00	\$89,884.00	\$ 595,644.00

Calculation of Annual Assessments:

Based upon the chart above, a property in Benefit Zone 1 would pay as follows:

- \$7.00 per linear foot of their parcel;
- \$0.089514 per square foot of lot size of their parcel;
- \$0.0616027 per square foot of building square footage of their parcel

All three factors would be added up and that would equal the first year annual assessment;

Based upon the chart above, a property in Benefit Zone 2 would pay as follows:

- \$5.00 per linear foot of their parcel;
- \$0.089514 per square foot of lot size of their parcel;
- \$0.0616027 per square foot of building square footage of their parcel

All three factors would be added up and that would equal the first year annual assessment;

Based upon the chart above, a property in Benefit Zone 3 would pay as follows:

- \$7.00 per linear foot of their parcel;
- \$0.0616027 per square foot of building square footage of their parcel

The two factors would be added up and that would equal the first year annual assessment;

Residential Condo Parcel Owners: (Benefit Zone 4 Parcels)

Currently there are not any residential condominium parcels within the boundaries of the Downtown Hayward CBD, however they are anticipated to be constructed in the next few years. Whereas apartment buildings will be assessed as commercial properties in the Benefit Zone 1 and 2 methodology above, residential condo owners are their own separate and distinct parcel and must be assessed differently since not all condos, particularly on upper floors, do not have linear frontage or lot size per se.

In this plan, future residential condo parcels will be assessed for their actual building square footage of their unit. The CBD assessment for residential condo parcels will be \$0.20 per square foot for the building square footage of the actual parcel. If single family residential land uses, in the form of single family homes on independent parcels, within the boundaries of the CBD are included in the District, they will be assessed only for the services they receive on their frontage or until such time that the single family land uses are converted to multi-family or commercial/retail uses.

Exemptions:

No benefitting parcels, regardless of taxable or tax-exempt property tax status, will be exempt from the assessments funding the special benefit services of the Downtown Hayward CBD. Special benefit services will not be provided to any parcels outside of the boundaries of the district. Publicly owned property will be assessed the same as privately owned parcels based upon their location within Benefit Zone 1,2 except that the County and City parcels shall not pay for District Identity services funded by their building square footage assessments. The County and City parcels will not derive the benefits of increased rents, business attraction or

redevelopment potential from such special benefit services. We believe that this analysis is consistent with the “proportional benefit requirements” outlined in Article XIII of the state constitution.

Future Development:

As a result of continued new development, the Downtown Hayward CBD will experience the addition or subtraction of assessable commercial buildings or the conversion of empty parcels into new commercial and residential or buildings and units. The Management District 2018 Plan assessment methodology will accommodate any and all changes anticipated within the term of the District with annual adjustments being submitted to the City, as these assessment calculation and property variable alterations occur.

Maximum Assessment:

Annual increases in assessment rates may be determined by the CBD District Management Corporation and may vary between 0% and 5% in any given year. The maximum the assessments can be increased is 5% over the previous fiscal year’s base assessments. Not implementing the increase for one year does not give the District Management Corporation the authority to accumulate increases above 5% within any given fiscal year. The following projections illustrate a potential 5% annual increase.

Table 4 D
Maximum Assessment Table – FY 2019
Benefit Zone 1, 2, 3, 4 - Maximum Assessments by Property Variable

Projected Assessment	FY 1	FY 2	FY 3	FY 4	FY 5
Linear Frontage BZ 1& 3	\$7.00	\$7.35	\$7.72	\$8.10	\$8.51
Linear Frontage BZ 2	\$5.00	\$5.25	\$5.51	\$5.79	\$6.08
Building Sq. Ft.	\$0.0616027	\$0.06468	\$0.06792	\$0.07131	\$0.07488
Lot Square Footage	\$0.0895140	\$0.0939897	\$0.0986892	\$0.1036236	\$0.1088048
Condo Bldg. Sq. Ft.	\$0.20000	\$0.21000	\$0.22050	\$0.23153	\$0.24310

Projected Assessment	FY 6	FY 7	FY 8	FY9	FY 10
Linear Frontage BZ 1& 3	\$8.93	\$9.38	\$9.85	\$10.34	\$10.86
Linear Frontage BZ 2	\$6.38	\$6.70	\$7.04	\$7.39	\$7.76
Building Sq. Ft.	\$0.078622	\$0.082554	\$0.086681	\$0.091015	\$0.095566
Lot Square Footage	\$0.114245	\$0.119957	\$0.125955	\$0.132253	\$0.138866
Condo Bldg. Sq. Ft.	\$0.2553	\$0.2680	\$0.2814	\$0.2955	\$0.3103

Budget Adjustments:

Annual budget surpluses, if any, will be rolled into the following year's budget. Assessments will be set annually, within the constraints of the maximum increase outlined on page 30 or land use changes. Revenues from the delinquent accounts may be expended in the year they are received. If the District is not renewed, any remaining funds will be returned to property owners in the proportion that each property owner paid.

If after the initial term the District decides to renew and if there is money left over from the previous term, the balance of remaining funds will be rolled over into the renewed district. These "rolled over" funds may only be used within the boundaries of the renewed district and cannot be expended for activities, services, or improvements in an area expanded beyond the original District. However, the rolled over funds may be used to finish District Management Corporation activities in the original district.

Time and Manner for Collecting Assessments:

The Downtown Hayward CBD assessments will appear as a separate line item on annual property tax bills prepared by the County of Alameda. The assessments shall be collected at the same time and in the same manner as for the ad valorem property tax paid to the County of Alameda. These assessments shall provide for the same lien priority and penalties for delinquent payment as is provided for the ad valorem property tax.

Any delinquent assessments owed for the first year will be added to the property tax roll for the following year together with any applicable interest and penalties. The "property owner" means any person shown as the owner/taxpayer on the last equalized assessment roll or otherwise known to be the owner/taxpayer by the City.

Disestablishment:

Under the local enabling ordinance, Downtown CBD participants will have an annual period in which to petition the City Council to disestablish the CBD. If the property owners vote, by weighted majority to disestablish the district, the district assessments will be removed from the parcels the following fiscal year.

Bonds:

The District will not issue any bonds related to any program.

Government Assessments:

The Downtown Hayward CBD Management Plan assumes that the City of Hayward, the Successor Agency, Alameda County and other government entities will pay assessments for the public property within the boundaries of the District pursuant to Article XIII D, Section 4 of the California Constitution.

Parcels owned by the City of Hayward, controlled by the Successor Agency, the State of California, the Alameda County shall receive benefits, commensurate with the assessments paid into the

Downtown Hayward CBD. The publicly owned parcels are presumed to benefit equally to the privately owned parcels for the sidewalk and administrative special benefits provided, however City and County parcels shall be exempt from assessments on their building square footage since they will not derive benefit from the “District Identity” special benefit services, (see Section 3, page 18).

Table 4 E
Government Owned Parcels in the Downtown Hayward CBD

Legal Owner	BZ	APN	Site #	Site Street	Annual Assessment	Percent
CITY OF HAYWARD	2	415 -0240-038-00		A ST	\$5,469.27	0.92%
CITY OF HAYWARD	2	415 -0250-021-07		FOOTHILL BLVD	\$3,904.54	0.66%
CITY OF HAYWARD	2	415 -0250-021-08		FOOTHILL BLVD	\$5,432.37	0.91%
CITY OF HAYWARD	3	415 -0250-111-02		FOOTHILL BLVD	\$4,291.00	0.72%
CITY OF HAYWARD	3	415 -0250-113-00		FOOTHILL BLVD	\$4,830.00	0.81%
CITY OF HAYWARD	2	427 -0001-001-00		FOOTHILL BLVD	\$801.98	0.13%
CITY OF HAYWARD	2	427 -0001-002-00		1ST	\$841.94	0.14%
CITY OF HAYWARD	2	427 -0001-007-00	1098	D ST	\$1,156.90	0.19%
CITY OF HAYWARD	2	427 -0001-008-00	1090	D ST	\$746.90	0.13%
CITY OF HAYWARD	2	427 -0001-010-03	1070	D ST	\$913.92	0.15%
CITY OF HAYWARD	2	427 -0001-011-00	1062	D ST	\$1,582.91	0.27%
CITY OF HAYWARD	1	427 -0011-020-00		C ST	\$4,870.31	0.82%
CITY OF HAYWARD	2	428 -0026-006-05		FOOTHILL BLVD	\$2,070.34	0.35%
CITY OF HAYWARD	2	428 -0056-045-00	22500	MISSION BLVD	\$1,868.32	0.31%
CITY OF HAYWARD	2	428 -0056-053-00	22531	MAIN ST	\$139.99	0.02%
CITY OF HAYWARD	2	428 -0056-054-01		MAIN ST	\$461.98	0.08%
CITY OF HAYWARD	1	428 -0056-058-00	962	B ST	\$540.97	0.09%
CITY OF HAYWARD	1	428 -0056-063-01		MISSION BLVD	\$1,961.86	0.33%
CITY OF HAYWARD	2	428 -0056-066-00		MISSION BLVD	\$4,242.25	0.71%
CITY OF HAYWARD	2	428 -0056-069-00	22524	MISSION BLVD	\$563.42	0.09%
CITY OF HAYWARD	2	428 -0061-029-00	22456	MAPLE	\$7,851.51	1.32%
CITY OF HAYWARD	2	428 -0061-039-01	1025	A ST	\$3,203.00	0.54%
CITY OF HAYWARD	2	428 -0061-046-01		B ST	\$545.89	0.09%
CITY OF HAYWARD	2	428 -0061-047-01		B ST	\$467.91	0.08%
CITY OF HAYWARD	2	428 -0061-048-01		B ST	\$428.92	0.07%
CITY OF HAYWARD	2	428 -0061-049-01		B ST	\$311.94	0.05%
CITY OF HAYWARD	1	428 -0061-050-01	1042	B ST	\$1,606.15	0.27%
CITY OF HAYWARD	2	428 -0061-053-01		B ST	\$623.88	0.10%
CITY OF HAYWARD	2	428 -0066-013-02		MAIN ST	\$2,289.61	0.38%
CITY OF HAYWARD	2	428 -0066-019-00	22678	MISSION BLVD	\$653.92	0.11%
CITY OF HAYWARD	2	428 -0066-037-00	1026	C ST	\$2,254.65	0.38%
CITY OF HAYWARD	2	428 -0066-038-01	1026	C ST	\$1,970.93	0.33%
CITY OF HAYWARD	2	428 -0066-038-02	22696	MAIN ST	\$1,484.49	0.25%
CITY OF HAYWARD	2	428 -0066-043-00	22701	MAIN ST	\$1,563.88	0.26%
CITY OF HAYWARD	2	428 -0066-044-00	22721	MAIN ST	\$937.87	0.16%
CITY OF HAYWARD	2	428 -0066-045-00	22737	MAIN ST	\$11,005.44	1.85%
CITY OF HAYWARD	2	428 -0066-048-00	944	D ST	\$912.87	0.15%
CITY OF HAYWARD	2	428 -0066-049-00		D ST	\$1,266.90	0.21%
CITY OF HAYWARD	2	428 -0066-084-00	22730	C ST	\$4,539.44	0.76%
CITY OF HAYWARD	1	428 -0071-002-00	789	B ST	\$1,534.81	0.26%
CITY OF HAYWARD	1	428 -0071-003-00	799	B ST	\$1,658.40	0.28%

CITY OF HAYWARD	2	428 -0071-023-00	888	C ST	\$17,488.93	2.94%
CITY OF HAYWARD	2	428 -0071-053-00	22675	MISSION BLVD	\$4,744.60	0.80%
CITY OF HAYWARD	1	428 -0076-023-13		WATKINS ST	\$7,684.03	1.29%
CITY OF HAYWARD	2	428 -0076-027-09		WATKINS ST	\$1,917.38	0.32%
CITY OF HAYWARD	1	428 -0076-028-01	777	B ST	\$8,434.85	1.42%
					<hr/>	
					\$134,073.35	22.51%
CITY OF HAYWARD & SF BAY AREA RAPID TRANSIT DIST	2	431 -0044-022-01	22735	SUTRO ST	\$3,509.31	0.59%
HAYWARD SUCCESSOR AGENCY	1	428 -0071-049-00	805	B ST	\$8,101.55	1.36%
SUCCESSOR AGENCY HAYWARD/1069 B St., LLC	1	428 -0066-085-00	22631	FOOTHILL BLVD	\$12,779.09	2.15%
SUCCESSOR AGENCY HAYWARD/1069 B St., LLC	2	428 -0066-086-00	22631	FOOTHILL BLVD	\$5,381.32	0.90%
					<hr/>	
					\$18,160.41	3.05%

Section 5

District Rules and Regulations and Governance

Governance:

Pursuant to the City of Hayward's Community Benefit District Ordinance and Section 36600 of the California Streets and Highway Code, a District Management Corporation or Owners' Association, will operate the district on a day to day basis, review District budgets and policies annually within the limitations of the Management District Plan. The Management Corporation will file Annual Reports with the City of Hayward (City) and will oversee the day-to-day implementation of services as defined in the Management District Plan. Streets and Highway Code, Section 36614.5 states:

The "Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement activities and improvements specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose."

There are no specific rules and regulations prescribed for the proposed Downtown Hayward Community Benefit District Management Corporation except that it will adhere to the open meeting provisions of the Ralph M. Brown Act and will seek to be as open and transparent to the CBD assesses and the public at large as is reasonably possible.

Section 6 Implementation Timetable

The following steps will be followed to establish the Downtown Hayward CBD:

Task	Estimated Deadline
Completion of Petition Drive	The petition drive was postponed in late 2016 and picked up again in the summer of 2017 due to the completion of the entitlement process for the former Mervyn's headquarter site. It is anticipated that the petition drive will be completed in the Winter of 2018
Resolution of Intent	In May 2018, the City Council will receive a staff report and adopts a "Resolution of Intent" to form the CBD. The requisite number of weighted petitions must be submitted to the City to trigger this process and allow the balloting to proceed. The City Council instructs the City Clerk to mail ballots to all affected property owners within the CBD boundaries. The ballots will be due by the public hearing date and will allow each property owner to vote "yes" or "no" on the mail ballot
Public Hearing	It is anticipated that the public hearing will be held the last Council meeting in late June 2018. Testimony will be given by property owners and the City Clerk will go into an adjacent room to open and calculate the ballots. The CBD may be formed if the weighted majority of returned, signed ballots support the formation of the district
Resolution of Formation	Once the weighted return ballots are calculated and demonstrate support for the formation of the CBD, the City Council may then adopt a "Resolution of Formation" to create the CBD. The City Council will vote to levy the assessments on the benefitting parcels.
Management Corporation set up	Between August and October, a new non-profit district management corporation will be created from the CBD Steering Committee members. They will elect interim officers, create articles of incorporation, incorporate with the state, adopt bylaws and enter into a contract with the City to administer the new CBD on behalf of the property owners. This new district management corporation would be open to business or property owner wishing to participate in the CBD funded improvement to Downtown
First revenues	It is anticipated that the City may pre-pay its assessment prior to the County tax collection cycle in December 2018. The City may pay its full year assessment once a contract between the new management corporation and the City Council has been approved.

The Downtown Hayward CBD is expected to be established and begin assessing benefitting parcels as of December 2018.

Section 7

Assessment Roll of Properties Included

APN	Annual Assessment		
		427 -0011-014-00	\$1,639.54
		427 -0011-015-00	\$1,037.34
		427 -0011-016-00	\$4,783.23
		427 -0011-018-00	\$1,331.12
		427 -0011-019-00	\$4,946.63
		427 -0011-020-00	\$4,870.31
		427 -0011-021-00	\$2,398.94
		427 -0011-022-00	\$557.88
		427 -0011-024-01	\$3,250.49
		427 -0011-025-00	\$2,638.01
		427 -0011-026-00	\$529.23
		427 -0011-027-00	\$480.77
		427 -0011-028-00	\$1,241.56
		427 -0011-029-00	\$1,306.23
		427 -0011-030-00	\$1,231.51
		427 -0011-031-00	\$1,254.67
		427 -0011-032-00	\$1,269.82
		427 -0011-033-00	\$1,869.74
		427 -0011-034-00	\$1,535.01
		427 -0011-035-00	\$1,020.83
		427 -0011-036-00	\$1,296.28
		427 -0011-037-00	\$888.31
		427 -0011-038-00	\$2,597.03
		427 -0011-039-00	\$2,200.87
		427 -0016-001-00	\$2,051.94
		427 -0016-018-00	\$5,351.09
		427 -0016-019-00	\$1,668.97
		427 -0016-020-00	\$741.90
		427 -0016-026-00	\$4,198.17
		427 -0016-050-04	\$6,958.00
		427 -0016-052-00	\$1,228.66
		428 -0026-004-00	\$3,372.92
		428 -0026-006-05	\$2,070.34
		428 -0026-008-09	\$2,177.61
		428 -0026-064-01	\$5,082.59
		428 -0026-067-03	\$10,641.31
		428 -0026-068-01	\$41,277.65
		428 -0051-062-00	\$2,702.17
		428 -0051-063-00	\$1,178.09
		428 -0051-064-00	\$1,751.28
		428 -0051-096-00	\$9,380.33
		428 -0051-097-00	\$3,375.92
		428 -0051-098-00	\$3,158.22
		428 -0056-035-00	\$1,659.91
		428 -0056-036-00	\$1,218.75
		428 -0056-037-00	\$1,773.21
		428 -0056-038-00	\$2,025.54
		428 -0056-039-00	\$1,027.27
415 -0240-001-02	\$6,191.76		
415 -0240-027-00	\$861.84		
415 -0240-028-03	\$9,519.23		
415 -0240-035-00	\$1,855.41		
415 -0240-036-01	\$3,776.85		
415 -0240-037-00	\$989.06		
415 -0240-038-00	\$5,469.27		
415 -0240-039-00	\$2,153.86		
415 -0240-040-00	\$1,561.25		
415 -0240-041-00	\$3,082.99		
415 -0240-042-00	\$795.05		
415 -0250-002-25	\$3,416.13		
415 -0250-002-30	\$1,496.58		
415 -0250-002-36	\$4,376.81		
415 -0250-021-07	\$3,904.54		
415 -0250-021-08	\$5,432.37		
415 -0250-111-02	\$4,291.00		
415 -0250-112-00	\$1,148.00		
415 -0250-113-00	\$4,830.00		
415 -0250-114-01	\$3,232.70		
415 -0250-115-00	\$10,730.31		
415 -0250-116-00	\$3,113.22		
427 -0001-001-00	\$801.98		
427 -0001-002-00	\$841.94		
427 -0001-003-00	\$1,775.13		
427 -0001-004-00	\$475.82		
427 -0001-005-00	\$503.26		
427 -0001-006-01	\$1,018.21		
427 -0001-006-02	\$441.72		
427 -0001-007-00	\$1,156.90		
427 -0001-008-00	\$746.90		
427 -0001-009-05	\$833.75		
427 -0001-010-03	\$913.92		
427 -0001-011-00	\$1,582.91		
427 -0011-002-00	\$2,657.09		
427 -0011-003-02	\$1,932.26		
427 -0011-004-00	\$1,209.47		
427 -0011-005-00	\$1,176.86		
427 -0011-006-00	\$1,416.36		
427 -0011-007-00	\$1,625.76		
427 -0011-008-00	\$375.81		
427 -0011-009-00	\$584.74		
427 -0011-010-00	\$6,924.08		
427 -0011-011-00	\$6,074.34		
427 -0011-012-00	\$1,001.21		
427 -0011-013-00	\$1,872.93		

428-0056-040-00	\$2,152.40	428-0061-043-00	\$648.38
428-0056-045-00	\$1,868.32	428-0061-044-00	\$592.61
428-0056-046-00	\$1,060.75	428-0061-045-00	\$3,070.37
428-0056-047-00	\$1,058.03	428-0061-046-01	\$545.89
428-0056-048-00	\$597.03	428-0061-046-02	\$1,226.45
428-0056-050-01	\$1,390.15	428-0061-047-01	\$467.91
428-0056-051-00	\$659.79	428-0061-047-02	\$1,636.80
428-0056-052-00	\$1,487.97	428-0061-048-01	\$428.92
428-0056-053-00	\$139.99	428-0061-048-02	\$968.38
428-0056-054-01	\$461.98	428-0061-049-01	\$311.94
428-0056-054-03	\$576.02	428-0061-049-03	\$1,329.47
428-0056-054-04	\$881.03	428-0061-050-01	\$1,606.15
428-0056-055-00	\$1,245.95	428-0061-051-02	\$1,160.55
428-0056-056-00	\$259.85	428-0061-053-01	\$623.88
428-0056-057-00	\$1,676.70	428-0061-053-02	\$3,310.54
428-0056-058-00	\$540.97	428-0061-054-00	\$420.08
428-0056-059-00	\$552.52	428-0061-055-00	\$716.45
428-0056-060-00	\$1,568.71	428-0061-056-00	\$1,787.74
428-0056-061-00	\$631.39	428-0061-057-00	\$885.02
428-0056-062-00	\$1,097.57	428-0061-058-00	\$2,406.01
428-0056-063-01	\$1,961.86	428-0061-059-00	\$433.39
428-0056-063-02	\$66.96	428-0061-061-01	\$17,158.25
428-0056-064-00	\$518.74	428-0066-001-00	\$1,641.08
428-0056-065-00	\$874.58	428-0066-002-00	\$915.51
428-0056-066-00	\$4,242.25	428-0066-003-00	\$875.26
428-0056-067-00	\$566.98	428-0066-004-00	\$758.64
428-0056-068-00	\$687.03	428-0066-005-00	\$410.40
428-0056-069-00	\$563.42	428-0066-006-00	\$600.30
428-0061-001-02	\$1,112.22	428-0066-007-00	\$1,686.45
428-0061-002-02	\$769.41	428-0066-008-00	\$1,754.80
428-0061-004-02	\$927.81	428-0066-011-01	\$3,532.71
428-0061-005-04	\$608.32	428-0066-012-00	\$1,416.01
428-0061-010-00	\$822.89	428-0066-013-02	\$2,289.61
428-0061-011-00	\$822.89	428-0066-014-00	\$3,231.55
428-0061-012-02	\$894.50	428-0066-015-00	\$496.93
428-0061-013-02	\$790.58	428-0066-016-00	\$513.04
428-0061-015-00	\$1,561.07	428-0066-018-01	\$2,216.19
428-0061-017-02	\$3,153.84	428-0066-019-00	\$653.92
428-0061-018-00	\$1,983.97	428-0066-021-01	\$2,460.97
428-0061-019-02	\$2,224.23	428-0066-022-00	\$1,106.87
428-0061-027-00	\$960.54	428-0066-023-00	\$679.92
428-0061-028-02	\$773.96	428-0066-024-00	\$6,746.70
428-0061-029-00	\$7,851.51	428-0066-025-00	\$1,322.26
428-0061-030-00	\$862.04	428-0066-026-00	\$1,076.95
428-0061-031-00	\$2,099.05	428-0066-027-00	\$1,065.98
428-0061-032-00	\$1,845.55	428-0066-028-00	\$2,008.09
428-0061-033-00	\$2,363.03	428-0066-029-00	\$1,238.49
428-0061-034-00	\$2,197.51	428-0066-036-00	\$2,299.65
428-0061-037-00	\$2,604.91	428-0066-037-00	\$2,254.65
428-0061-038-02	\$2,023.51	428-0066-038-01	\$1,970.93
428-0061-039-01	\$3,203.00	428-0066-038-02	\$1,484.49
428-0061-040-02	\$4,989.45	428-0066-039-00	\$3,562.94
428-0061-041-00	\$4,744.09	428-0066-040-00	\$471.24
428-0061-042-00	\$1,095.38	428-0066-041-00	\$703.35

428 -0066-042-00	\$774.11
428 -0066-043-00	\$1,563.88
428 -0066-044-00	\$937.87
428 -0066-045-00	\$11,005.44
428 -0066-046-00	\$3,300.30
428 -0066-047-00	\$878.93
428 -0066-048-00	\$912.87
428 -0066-049-00	\$1,266.90
428 -0066-053-00	\$1,115.51
428 -0066-054-00	\$826.88
428 -0066-055-00	\$628.66
428 -0066-056-00	\$1,380.21
428 -0066-058-01	\$2,570.73
428 -0066-059-00	\$885.61
428 -0066-060-00	\$741.06
428 -0066-063-06	\$2,307.54
428 -0066-067-00	\$554.52
428 -0066-069-01	\$2,139.55
428 -0066-070-00	\$1,114.36
428 -0066-071-00	\$684.49
428 -0066-083-04	\$779.41
428 -0066-084-00	\$4,539.44
428 -0066-085-00	\$12,779.09
428 -0066-086-00	\$5,381.32
428 -0071-002-00	\$1,534.81
428 -0071-003-00	\$1,658.40
428 -0071-020-02	\$3,053.48
428 -0071-023-00	\$17,488.93
428 -0071-048-00	\$3,508.08
428 -0071-049-00	\$8,101.55
428 -0071-053-00	\$4,744.60
428 -0076-023-10	\$492.80
428 -0076-023-13	\$7,684.03
428 -0076-027-09	\$1,917.38
428 -0076-028-01	\$8,434.85
431 -0044-022-01	\$3,509.31
431 -0044-035-04	\$14,173.69

**DOWNTOWN HAYWARD
COMMUNITY BENEFIT DISTRICT**

Prepared pursuant to the City of Hayward
Community Benefit District Ordinance
Hayward Municipal Code - Article 20, Chapter 8

**DISTRICT
ASSESSMENT ENGINEER'S
REPORT**

ATTACHMENT IV

*Prepared by
Edward V. Henning
California Registered Professional Engineer # 26549
Edward Henning & Associates*

May 3, 2018

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

DISTRICT ASSESSMENT ENGINEER’S REPORT

To Whom It May Concern:

I hereby certify to the best of my professional knowledge and experience that each of the identified benefiting properties located within the proposed Downtown Hayward Community Benefit District ("Downtown Hayward CBD") being formed for a ten (10) year term will receive a special benefit over and above the benefits conferred on the public at large and that the amount of the proposed assessment is proportional to, and no greater than the benefits conferred on each respective property.

Prepared by Edward V. Henning, California Registered Professional Engineer # 26549



RPE #26549

May 3, 2018

Edward V. Henning

Date

(NOT VALID WITHOUT SIGNATURE AND CERTIFICATION SEAL HERE)

Introduction

This report serves as the “detailed engineer’s report” required by Section 4(b) of Article XIID of the California Constitution (Proposition 218) to support the benefit property assessments proposed to be levied within the proposed Downtown Hayward CBD in the City of Hayward, California being formed for a ten (10) year term. The discussion and analysis contained within this Report constitutes the required “nexus” of rationale between assessment amounts levied and special benefits conferred on properties within the Downtown Hayward CBD.

The Downtown Hayward CBD is a property-based benefit assessment district being formed for a ten (10) year term pursuant to the City of Hayward Community Benefit District Ordinance (the “Ordinance”), Hayward Municipal Code - Article 20, Chapter 8, which is based in part on Section 36600 et seq. of the California Streets and Highways Code, also known as the Property and Business Improvement District Law of 1994 (the “Act”). Due to the benefit assessment nature of assessments levied within CBDs and Property Business Improvement Districts (“PBID”), district program costs are to be distributed amongst all identified benefiting properties based on the proportional amount of program special benefit each property is expected to derive from funded programs and the assessments levied. Within the Ordinance and Act, frequent references are made to the concept of relative “benefit” received from PBID programs and activities versus amount of

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

assessment levied. Only those properties expected to derive special benefits from PBID funded programs and activities may be assessed and only in an amount proportional to the relative special benefits expected to be received.

Supplemental Proposition 218 Procedures and Requirements

Proposition 218, approved by the voters of California in November of 1996, adds a supplemental array of procedures and requirements to be carried out prior to levying a property-based assessment like the Downtown Hayward CBD. These requirements are in addition to requirements imposed by State and local assessment enabling laws. These requirements were “chaptered” into law as Article XIID of the California Constitution.

Since Proposition 218 provisions will affect all subsequent calculations to be made in the final assessment formula for the Downtown Hayward CBD, Proposition 218 requirements will be taken into account. The key provisions of Proposition 218 along with a description of how the Downtown Hayward CBD complies with each of these provisions are delineated below.

(Note: All section references below pertain to Article XIII of the California Constitution):

Finding 1. From Section 4(a): “Identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed”

There are 238 parcels within the Downtown Hayward CBD that are “identified” as assessable parcels with assessable property characteristics that will derive special benefit from the proposed District programs and activities. The benefits are special and unique only to the identified parcels within the District because programs and services (i.e. sidewalk operations/beautification; district identity; program management; and, contingency/reserve) will only be provided directly for the special benefit of the identified parcels. These identified benefiting parcels are located within the Downtown Hayward CBD perimeter boundary which is shown on the Boundary Map attached as Appendix 2 to this Report and are listed in Appendix 1 to this Report - identified by assessor parcel number. Any future development and/or land subdivisions will adhere to the assessment rate structures described herein. There are four benefit zones within the Downtown Hayward CBD.

The parcels selected to be included in the Downtown Hayward CBD form a unique retail and commercial business core that has long been recognized and identified by the Hayward community as a pedestrian friendly retail and commercial central business district of Hayward. Keeping the District clean and attractive will increase pedestrian traffic and consumer activity and help create a strong symbiotic economic relationship between the Downtown Hayward CBD and the customers it serves. There are four benefit zones in the proposed Downtown Hayward CBD. The Downtown Hayward CBD boundaries are shown on the District Map in Appendix 2 of this Report. The assessment rates vary based on the proportionate levels of special benefit services to be provided for each parcel within each benefit zone within the CBD.

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

Downtown Hayward CBD Boundary:

The boundaries of the proposed Downtown Hayward CBD are described as follows:

- **Northern Boundary:** All of the parcels to the south of City Center Drive, starting at parcel number 415-25-111-2 running westward to the corner of Hazel Avenue and the San Lorenzo Creek. This includes the Safeway shopping center on the east side of Foothill Blvd. and the former Mervyn’s corporate headquarters site on the west side of Foothill Blvd. (See map attached as Appendix 2 to this Report for greater detail).
- **Southern Boundary:** Starting at the two corners on the north side of the intersection of C Street and 2nd Street, running westward to the intersection of 1st Street and C Street. Running south to include the parcels on the west side of 1st Street to D Street. Then proceeding westward to include the parcels along the north side of D Street up to the intersection of Watkins and D Street, ending at the parcel at the northeast corner of D St and Watkins. (See map attached as Appendix 2 to this Report for greater detail).
- **Eastern Boundary:** Starting at the intersection of Russell Way and 2nd Street, running southward including all of the parcels on both sides of the 2nd Avenue up to the intersection of C Street and 2nd, ending at the parcels at the northeastern and northwestern corners of C and 2nd. (See map attached as Appendix 2 to this Report for greater detail).
- **Western Boundary:** West of the BART Station at the southeastern corner of the intersection of Grand Street and B Street, including the entire BART station. (See map attached as Appendix 2 to this Report for greater detail).

Proposed Benefit Zones:

There are four proposed “benefit zones” within the proposed Downtown Hayward CBD. (See map attached as Appendix 2 to this Report for greater detail).

Benefit Zone 1

All parcels fronting along B Street from Grand Street (south side of Grand to Watkins) and then both sides of B Street up to the four corners of 2nd Avenue;

Benefit Zone 2

All parcels not included in Benefit Zone 1, except those very large parcels listed identified in Benefit Zone 3;

Benefit Zone 3

Zone 3 includes the Safeway shopping center on Foothill, the parcels on the back side of the Safeway shopping center fronting along Maple Street to City Center Drive, the Lucky shopping center between Mission Drive, B and C Streets and the BART station. These large parcels have the majority of their lot size dedicated to customer

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

parking for their tenants. Benefit Zone 3 will not be assessed for land area, but will be assessed for building area and street frontage.

Benefit Zone 4

All residential condominiums (currently none in Downtown)

All identified parcels within the above-mentioned boundaries shall be assessed to fund special benefit programs, services and improvements as outlined herein. Services, programs and improvements will only be provided to these parcels inside the District boundaries and none will be provided outside of the District boundaries. Each of the individual parcels assessed shall receive special benefits from the proposed programs, services and improvements. All Downtown Hayward CBD funded programs, services and improvements are considered supplemental above normal base level services provided by the City of Hayward and are only provided for the special benefit of assessed parcels within the boundaries of the Downtown Hayward CBD.

Finding 2. From Section 4(a): “Separate general benefits (if any) from the special benefits conferred on parcel(s). Only special benefits are assessable. “

BENEFIT ANALYSIS

As stipulated by Proposition 218, assessment District programs and activities confer a combination of general and special benefits to properties, but the only program benefits that can be assessed are those that provide special benefit to the assessed properties. Special Benefit” as defined by the California State Constitution means “a particular and distinct benefit over and above general benefits conferred on real property located in the District or to the public at large. For the purposes of this analysis, “General Benefits” are benefits from the Downtown Hayward CBD activities and improvements that are not special in nature, are not "particular and distinct" and are not over and above the benefits that other parcels receive. General benefits are not restricted to benefits conferred only on persons and property outside the assessment district, but can include benefits both conferred on real property located in the district or to the public at large. “At large” means not limited to any particular person - means all members of the public - including those who live, work, and shop within the district - and not simply transient visitors.

The property uses within the boundaries of the Downtown Hayward CBD which will receive special benefits from Downtown Hayward CBD funded programs and services are currently a mix of retail, service, office, government, and parking. Services, programs and improvements provided by the Downtown Hayward CBD are primarily designed to provide special benefits to identified parcels within the boundaries of the District.

There are four basic categories of special benefit services that will be funded by the Downtown Hayward CBD. All of these services will confer a special benefit to the individual parcels within the CBD. The categories of special benefits are as

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

follows:

SIDEWALK OPERATIONS, BEAUTIFICATION, ORDER:

69%

(The frequency of these services will be seven days per week in Zone 1 and 3 and five days per week in Zone 2).

Sidewalk operations services respond to all issues between the curb and the property line of the sidewalks within the proposed Downtown Hayward CBD. Examples of these special benefit services and *costs over and above current City Services*. These services include, but are not limited to:

- Regular sidewalk and gutter sweeping
- Periodic sidewalk steam cleaning
- Beautification of the district
- Enhanced trash emptying
- Timely graffiti removal, within 24 hours as necessary
- Tree and vegetation maintenance
- Special events maintenance and set up
- Maintenance of existing and new public spaces
- Installation and maintenance of hanging plants, planting flowers throughout the district, particularly around redeveloped areas with high density residential condo parcel owners within one block
- Possible private security and cameras in the public rights of way
- Working with HPD and County to respond to issues in and around the creek;

DISTRICT IDENTITY AND STREETScape IMPROVEMENTS:

15%

Examples of these special benefit services and costs include, but are not limited to:

- Web site development and updating
- App development
- Management and coordination of special events
- Social media
- Holiday and seasonal decorations
- Branding of Downtown Hayward so a positive image is built
- Banner programs
- Public art displays
- Logo development
- Public space design and improvements
- Public relations
- Signage
- Installation of bike racks
- Administration oversight of District Identity programs

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

ADMINISTRATION AND CORPORATE OPERATIONS:

13%

Examples of these special benefit services and costs include, but are not limited to:

- Staff and administrative costs
- D and O Insurance
- Office related expenses, rent
- Financial reporting, Accounting, Legal work

CONTINGENCY/CITY AND COUNTY FEES/RESERVE:

3%

Examples of these special benefit services and costs include, but are not limited to:

- Delinquencies, City Fees, County fees
- Reserves

Assessed parcels within the CBD are conferred proportionate and unique special benefits from CBD funded programs, services and improvements. Commercial parcels that receive these programs, services and improvements attract more customers, employees, visitors, tenants and investors as a result of these programs, services and improvements, thereby increasing business volumes, sales transactions, occupancies, rental income and return on investments. Publicly owned parcels, parcels in Zone 3 which all have large areas dedicated to surface parking, and future residential condominium uses specially benefit proportionately but different than other commercial parcels. These differences are discussed later in this Report and are incorporated into the assessment formula used to calculate assessments for these types of parcels. CBD special benefits are particular and distinct in that they are not provided to non-assessed parcels outside of the District. These programs, services and improvements will only be provided for the direct benefit of each individual assessed parcel within the Downtown Hayward CBD boundaries and confer "special benefits" on each assessed parcel. Existing City of Hayward services will be enhanced, not replaced or duplicated, by Downtown Hayward CBD services.

In the case of the Downtown Hayward CBD, the very nature of the purpose of this District is to fund supplemental programs, improvements and services within the Downtown Hayward CBD boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. These services, programs and improvements, are designed to enhance the pedestrian and retail commercial core uses, increase tenancy and marketing of the mix of retail, service, office, government and parking properties in the Downtown Hayward CBD and improve the aesthetic appearance of each identified parcel. All benefits derived from the assessments to be levied on parcels within the Downtown Hayward CBD are for services, programs and improvements directly benefiting each individual parcel within this area and support increased cleanliness, commerce, business attraction and retention, increased commercial property rental income and improved District identity. No Downtown Hayward CBD funded services, activities or programs will be provided outside of the Downtown Hayward CBD boundaries.

These special benefits are particular and distinct to each and every assessed parcel within the Downtown Hayward CBD and are not provided to non-assessed parcels outside of the District. The City of Hayward does not provide these

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

supplemental programs, services or improvements.

While every attempt is made to provide CBD services and programs to confer benefits only to those identified assessed parcels within the CBD, the California State Constitution was amended via Proposition 218 to stipulate that general benefits exist, either by design or unintentional, in all property based assessment districts and that a portion of the program costs must be considered attributable to general benefits and assigned a value. General benefits cannot be funded by assessment revenues. General benefits might be conferred on parcels within the District, or “spillover” onto parcels surrounding the District, or to the public at large who might be passing through the District with no intention of transacting business within the District or interest in the District itself.

Empirical assessment engineering analysis throughout California has found that general benefits within a given business improvement district tend to range from 1-5% of the total costs. There are three methods that have been used by this Engineer for determining general and special benefit values within assessment districts:

- (1) The parcel by parcel allocation method
- (2) The program/activity line item allocation method, and
- (3) The composite district overlay determinant method.

A majority of PBIDs in California for which this Assessment Engineer has provided assessment engineering services since the enactment of Proposition 218, have used Method #3, the composite district overlay determinant method which will be used for the Downtown Hayward CBD. This method of computing the value of general benefit involves a composite of three distinct types of general benefit – general benefit to assessed parcels within the District, general benefit to the public at large within the District and general benefit to parcels outside the District.

General Benefit – Assessed Parcels within District

CBD funded programs are narrowly designed and carefully implemented to specially benefit the assessed District parcels and are only provided for the special benefit to each and every assessed parcel within the District. It is the opinion of this Engineer, based on over 30 years of professional assessment engineering experience, that 100% of benefits conferred on assessed parcels within the District are distinct and special and that there are 0% general benefits conferred on these parcels. This is because the CBD funded programs and services are specially geared to the unique needs of each assessed parcel within the CBD and are directed specially only to these assessed parcels within the CBD. This concept is further reinforced by the proportionality of special benefits conferred on each assessed parcel within the District as determined by the special benefit assessment formula as it is applied to the unique and varying property characteristics unique to each assessed parcel.

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

General Benefit - Public At Large

While the CBD funded programs are narrowly designed and carefully implemented to specially benefit the assessed District properties and are only provided for the special benefit to each and every assessed parcel within the District, these CBD funded programs may also provide an incidental general benefit to the public at large within the District. Assessment Engineering experience in California has found that generally over 95% of people moving about within CBD boundaries are engaged in business related to assessed parcels and businesses contained on them within the District, while the public at large “just passing through” is typically much less than 5%. Based on this experience curve and the focused nature of the proposed Downtown Hayward CBD funded programs and over 30 years of assessment engineering experience, it is the opinion of this Engineer that a general benefit factor of 0.03 of CBD funded special benefit program costs that might provide an immediate general benefit to the public at large will be applied to these applicable program costs in order to compute the dollar and percent value of general benefits to the public at large. It is the opinion of this Engineer that the programs that may provide immediate general benefits to the public at large are limited to the SOBO programs. The dollar value of this general benefit type equates to \$8,487 as delineated in the following chart:

General Benefits To “Public At Large”

	A	B	C	D	E
Program Element	Dollar Allocation	% Allocation of Special Benefit Cost	General Benefit Factor	General Benefit Percent (B x C)	General Benefit Value (A x D)
SOBO Services	\$410,000	69%	0.03	2.07%	\$8,487

General Benefits – Outside Parcels

While District programs and services will not be provided directly to parcels outside the District boundaries, it is reasonable to conclude that District services may confer an indirect general benefit on parcels outside the District boundaries. An inventory of the District boundaries finds that the District is surrounded by 17 commercial/industrial parcels, with 7 tangent to assessed parcels within the District and 10 across streets and alleys from the District boundaries. These 17 parcels outside of the District can reasonably be assumed to receive some level of indirect general benefit as a result of CBD funded programs, services and improvements.

Based on over 30 years of assessment engineering experience, it is the opinion of this Engineer that a benefit factor of 1.0 be attributed to the 238 identified and assessed parcels within the District, a benefit factor of 0.05 be attributed to general benefits conferred on the 7 commercial/industrial parcels outside of the District boundaries but adjacent to assessed parcels within the District, and a benefit factor of 0.01 be attributed to general benefits conferred on the 10 commercial/industrial parcels across streets and alleys from the exterior boundaries of the District. The cumulative dollar value of this general benefit type equates to \$1,127 (\$877 + \$250) as delineated in the chart below.

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

General “Spillover” Benefits To Parcels Outside District

Parcel Type	Quantity	Benefit Factor	Benefit Units	Benefit Percent	Benefit Value
Assessed parcels in the District	238	1.00	238.00	99.8113%	\$596,000
Commercial/industrial parcels outside District (tangent)	7	0.05	0.35	0.1468%	\$877
Commercial/industrial parcels outside District (non-tangent)	10	0.01	0.10	0.0419%	\$250
TOTAL			238.45	100.00%	\$597,127

Composite General Benefit

Based on the general benefit values delineated in the three sections above, the total value of general benefits conferred on assessed parcels within the District, the public at large and parcels outside the District equates to \$9,594 (\$0 +\$8,487 + \$1,127) or 1.59% of total program costs of \$605,614 [\$596,000 (special benefit) + \$9,614 (general benefits)]. For the purposes of this analysis, this 1.59% value will be conservatively rounded up to 2%. This leaves a value of 98% assigned to special benefit related costs. The 2% general benefit value now equates to \$12,156 and when added to the special benefit value of \$595,644 (Year 1 –2019 assessments) equates to a total Year 1 – 2019 program cost of \$607,800. Remaining costs that are attributed to general benefits of \$12,156 will need to be derived from other sources. A comparison of special and general benefit funding sources is shown on a chart on page 21, later in this Report.

Downtown Hayward CBD Programs and Improvements

The total special and general benefit program activities and budget allocations that will be provided to each individual parcel assessed in the proposed Downtown Hayward CBD are shown in the chart below:

Total Year 1 – 2019 - Special + General Benefit Costs

Service	YR 1 Assessment Costs	YR 1 Non - Assessment Costs	YR 1 Total Costs	% of Total
Sidewalk Operations	\$410,000	\$8,367	\$418,367	69%
District Identity	\$90,000	\$1,837	\$91,837	15%
Administration	\$76,000	\$1,551	\$77,551	13%
Contingency/Reserve	\$19,644	\$401	\$20,045	3%
Total	\$595,644	\$12,156	\$607,800	100%

The Year 1 special benefit budget cost allocations are shown in the table below:

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

Year 1 – 2019 Proposed Special Benefit Work Plan and Budget Allocations

Program or Service	% of Budget	Projected Program Cost
Sidewalk Operations	69%	\$410,000
District Identity	15%	\$90,000
Administration	13%	\$76,000
Contingency/Reserve	3%	\$19,644
Total Year 1 Budget	100%	\$595,644

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year. Accordingly, the Board of the Association shall have the right to reallocate up to 10% of the budget line item within the budget categories based on such cost fluctuations subject to the review and approval by the Board and included in the Annual Planning Report that will be approved by the Hayward City Council pursuant to the City CBD Ordinance. Accrued interest or delinquent payments may be expended in any budget category.

Any funds remaining after the tenth year of operation will be rolled over into the renewal budget or returned to stakeholders. Also, costs for the CBD renewal may be expended from funds available. If the District is not renewed or terminated for any reason, unexpended funds will be returned to the property owners pursuant to the City CBD Ordinance.

The proposed Downtown Hayward CBD services are described in more beginning on page 4 of this Report:

Parcels that receive these special benefit programs, services and improvements attract more customers, employees, tenants and investors as a result of these programs, services and improvements, thereby increasing business volumes, sales transactions, occupancies, rental income and return on investments. These benefits are particular and distinct in that they are not provided to non-assessed parcels within or outside of the District. Existing City of Hayward services will be enhanced, not replaced or duplicated, by Downtown Hayward CBD services.

In the case of the Downtown Hayward CBD, the very nature of the purpose of this District is to fund supplemental programs, improvements and services within the Downtown Hayward CBD boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. These services, programs and improvements, are

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

designed to enhance the pedestrian and retail commercial core uses, increase tenancy and marketing of the mix of retail, service, office, government and parking parcels and land uses in the Downtown Hayward CBD and improve the aesthetic appearance of each identified parcel. All benefits derived from the assessments to be levied on parcels within the Downtown Hayward CBD are for services, programs and improvements directly benefiting each individual parcel within this area and support increased cleanliness, commerce, business attraction and retention, increased commercial property rental income and improved District identity. No Downtown Hayward CBD funded services, activities or programs will be provided outside of the Downtown Hayward CBD boundaries.

Finding 3. From Section 4(a): “(Determine) the proportionate special benefit derived by each parcel in relationship to the entirety of the.....cost of public improvement(s) or the maintenance and operation expenses.....or the cost of the property related service being provided.

Each identified parcel within the district will be assessed based on property characteristics unique only to that parcel. Parcels will be, except as noted herein, assessed based on a combination of factors: building area, land area and street frontage. The calculated assessment rates are applied to the actual measured parameters of each parcel and thereby are proportional to each and every other identified parcel within the district as a whole. Larger parcels and ones with larger building areas or larger street frontages are expected to impact the demand for services and programs to a greater extent than smaller land and/or building areas, and, thus, are assigned a higher proportionate degree of assessment program and service costs. The proportionality is further achieved by setting targeted formula component weights for the respective parcel by parcel identified property attributes.

The proportionate special benefit cost for each parcel has been calculated based on optimum proportionate formula components and is listed as an attachment to this Report as Appendix 1. The individual percentages (i.e. proportionate relationship to the total special benefit related program and activity costs) are computed by dividing the individual parcel assessment by the total special benefit program costs.

Finding 4. From Section 4(a): “No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”

Not only are the proposed program costs reasonable due to the benefit of group purchasing and contracting which would be possible through the Downtown Hayward CBD, they are also considerably less than other options considered by the Downtown Hayward CBD formation proponent group. The actual assessment rate for each parcel within the Downtown Hayward CBD directly relate to the level of service and, in turn, special benefit to be provided based on the respective building area, land area, street frontage. There are four benefit zones. It is noted that residential condominiums will be assessed based on the individual building area of each unit.

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

Finding 5. From Section 4(a): “Parcels.....that are owned or used by any (public) agency shall not be exempt from assessment.....”

There are 45 publicly owned parcels within the Downtown Hayward CBD that are identified and assessable for which CBD funded special benefit programs, services and improvements will be provided.

For publicly owned parcels and facilities within the CBD, each of these parcels specially benefit, but differently than other parcels, from CBD funded programs, services and improvements. The special benefits include cleaner facility entrances and perimeters for their employees, visitors, vendors and other users of these public locations and facilities. It is the opinion of this Engineer that publicly owned and occupied parcels will NOT benefit from District Identity related programs and, thus, will not be assessed for them. To account for the difference in special benefits conferred on publicly owner and occupied parcels and facilities as delineated above, it is the opinion of this Engineer that publicly occupied building areas on publicly owned parcels shall not be assessed since this property assessment factor funds 100% of the District Identity programs, services and improvements.

Each identified and assessable publicly owned parcel and facility within the CBD will proportionately specially benefit as delineated herein from the CBD funded supplemental clean and management programs, services and improvements. These services are designed to improve the cleanliness for visitors, their employees and users of public facilities on publicly owned parcels within the CBD by reducing litter and debris, each considered detractions to employment, visitation and use of public facilities if not contained and properly managed.

There is no compelling evidence that these identified assessable publicly owned parcels and facilities would not proportionately specially benefit from all other CBD funded programs, services and improvements as delineated herein and, thus, will be assessed accordingly. All current publicly owned parcels within the CBD are shown in the following table:

Publicly Owned Parcels

APN	Legal Owner	Zone	Site #	Site Street	Year 1 –2019 Assessment	% of Total
415 0240 038 00	City Of Hayward	2		A St	\$ 5,469.27	0.92%
415 0250 021 07	City Of Hayward	2		Foothill Blvd	\$ 3,904.54	0.66%
415 0250 111 02	City Of Hayward	3		Foothill Blvd	\$ 4,291.00	0.72%
415 0250 113 00	City Of Hayward	3		Foothill Blvd	\$ 4,830.00	0.81%
415 0250 021 08	City Of Hayward	2		Foothill Blvd	\$ 5,432.37	0.91%
427 0001 001 00	City Of Hayward	2		Foothill Blvd	\$ 801.98	0.13%
427 0001 002 00	City Of Hayward	2		1st St	\$ 841.94	0.14%
427 0001 007 00	City Of Hayward	2	1098	D St	\$ 1,156.90	0.19%
427 0001 008 00	City Of Hayward	2	1090	D St	\$ 746.90	0.13%
427 0001 010 03	City Of Hayward	2	1070	D St	\$ 913.92	0.15%
427 0001 011 00	City Of Hayward	2	1062	D St	\$ 1,582.91	0.27%
427 0011 020 00	City Of Hayward	1		C St	\$ 4,870.31	0.82%

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

428 0026 006 05	City Of Hayward	2		Foothill Blvd	\$ 2,070.34	0.35%
428 0056 045 00	City Of Hayward	2	22500	Mission Blvd	\$ 1,868.32	0.31%
428 0056 053 00	City Of Hayward	2	22531	Main St	\$ 139.99	0.02%
428 0056 054 01	City Of Hayward	2		Main St	\$ 461.98	0.08%
428 0056 058 00	City Of Hayward	1	962	B St	\$ 540.97	0.09%
428 0056 063 01	City Of Hayward	1		Mission Blvd	\$ 1,961.86	0.33%
428 0056 066 00	City Of Hayward	2		Mission Blvd	\$ 4,242.25	0.71%
428 0056 069 00	City Of Hayward	2	22524	Mission Blvd	\$ 563.42	0.09%
428 0061 029 00	City Of Hayward	2	22456	Maple Ct	\$ 7,851.51	1.32%
428 0061 046 01	City Of Hayward	2		B St	\$ 545.89	0.09%
428 0061 047 01	City Of Hayward	2		B St	\$ 467.91	0.08%
428 0061 048 01	City Of Hayward	2		B St	\$ 428.92	0.07%
428 0061 049 01	City Of Hayward	2		B St	\$ 311.94	0.05%
428 0061 050 01	City Of Hayward	1	1042	B St	\$ 1,606.15	0.27%
428 0061 051 01	City Of Hayward	2		B St	\$ 506.90	0.09%
428 0061 053 01	City Of Hayward	2		B St	\$ 623.88	0.10%
428 0066 013 02	City Of Hayward	2		Main St	\$ 2,289.61	0.38%
428 0066 019 00	City Of Hayward	2	22678	Mission Blvd	\$ 653.92	0.11%
428 0066 036 00	City Of Hayward	2	1044	C St	\$ 2,299.65	0.39%
428 0066 037 00	City Of Hayward	2	1026	C St	\$ 2,254.65	0.38%
428 0066 043 00	City Of Hayward	2	22701	Main St	\$ 1,563.88	0.26%
428 0066 044 00	City Of Hayward	2	22721	Main St	\$ 937.87	0.16%
428 0066 045 00	City Of Hayward	2	22737	Main St	\$ 11,005.44	1.85%
428 0066 048 00	City Of Hayward	2	944	D St	\$ 912.87	0.15%
428 0066 049 00	City Of Hayward	2		D St	\$ 1,269.40	0.21%
428 0066 084 00	City Of Hayward	2	22730	C St	\$ 4,539.44	0.76%
428 0071 023 00	City Of Hayward	2	835	C St	\$ 17,488.93	2.94%
428 0076 023 07	City Of Hayward	1		Watkins St	\$ 5,944.56	1.00%
428 0076 027 05	City Of Hayward	1		Watkins St	\$ 6,986.55	1.17%
431 0044 022 01	City Of Hayward	2	22735	Sutro St	\$ 3,509.31	0.59%
				TOTAL	\$ 120,690.32	20.26%
428 0071 002 00	City of Hayward RDA	1	789	B St	\$ 1,534.81	0.26%
428 0071 003 00	City of Hayward RDA	1	799	B St	\$ 1,658.40	0.28%
428 0071 020 00	City of Hayward RDA	2	822	C St	\$ 3,847.56	0.65%
				TOTAL	\$ 7,040.77	1.18%

Finding 6. From Section 4(b): “All assessments must be supported by a detailed engineer’s report prepared by a registered professional engineer certified by the State of California”.

This report serves as the “detailed engineer’s report” to support the benefit property assessments proposed to be levied within the Downtown Hayward CBD.

Finding 7. From Section 4(c): “The amount of the proposed assessment for each parcel shall be calculated (along with) the total amount thereof chargeable to the entire district, the duration of such payments, the reason for such assessment and the basis upon which the amount of the proposed assessment was calculated.”

The individual and total parcel assessments attributable to special property benefits are shown on Appendix 1 to the Management District Plan and this Report. The District and resultant assessment payments will continue for 10 years and may be renewed again at that time. The reasons (purposes) for the proposed assessments are outlined in Finding 2 above as well as in the Management District Plan. The calculation basis of the proposed assessment is attributed, except as noted herein, to building area, land area and street frontage. There are four benefit zones. It is noted that residential condominiums will be assessed based on the individual building area of each unit.

Assessment Formula Methodology

General

The method used to determine special benefits derived by each identified property within a CBD begins with the selection of a suitable and tangible basic benefit unit. For property related services, such as those proposed in the Downtown Hayward CBD, the benefit unit may be measured in linear feet of street frontage or parcel size in square feet or building size in square feet or number of building floors or any combination of these factors. Factor quantities for each parcel are then measured or otherwise ascertained. From these figures, the amount of benefit units to be assigned to each property can be calculated. Special circumstances such as unique geography, land uses, development constraints etc. are carefully reviewed relative to specific programs and improvements to be funded by the CBD in order to determine any levels of different benefit which may apply on a parcel-by-parcel or categorical basis.

Based on the factors described above such as geography and nature of programs and activities proposed, an assessment formula is developed which is derived from a singular or composite basic benefit unit factor or factors. Within the assessment formula, different factors may be assigned different “weights” or percentage of values based on their relationship to programs/services to be funded.

Next, all program and activity costs, including incidental costs, District administration and ancillary program costs, are estimated. It is noted, as stipulated in Proposition 218, and now required of all property based assessment Districts, indirect or general benefits may not be incorporated into the assessment formula and levied on the District properties; only direct or “special” benefits and costs may be considered. Indirect or general benefit costs, if any, must be identified, calculated and factored out of the assessment cost basis to produce a “net” cost figure. In addition, Proposition 218 no longer automatically exempts government owned property from being assessed and if special benefit is determined to be conferred upon such properties, they must be assessed in proportion to special benefits conferred in a manner similar to privately owned property assessments.

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

From this, the value of a basic benefit unit or “basic net unit cost” can be computed by dividing the total amount of estimated net program costs by the total number of benefit units. The amount of assessment for each parcel can be computed at this time by multiplying the Net Unit Cost times the number of Basic Benefit Units per parcel. This is known as “spreading the assessment” or the “assessment spread” in that all special benefit costs are allocated proportionally or “spread” based on special benefits conferred on benefitting properties within the PBID.

The method and basis of spreading program costs varies from one PBID to another based on local geographic conditions, types of programs and activities proposed, and size and development complexity of the District. PBIDs may require secondary benefit zones to be identified to allow for a tiered assessment formula for variable or “stepped-down” benefits derived.

Step 1. Select “Basic Benefit Unit(s)”

Based on the specific needs and corresponding nature of the program activities to be funded by the Downtown Hayward CBD (i.e. sidewalk operations and beautification; district identity; administration/management services; and, contingency/reserve) it is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of building area, land area and street frontage, except as noted herein, within four benefit zones.

The interactive application of building area, land area and street frontage quantities are a proven method of fairly and equitably spreading special benefit costs to the primary beneficiaries of Downtown Hayward CBD funded services, programs and improvements. Each of these factors, except as noted herein, directly relates to the degree of special benefit each parcel will receive from Downtown Hayward CBD funded activities.

Building area is a direct measure of the static utilization of each parcel and its corresponding impact or draw on certain Downtown Hayward CBD funded activities. In the opinion of this Assessment Engineer, the targeted weight of this factor, building area, should generate 100% of the district identity program costs.

Land area is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on certain Downtown Hayward CBD funded activities. In the opinion of this Assessment Engineer, the targeted weight of this factor, land area, should generate 50% of the sidewalk operation program costs and 100% of the administration and contingency/reserve costs.

Street frontage is a direct measure of the static utilization of each parcel and its corresponding impact or draw on certain Downtown Hayward CBD funded activities. In the opinion of this Assessment Engineer, the targeted weight of this factor, street frontage, should generate 50% of the sidewalk operation program costs.

Special Circumstances

1. Publicly Owned Parcels

In the opinion of this Engineer, publicly owned and occupied parcels will not specially benefit from CBD funded District Identity programs, services and improvements as other parcel types and ownerships do. Since this activity is funded 100% by building area, publicly owned parcels will not be assessed for publicly occupied building areas located on publicly owned parcels.

2. Zone 3 Parcels

Zone 3 includes the Safeway shopping center on Foothill, the parcels on the back side of the Safeway shopping center fronting along Maple Street to City Center Drive, the Lucky shopping center between Mission Drive, B and C Streets and the BART station. These large parcels have the majority of their lot size dedicated to customer parking for their tenants. Benefit Zone 3 will not be assessed for land area, but will be assessed for building area and street frontage.

3. Future Residential Condominiums

In the case of any future residential condominiums, land area and street frontage quantities do not relate precisely to the building orientation and configurations of multi-unit, multi floor residential condominium complexes. Thus, it is the opinion of this Engineer that the condo unit building area is a proven method of fairly and equitably spreading special benefit costs to these unique property ownerships and land uses. This assessment factor directly relates to the proportionate amount of special benefit each residential condominium parcel will receive from targeted Downtown Hayward CBD funded activities for this land use.

4. Future Commercial and Mixed-Use Condominiums (if any)

While there are no current commercial or mixed-use condominiums within the proposed Downtown Hayward CBD, it is the opinion of this Engineer that such units, if and when built, shall be assessed based on actual land area covered, condo building area and direct street frontage for each unit. Because such uses are typically developed as part of a multi-floor mixed-use complex, special methodologies are needed to address the levy of assessments on such land uses as follows:

Multi-Floor Commercial Only Condominiums

- Building pad area assessed at respective building area rate
- Land assessed at land area rate but pro-rated for each unit relative to total building area
- Frontage assessed at frontage rate but pro-rated relative to total building area

Multi-Floor Mixed-Use Condominiums

- Commercial condo building area assessed at respective commercial building area rate
- Residential condo units would be assessed at 20 cents per square foot of building area plus any annual approved rate adjustments

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

- Land assessed at land area rate (assessed on 1st floor commercial condos for land area covered)
- Frontage assessed at frontage rate (assessed on 1st floor commercial. condos for actual street frontage)

Other Future Development

Other than future maximum rates and the assessment methodology delineated in this Report, per State Law (Government Code Section 53750), future assessments may increase for any given parcel if such an increase is attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity, or nature of the use of land. Any change in assessment formula methodology or rates other than as stipulated in this Report would require a new Proposition 218 ballot procedure in order to approve any such changes.

The “Basic Benefit Units” will be expressed as a combined function of gross building square footage (Benefit Unit “A”) land square footage (Benefit Unit “B”), street frontage (Benefit Unit “C”) and residential condominium building area (Benefit Unit “D”). Based on the shape of the Downtown Hayward CBD, as well as the nature of the District program elements, it is determined that all identified properties will gain a direct and proportionate degree of special benefit based, except as noted herein, on the respective amount of building size, parcel size and street frontage within four benefit zones. Future residential condominiums will gain a direct and proportionate degree of special benefit based on the individual building area of each unit.

There are four Benefit Zones within the proposed Downtown Hayward CBD. Except as noted herein, assessments are based on three formula components: building square footage; land square footage and street frontage. Residential condominiums assessments if/when built will be based on the individual building area of each unit.

The Basic Benefit Units are delineated as follows:

- 1) Benefit Units for the building area (Zone 1, 2 & 3) = “Unit A”
- 2) Benefit Units for the land area (Zone 1 & 2) = “Unit B”
- 3) Benefit Units for street frontage (Zone 1 & 3) = “Unit C-1”
- 4) Benefit Units for street frontage (Zone 2) = “Unit C-2”
- 5) Benefit Units for residential condo bldg area (Zone 4)= “Unit D”

Step 2. Quantify Total Basic Benefit Units

The measurable assessable quantities and corresponding revenue generated by each factor are shown in the table below:

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

Benefit Unit Quantities and Revenue for YR 1 – 2019

	<u>Quantity</u>	<u>Revenue</u>
Building Area Sq Ft (Unit A)	1,459,088	\$89,884
Land Area Sq Ft (Unit B)	3,356,944	\$300,493
Street Frontage Linear Ft (Unit C-1)	12,937	\$90,558
Street Frontage Linear Ft (Unit C-2)	22,942	\$114,709
Residential Condo Bldg Area Sq Ft (Unit D)	0	\$0
TOTAL	-	\$595,644

Step 3. Calculate Benefit Units for Each Property.

The number of Benefit Units for each identified benefiting parcel within the Downtown Hayward CBD was computed from data extracted from County Assessor records and maps. These data sources delineate current land uses, building areas, property areas and dimensions of record for each tax parcel. While it is understood that this data does not represent legal field survey measurements or detailed title search of recorded land subdivision maps or building records, it does provide an acceptable basis for the purpose of calculating property based assessments. All respective property data being used for assessment computations will be provided to each property owner in the Downtown Hayward CBD for their review. All known or reported discrepancies, errors or misinformation will be corrected.

Step 4. Determine Assessment Formula and Rates

Based on the nature of the programs to be funded as well as other rationale outlined in Step 1 above, it is the opinion of this Engineer that the Downtown Hayward CBD assessments will be based on building area, land area, and street frontage, except as noted herein.

The proposed assessment formula is as follows:

$$\begin{aligned} \text{Assessment} &= \text{Building Area (Unit A) Sq Ft x Unit A Rate, plus} \\ &\quad \text{Land Area (Unit B) Sq Ft x Unit B Rate, plus} \\ &\quad \text{Street Frontage (Unit C-1) Lin Ft x Unit C-1 Rate or} \\ &\quad \text{Street Frontage (Unit C-2) Lin Ft x Unit C-2 Rate} \end{aligned}$$

$$\text{Residential Condominium Assessments} = \text{Building Area (Unit D) Sq Ft x Unit D Rate}$$

Assessment Formula Unit Rates (Year 1 – 2019)

$$\begin{aligned} &\text{Building Area Rate (Unit A)} \\ &\$89,884 / 1,459,088 \text{ sq ft} &= &\underline{\$0.061627/\text{sq ft}} \end{aligned}$$

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

Land Area Rate (Unit B)

\$300,493/ 3,356,944 sq ft = \$0.089514/sq ft

Street Frontage Rate (Unit C-1)

\$90,558 / 12,937 linear ft = \$7.00/lin ft

Street Frontage Rate (Unit C-2)

\$114,709/ 22,942 linear ft = \$5.00/lin ft

Residential Condo Rate (Unit D)

= \$0.20/sq ft

The complete Yr 1 – 2018/19 assessment roll of all parcels to be assessed by this CBD is included as Appendix I.

Step 5. Estimate District Costs

The projected 10 year special benefit District costs for 2019 – 2028 of the Downtown Hayward CBD are shown in the Table below assuming a 5% increase per year.

10 Year Projected District Special Benefit Costs (not to exceed 5% annual increase)

	FY 1	FY 2	FY 3	FY 4	FY 5
Sidewalk Operations	\$410,000.00	\$430,500.00	\$452,025.00	\$474,626.25	\$498,357.56
District Identity	\$90,000.00	\$94,500.00	\$99,225.00	\$104,186.25	\$109,395.56
Administration	\$76,000.00	\$79,800.00	\$83,790.00	\$87,979.50	\$92,378.48
Contingency	\$19,644.00	\$20,626.20	\$21,657.51	\$22,740.39	\$23,877.40
Total	\$595,644.00	\$625,426.20	\$656,697.51	\$689,532.39	\$724,009.00
	FY 6	FY 7	FY 8	FY 9	FY 10
Sidewalk Operations	\$523,275.44	\$549,439.21	\$576,911.17	\$605,756.73	\$636,044.57
District Identity	\$114,865.34	\$120,608.61	\$126,639.04	\$132,970.99	\$139,619.54
Administration	\$96,997.40	\$101,847.27	\$106,939.63	\$112,286.61	\$117,900.94
Contingency	\$25,071.28	\$26,324.84	\$27,641.08	\$29,023.13	\$30,474.29
Total	\$760,209.46	\$798,219.93	\$838,130.92	\$880,037.47	\$924,039.34

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year. Accordingly, the Association Board shall have the right to reallocate up to 10% of the budget line item within the budget categories based on such cost fluctuations subject to the review and approval by the Board of Directors and included in the Annual Planning Report that will be approved by the Hayward City Council. Accrued interest or delinquent payments may be expended in any budget category.

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

Any funds remaining after the tenth year of operation will be rolled over into the renewal budget or returned to stakeholders. Also, CBD funds may be used to pay for renewal costs. If the District is not renewed or terminated for any reason, unexpended funds will be returned to the property owners pursuant to the City CBD Ordinance.

Step 6. Separate General Benefits from Special Benefits and Related Costs (Prop 218)

Total costs are estimated at \$607,800 (see Table below). General benefits are factored at 2% of total (see Finding 2 on page 9 of this report) with special benefits set at 98%. Proposition 218 limits the levy of property assessments to costs attributed to special benefits only. The 2% general benefit cost is computed to be \$12,156 with a resultant 98% special benefit limit computed at \$595,644. *This is the maximum amount of revenue that can be derived from property assessments from the subject CBD.*

Total Year 1 – 2019 - Special + General Benefit Costs

Service	YR 1 Assessment Costs	YR 1 Non - Assessment Costs	YR 1 Total Costs	% of Total
Sidewalk Operations	\$410,000	\$8,367	\$418,367	69%
District Identity	\$90,000	\$1,837	\$91,837	15%
Administration	\$76,000	\$1,551	\$77,551	13%
Contingency/Reserve	\$19,644	\$401	\$20,045	3%
Total	\$595,644	\$12,156	\$607,800	100%

All program costs associated with general benefits, \$12,156 will be derived from monetary sources other than Downtown Hayward CBD assessments.

General + Special Benefit Revenue Sources

Revenue Source	Cost
Downtown Hayward CBD Assessment Revenue - Year 1 – 2019)	\$595,644
Other revenues to fund general benefit costs (grants, dues, program income)	\$12,156
Total Costs – General and special benefits	\$607,800

Step 7. Calculate “Basic Unit Cost”

With a Year 1 – 2019 budget of \$595,644 (special benefit only), the Basic Unit Costs (rates) are delineated above in Step 4. Since the Downtown Hayward CBD is being formed for a 10 year term, maximum assessments for future years (2020-2028) must be set at the inception of the CBD. An annual inflationary assessment rate increase not to exceed 5% may be imposed

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

for future year assessments, on approval by the Association Board. The maximum assessment rates for the 10 year CBD term of 2019-2028 are shown in the Table below. The assessment rates listed constitute the maximum assessment rates that may be imposed for future years of the Downtown Hayward CBD (2019-2028).

TEN (10) YEAR MAXIMUM ASSESSMENT RATES (Not to exceed 5% per year)

Projected Assessment	FY 1	FY 2	FY 3	FY 4	FY 5
Linear Frontage BZ 1& 3	\$7.00	\$7.35	\$7.72	\$8.10	\$8.51
Linear Frontage BZ 2	\$5.00	\$5.25	\$5.51	\$5.79	\$6.08
Building Sq. Ft.	\$0.0616027	\$0.06468	\$0.06792	\$0.07131	\$0.07488
Lot Square Footage	\$0.0895140	\$0.0939897	\$0.0986892	\$0.1036236	\$0.1088048
Condo Bldg. Sq. Ft.	\$0.20000	\$0.21000	\$0.22050	\$0.23153	\$0.24310
Projected Assessment	FY 6	FY 7	FY 8	FY9	FY 10
Linear Frontage BZ 1& 3	\$8.93	\$9.38	\$9.85	\$10.34	\$10.86
Linear Frontage BZ 2	\$6.38	\$6.70	\$7.04	\$7.39	\$7.76
Building Sq. Ft.	\$0.078622	\$0.082554	\$0.086681	\$0.091015	\$0.095566
Lot Square Footage	\$0.114245	\$0.119957	\$0.125955	\$0.132253	\$0.138866
Condo Bldg. Sq. Ft.	\$0.2553	\$0.2680	\$0.2814	\$0.2955	\$0.3103

Step 8. Spread the Assessments

The resultant assessment spread calculation results for each parcel within the Downtown Hayward CBD are shown in Appendix 1 attached to this Report and were determined by applying the District assessment formula to each identified assessed property.

APPENDIX 1

YR 1 – 2018/2019 ASSESSMENTS

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

APN	YR 1 Assessment
415 0240 001 02	\$6,191.76
415 0240 035 00	\$1,855.41
415 0240 036 01	\$3,776.85
415 0240 037 00	\$989.06
415 0240 038 00	\$5,469.27
415 0240 039 00	\$2,153.86
415 0240 040 00	\$1,561.25
415 0240 041 00	\$3,082.99
415 0240 042 00	\$795.05
415 0250 021 07	\$3,904.54
415 0250 111 02	\$4,291.00
415 0250 112 00	\$1,148.00
415 0250 113 00	\$4,830.00
415 0250 116 00	\$3,113.22
415 0240 027 00	\$861.84
415 0240 028 03	\$9,519.23
415 0250 002 25	\$3,416.13
415 0250 002 30	\$1,496.58
415 0250 002 36	\$4,376.81
415 0250 021 08	\$5,432.37
415 0250 114 01	\$3,232.70
415 0250 115 00	\$10,730.31
427 0001 001 00	\$801.98
427 0001 002 00	\$841.94
427 0001 003 00	\$1,775.13
427 0001 004 00	\$475.82
427 0001 005 00	\$503.26
427 0001 006 01	\$1,018.21
427 0001 006 02	\$441.72
427 0001 007 00	\$1,156.90
427 0001 008 00	\$746.90
427 0001 009 05	\$833.75
427 0001 010 03	\$913.92
427 0001 011 00	\$1,582.91
427 0011 002 00	\$2,657.09
427 0011 003 02	\$1,932.26
427 0011 004 00	\$1,259.47
427 0011 005 00	\$1,176.86
427 0011 006 00	\$1,416.36
427 0011 007 00	\$1,625.76
427 0011 008 00	\$375.81
427 0011 009 00	\$584.74
427 0011 010 00	\$6,924.08
427 0011 011 00	\$6,074.34
427 0011 012 00	\$1,001.21
427 0011 013 00	\$1,872.93

427 0011 014 00	\$1,639.54
427 0011 015 00	\$1,037.34
427 0011 016 00	\$4,783.23
427 0011 018 00	\$1,331.12
427 0011 019 00	\$4,946.63
427 0011 020 00	\$4,870.31
427 0011 021 00	\$2,398.94
427 0011 022 00	\$557.88
427 0011 024 01	\$3,250.49
427 0011 025 00	\$2,638.01
427 0011 026 00	\$529.23
427 0011 027 00	\$480.77
427 0011 028 00	\$1,241.56
427 0011 029 00	\$1,306.23
427 0011 030 00	\$1,231.51
427 0011 031 00	\$1,254.67
427 0011 032 00	\$1,269.82
427 0011 033 00	\$1,869.74
427 0011 034 00	\$1,535.01
427 0011 035 00	\$1,020.83
427 0011 036 00	\$1,296.28
427 0011 037 00	\$888.31
427 0011 038 00	\$2,597.03
427 0011 039 00	\$2,200.87
427 0016 001 00	\$2,051.94
427 0016 018 00	\$5,351.09
427 0016 019 00	\$1,668.97
427 0016 020 00	\$741.90
427 0016 026 00	\$4,198.17
427 0016 050 04	\$6,958.00
427 0016 052 00	\$1,228.66
428 0026 004 00	\$3,372.92
428 0026 006 05	\$2,070.34
428 0026 008 09	\$2,177.61
428 0026 064 01	\$5,082.59
428 0026 067 03	\$10,641.31
428 0026 068 01	\$41,277.65
428 0051 062 00	\$2,702.17
428 0051 063 00	\$1,178.09
428 0051 064 00	\$1,751.28
428 0051 096 00	\$9,380.33
428 0051 097 00	\$3,375.92
428 0051 098 00	\$3,158.22
428 0056 035 00	\$1,659.91
428 0056 036 00	\$1,218.75
428 0056 037 00	\$1,773.21
428 0056 038 00	\$2,025.54
428 0056 039 00	\$1,027.27

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

428 0056 040 00	\$2,152.40
428 0056 045 00	\$1,868.32
428 0056 046 00	\$1,060.75
428 0056 047 00	\$1,058.03
428 0056 048 00	\$597.03
428 0056 050 01	\$1,390.15
428 0056 051 00	\$659.79
428 0056 052 00	\$1,487.97
428 0056 053 00	\$139.99
428 0056 054 01	\$461.98
428 0056 054 03	\$576.02
428 0056 054 04	\$881.03
428 0056 055 00	\$1,245.95
428 0056 056 00	\$259.85
428 0056 057 00	\$1,676.70
428 0056 058 00	\$540.97
428 0056 059 00	\$552.52
428 0056 060 00	\$1,568.71
428 0056 061 00	\$631.39
428 0056 062 00	\$1,097.57
428 0056 063 01	\$1,961.86
428 0056 063 02	\$66.96
428 0056 064 00	\$518.74
428 0056 065 00	\$874.58
428 0056 066 00	\$4,242.25
428 0056 067 00	\$566.98
428 0056 068 00	\$687.03
428 0056 069 00	\$563.42
428 0061 001 02	\$1,112.22
428 0061 002 02	\$769.41
428 0061 004 02	\$927.81
428 0061 005 04	\$608.32
428 0061 015 00	\$1,561.07
428 0061 017 02	\$3,153.84
428 0061 018 00	\$1,983.97
428 0061 019 02	\$2,224.23
428 0061 027 00	\$960.54
428 0061 028 02	\$773.96
428 0061 029 00	\$7,851.51
428 0061 030 00	\$862.04
428 0061 031 00	\$2,099.05
428 0061 032 00	\$1,845.55
428 0061 033 00	\$2,363.03
428 0061 034 00	\$2,197.51
428 0061 037 00	\$2,604.91
428 0061 038 02	\$2,023.51
428 0061 039 01	\$3,203.00
428 0061 040 02	\$4,989.45

428 0061 041 00	\$4,744.09
428 0061 042 00	\$1,095.38
428 0061 043 00	\$648.38
428 0061 044 00	\$592.61
428 0061 045 00	\$3,070.37
428 0061 046 01	\$545.89
428 0061 046 02	\$1,226.45
428 0061 047 01	\$467.91
428 0061 047 02	\$1,636.80
428 0061 048 01	\$428.92
428 0061 048 02	\$968.38
428 0061 049 01	\$311.94
428 0061 049 03	\$1,329.47
428 0061 050 01	\$1,606.15
428 0061 051 01	\$506.90
428 0061 051 02	\$1,160.55
428 0061 053 01	\$623.88
428 0061 053 02	\$3,310.54
428 0061 054 00	\$420.08
428 0061 055 00	\$716.45
428 0061 056 00	\$1,787.74
428 0061 057 00	\$885.02
428 0061 058 00	\$2,406.01
428 0061 059 00	\$433.39
428 0061 061 01	\$17,158.25
428 0066 001 00	\$1,641.08
428 0066 002 00	\$915.51
428 0066 003 00	\$875.26
428 0066 004 00	\$758.64
428 0066 005 00	\$410.40
428 0066 006 00	\$600.30
428 0066 007 00	\$1,686.45
428 0066 008 00	\$1,754.80
428 0066 011 01	\$3,532.71
428 0066 012 00	\$1,416.01
428 0066 013 02	\$2,289.61
428 0066 014 00	\$3,231.55
428 0066 015 00	\$496.93
428 0066 016 00	\$513.04
428 0066 018 01	\$2,216.19
428 0066 019 00	\$653.92
428 0066 021 01	\$2,460.97
428 0066 022 00	\$1,106.87
428 0066 023 00	\$679.92
428 0066 024 00	\$6,746.70
428 0066 025 00	\$1,322.26
428 0066 026 00	\$1,076.95
428 0066 027 00	\$1,065.98

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

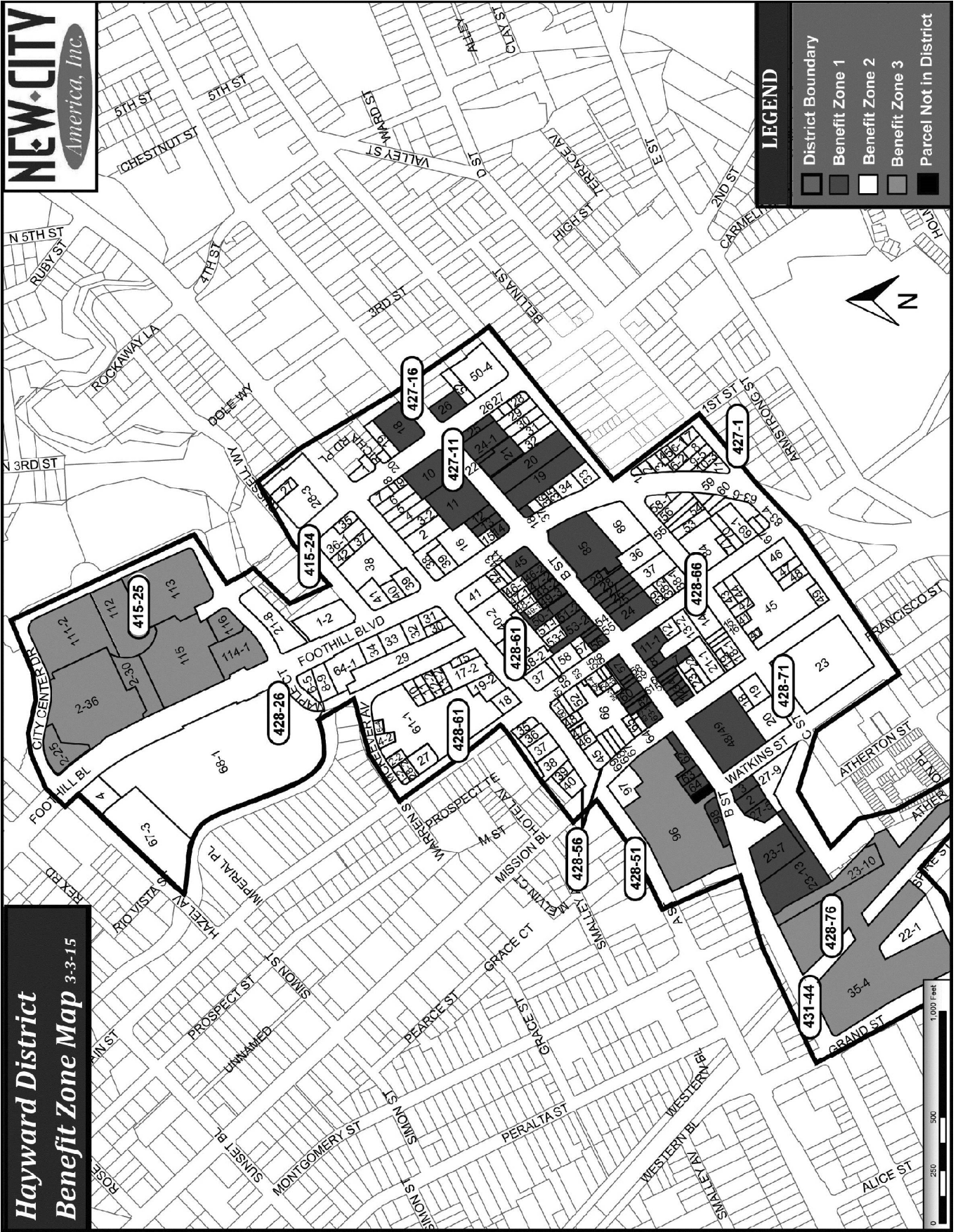
428 0066 028 00	\$2,008.09
428 0066 029 00	\$1,238.49
428 0066 036 00	\$2,299.65
428 0066 037 00	\$2,254.65
428 0066 038 01	\$1,970.93
428 0066 038 02	\$834.49
428 0066 039 00	\$3,562.94
428 0066 040 00	\$471.24
428 0066 041 00	\$703.35
428 0066 042 00	\$774.11
428 0066 043 00	\$1,563.88
428 0066 044 00	\$937.87
428 0066 045 00	\$11,005.44
428 0066 046 00	\$3,300.30
428 0066 047 00	\$878.93
428 0066 048 00	\$912.87
428 0066 049 00	\$1,269.40
428 0066 053 00	\$1,115.51
428 0066 054 00	\$826.88
428 0066 055 00	\$628.66
428 0066 056 00	\$1,380.21
428 0066 058 01	\$2,570.73
428 0066 059 00	\$885.61
428 0066 060 00	\$741.06
428 0066 063 06	\$2,307.54

428 0066 067 00	\$554.52
428 0066 069 01	\$2,139.55
428 0066 070 00	\$1,114.36
428 0066 071 00	\$684.49
428 0066 083 04	\$779.41
428 0066 084 00	\$4,539.44
428 0066 085 00	\$12,779.09
428 0066 086 00	\$5,381.32
428 0071 002 00	\$1,534.81
428 0071 003 00	\$1,658.40
428 0071 018 00	\$795.89
428 0071 019 00	\$2,255.78
428 0071 020 00	\$3,847.56
428 0071 023 00	\$17,488.93
428 0071 048 00	\$3,508.08
428 0071 049 00	\$8,101.55
428 0076 023 07	\$5,944.56
428 0076 023 10	\$492.80
428 0076 023 13	\$7,684.03
428 0076 027 05	\$6,986.55
428 0076 027 09	\$1,917.38
431 0044 022 01	\$3,509.31
431 0044 035 04	\$14,173.69

APPENDIX 2

DOWNTOWN HAYWARD CBD BOUNDARY MAP

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT





April 10, 2018

Ms. Kelly McAdoo, City Manager
c/o John Stefanski, Special Projects Manager
City of Hayward
Office of the City Manager
777 B Street, Hayward, CA 94542-5007

Sent via e-mail: John.Stefanski@hayward-ca.gov

SUBJECT: Submitting Petition that Demonstrate Weighted Support for the Proposed
Hayward Community Benefit District

Dear John:

Please find attached the petition reflecting the meeting of the threshold required under Article 20, Chapter 8 of the Hayward Municipal code. The ordinance requires that a minimum of 50% of the weighted property owners endorse the formation of the district and management district plan to trigger the Resolution of Intent and mail balloting procedure. Attached you will find petitions representing 50.15% of the weighted property owners in the District.

The plan was submitted in 2015 and we have recently hit the necessary threshold when we include the City's property ownership petition. Please proceed with your staff report and resolution of intent to facilitate the public hearing and ballot counting to get this new CBD underway. We have tentatively scheduled the public hearing date for June 26th, which means the ballots will need to be in the mail at least by May 1st. Please get back to me should you have any questions regarding this process.

Sincerely,

A handwritten signature in black ink, appearing to read "Marco Li Mandri", with a long horizontal flourish extending to the right.

Marco Li Mandri
New City America
Consultant to the City of Hayward and Downtown Property Owners



Corporate Office ■ 710 W. Ivy Street ■ San Diego, CA 92101 ■ 619-233-5009 ■ Fax 619-239-7105
San Francisco Bay Area Office ■ 954 Lee Avenue, ■ San Leandro, CA 94577 ■ 888-356-2726
New England Office: 42 Pearl Street ■ New Bedford, MA ■ 02740
mail@newcityamerica.com ■ www.newcityamerica.com ■ Facebook: New City America, Inc.

Hayward Petition Report

4/10/2018 | 1:44:22 PM

428 -0066-056-00	1027 A STREET LLC	1055	C	\$1,380.21	0.23%	Supportive	11/10/15
428 -0066-058-01	1027 A STREET LLC	22701	FOOTHILL	\$2,570.73	0.43%	Supportive	11/10/15
428 -0061-038-02	1027 A STREET LLC &	1025	A	\$2,023.51	0.34%	Supportive	11/10/15
427 -0016-026-00	29SC HAYWARD EDEN LP	1201	B	\$4,198.17	0.71%	Supportive	4/26/17
428 -0066-024-00	B STREET APARTMENT GROUP LP	22632	MAIN	\$6,746.70	1.13%	Supportive	11/16/16
428 -0066-039-00	B STREET APARTMENT GROUP LP	22654	MAIN	\$3,562.94	0.60%	Supportive	11/15/16
428 -0061-046-02	BUFFALO PROPERTY GROUP LLC	1080	B	\$1,226.45	0.21%	Supportive	9/4/15
428 -0061-044-00	BUFFALO PROPERTY GROUP LLC	22549	FOOTHILL	\$592.61	0.10%	Supportive	9/4/15
427 -0011-039-00	CHARLES & PATRICIA SCHWENG	22510	FOOTHILL	\$2,200.87	0.37%	Supportive	11/12/15
415 -0250-111-02	CITY OF HAYWARD		FOOTHILL	\$4,291.00	0.72%	Supportive	11/16/16
415 -0250-021-07	CITY OF HAYWARD		FOOTHILL	\$3,904.54	0.66%	Supportive	11/16/16
427 -0001-011-00	CITY OF HAYWARD	1062	D	\$1,582.91	0.27%	Supportive	11/16/16
428 -0071-023-00	CITY OF HAYWARD	888	C	\$17,488.93	2.94%	Supportive	11/16/16
428 -0066-045-00	CITY OF HAYWARD	22737	MAIN	\$11,005.44	1.85%	Supportive	11/16/16
428 -0066-044-00	CITY OF HAYWARD	22721	MAIN	\$937.87	0.16%	Supportive	11/16/16
428 -0071-053-00	CITY OF HAYWARD	22675	MISSION	\$4,744.60	0.80%	Supportive	11/16/16
428 -0076-023-13	CITY OF HAYWARD		WATKINS	\$7,684.03	1.29%	Supportive	
428 -0076-027-09	CITY OF HAYWARD		WATKINS	\$1,917.38	0.32%	Supportive	
428 -0056-063-01	CITY OF HAYWARD		MISSION	\$1,961.86	0.33%	Supportive	11/16/16
428 -0056-069-00	CITY OF HAYWARD	22524	MISSION	\$563.42	0.09%	Supportive	11/16/16
428 -0056-054-01	CITY OF HAYWARD		MAIN	\$461.98	0.08%	Supportive	11/16/16
428 -0056-053-00	CITY OF HAYWARD	22531	MAIN	\$139.99	0.02%	Supportive	11/16/16
428 -0061-046-01	CITY OF HAYWARD		B	\$545.89	0.09%	Supportive	11/16/16
428 -0061-048-01	CITY OF HAYWARD		B	\$428.92	0.07%	Supportive	11/16/16
415 -0240-038-00	CITY OF HAYWARD		A	\$5,469.27	0.92%	Supportive	11/16/16
428 -0061-050-01	CITY OF HAYWARD	1042	B	\$1,606.15	0.27%	Supportive	11/16/16
428 -0061-049-01	CITY OF HAYWARD		B	\$311.94	0.05%	Supportive	11/16/16
415 -0250-021-08	CITY OF HAYWARD		FOOTHILL	\$5,432.37	0.91%	Supportive	11/16/16
427 -0001-001-00	CITY OF HAYWARD		FOOTHILL	\$801.98	0.13%	Supportive	11/16/16
427 -0001-002-00	CITY OF HAYWARD		1ST	\$841.94	0.14%	Supportive	11/16/16
428 -0066-043-00	CITY OF HAYWARD	22701	MAIN	\$1,563.88	0.26%	Supportive	11/16/16
428 -0056-045-00	CITY OF HAYWARD	22500	MISSION	\$1,868.32	0.31%	Supportive	11/16/16
428 -0066-013-02	CITY OF HAYWARD		MAIN	\$2,289.61	0.39%	Supportive	11/16/16
428 -0026-006-05	CITY OF HAYWARD		FOOTHILL	\$2,070.34	0.35%	Supportive	11/16/16
415 -0250-113-00	CITY OF HAYWARD		FOOTHILL	\$4,830.00	0.81%	Supportive	11/16/16
427 -0001-008-00	CITY OF HAYWARD	1090	D	\$746.90	0.13%	Supportive	11/16/16
427 -0001-010-03	CITY OF HAYWARD	1070	D	\$913.92	0.15%	Supportive	11/16/16
428 -0066-084-00	CITY OF HAYWARD	22730	C	\$4,539.44	0.76%	Supportive	11/16/16
428 -0071-003-00	CITY OF HAYWARD	799	B	\$1,658.40	0.28%	Supportive	11/16/16
428 -0071-002-00	CITY OF HAYWARD	789	B	\$1,534.81	0.26%	Supportive	11/16/16
428 -0076-028-01	CITY OF HAYWARD	777	B	\$8,434.85	1.42%	Supportive	11/16/16
428 -0066-037-00	CITY OF HAYWARD	1026	C	\$2,254.65	0.38%	Supportive	11/16/16

Hayward Petition Report

4/10/2018 | 1:44:22 PM

428-0066-038-01	CITY OF HAYWARD	1026	C	\$1,970.93	0.33%	Supportive	11/16/16
428-0066-038-02	CITY OF HAYWARD	22696	MAIN	\$1,484.49	0.25%	Supportive	11/16/16
428-0056-066-00	CITY OF HAYWARD		MISSION	\$4,242.25	0.71%	Supportive	11/16/16
428-0066-019-00	CITY OF HAYWARD	22678	MISSION	\$653.92	0.11%	Supportive	11/16/16
428-0061-039-01	CITY OF HAYWARD	1025	A	\$3,203.00	0.54%	Supportive	
428-0061-047-01	CITY OF HAYWARD		B	\$467.91	0.08%	Supportive	11/16/16
428-0061-029-00	CITY OF HAYWARD	22456	MAPLE	\$7,851.51	1.32%	Supportive	11/16/16
427-0011-020-00	CITY OF HAYWARD		C	\$4,870.31	0.82%	Supportive	11/16/16
427-0001-007-00	CITY OF HAYWARD	1098	D	\$1,156.90	0.19%	Supportive	11/16/16
428-0066-048-00	CITY OF HAYWARD	944	D	\$912.87	0.15%	Supportive	11/16/16
428-0056-058-00	CITY OF HAYWARD	962	B	\$540.97	0.09%	Supportive	11/16/16
428-0061-053-01	CITY OF HAYWARD		B St	\$623.88	0.10%	Supportive	11/16/16
428-0066-049-00	CITY OF HAYWARD		D St	\$1,266.90	0.21%	Supportive	11/16/16
431-0044-022-01	CITY OF HAYWARD & SF BAY AREA	22735	Sutro St	\$3,509.31	0.59%	Supportive	11/16/16
428-0026-067-03	DP VENTURES LLC	22301	FOOTHILL	\$10,641.31	1.79%	Supportive	3/27/18
428-0026-068-01	DP VENTURES LLC	22301	FOOTHILL	\$41,277.65	6.94%	Supportive	3/27/18
428-0061-037-00	ESPER S BELLINGER JR TR	1015	A	\$2,604.91	0.44%	Supportive	12/11/15
427-0011-013-00	FRANK E & EVELIA M CASTILLO	1122	B	\$1,872.93	0.32%	Supportive	12/11/15
415-0240-001-02	HAYWARD AREA HISTORICAL	22380	FOOTHILL	\$6,191.76	1.04%	Supportive	1/6/16
428-0066-071-00	HAYWARD FIRE FIGHTERS LOCAL	22734	MAIN	\$684.49	0.12%	Supportive	
428-0071-049-00	Hayward Successor Agency	805	B St	\$8,101.55	1.36%	Supportive	
428-0061-027-00	LESLIE W FOHL W TR	22326	MAIN	\$960.54	0.16%	Supportive	12/11/15
428-0061-011-00	Maple Court Homes LLC - Maple	22477	MAPLE	\$822.89	0.14%	Supportive	4/2/18
428-0061-061-01	Maple Court Homes LLC - Maple	22330	MAIN	\$17,158.25	2.89%	Supportive	4/2/18
428-0061-013-02	Maple Court Homes LLC - Maple	22491	MAPLE	\$790.58	0.13%	Supportive	4/2/18
428-0061-012-02	Maple Court Homes LLC - Maple	22485	MAPLE	\$894.50	0.15%	Supportive	4/2/18
428-0061-010-00	Maple Court Homes LLC - Maple	22471	MAPLE	\$822.89	0.14%	Supportive	4/2/18
428-0066-041-00	MARY E & LAURA DEKKER	933	C	\$703.35	0.12%	Supportive	11/10/15
428-0061-032-00	RLW LLC	22481	FOOTHILL	\$1,845.55	0.31%	Supportive	11/10/15
428-0026-064-01	RLW LLC	22415	FOOTHILL	\$5,082.59	0.86%	Supportive	11/10/15
428-0061-034-00	RLW LLC	22439	FOOTHILL	\$2,197.51	0.37%	Supportive	11/10/15
428-0026-008-09	RLW LLC	22401	FOOTHILL	\$2,177.61	0.37%	Supportive	11/10/15
428-0061-033-00	RLW LLC	22453	FOOTHILL	\$2,363.03	0.40%	Supportive	11/10/15
431-0044-035-04	SAN FRANCISCO BAY AREA RAPID		C	\$14,173.69	2.38%	Supportive	12/22/15
428-0076-023-10	SAN FRANCISCO BAY AREA RAPID		B	\$492.80	0.08%	Supportive	12/22/15
428-0061-028-02	STEVEN C & L W FOHL, MARQUITA	22316	MAIN	\$773.96	0.13%	Supportive	2/9/17
428-0066-086-00	SUCCESSOR AGENCY	22631	FOOTHILL	\$5,381.32	0.91%	Supportive	4/26/17
428-0056-036-00	WEINSTEIN FAMILY GENERAL PTP	978	A	\$1,218.75	0.21%	Supportive	11/10/15
428-0056-037-00	WEINSTEIN FAMILY GENERAL PTP	964	A	\$1,773.21	0.30%	Supportive	11/10/15
428-0061-040-02	WEINSTEIN FAMILY GENERAL PTP	1077	A	\$4,989.45	0.84%	Supportive	11/10/15
TOTAL:				\$298,081.91	50.15%		

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: 1027 A STREET LLC &


Owner % of Total Assessment: 0.34%

4/2

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0061 038 02	2	1025 A St	\$2,023.51
			<u>\$2,023.51</u>

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

BEN WEINSTEIN, MGR.
Please Print Name and Title

X 
Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

✓

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: PARISH III ROBERT

Owner % of Total Assessment: 0.66%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0066 056 00 ✓	2	1055 C St	\$1,380.21
428 0066 058 01 ✓	2	22701 Foothill Blvd	\$2,570.73
			\$3,950.94

4/2

11/10
JW

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

BEN WEINSTEIN, 1027 A Street LLC

Please Print Name and Title

X



Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

✓

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: 29TH STREET CAPITAL REAL ESTATE INV.

Owner % of Total Assessment: 0.70%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
427 0016 026 00	1	1201 B St	\$4,198.17
			\$4,198.17

4/2

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Stanley Beraznik, Managing Principal, 29th Street Capital
Please Print Name and Title

X [Signature]
Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

✓

TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: B STREET APARTMENT GROUP, LP

Owner % of Total Assessment: 1.73%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0066 024 00	1	22632 Main St	
428 0066 039 00	2	22654 Main St	\$6,746.70
			\$3,562.94
			<u>\$10,309.64</u>

4/2

This is under
Another tenant
→ Review
marco


THX M

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Jeff Jurow, Managing Member

Please Print Name and Title

X


Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

✓

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: BUFFALO PROPERTY GROUP LLC / GEOFF HARRIES

Owner % of Total Assessment: 0.31%

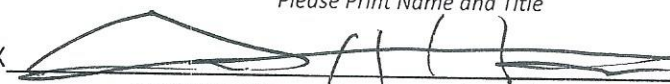
<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0061 044 00 ✓	2	22549 Foothill Blvd	\$592.61
4/2 428 0061 046 02 ✓	1	1080 B St	\$1,226.45
			\$1,819.06

Rep
11/10
ll

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Geoff Harries

Please Print Name and Title

X 

Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

✓

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: SCHWENG CHARLES & PATRICIA

Owner % of Total Assessment: 0.37%

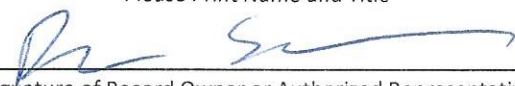
<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
427 0011 039 00	2	22510 Foothill Blvd	\$2,200.87
			<u>\$2,200.87</u>

4/2

11/12
Clh

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Benjamin Schweng
Please Print Name and Title

X 
Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

✓

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

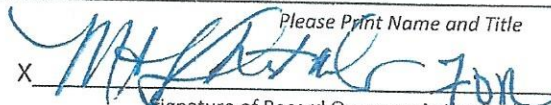
Legal Owner: CITY OF HAYWARD

Owner % of Total Assessment: 22.55%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
415 -0240-038-00	2	A	\$5,469.27
415 -0250-021-07	2	FOOTHILL	\$3,904.54
415 -0250-021-08	2	FOOTHILL	\$5,432.37
415 -0250-111-02	3	FOOTHILL	\$4,291.00
415 -0250-113-00	3	FOOTHILL	\$4,830.00
427 -0001-001-00	2	FOOTHILL	\$801.98
427 -0001-002-00	2	1ST	\$841.94
427 -0001-007-00	2	1098 D	\$1,156.90
427 -0001-008-00	2	1090 D	\$746.90
427 -0001-010-03	2	1070 D	\$913.92
427 -0001-011-00	2	1062 D	\$1,582.91
427 -0011-020-00	1	C	\$4,870.31
428 -0026-006-05	2	FOOTHILL	\$2,070.34
428 -0056-045-00	2	22500 MISSION	\$1,868.32
428 -0056-053-00	2	22531 MAIN	\$139.99
428 -0056-054-01	2	MAIN	\$461.98
428 -0056-058-00	1	962 B	\$540.97
428 -0056-063-01	1	MISSION	\$1,961.86
428 -0056-066-00	2	MISSION	\$4,242.25
428 -0056-069-00	2	22524 MISSION	\$563.42

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Please Print Name and Title

X 

Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

**Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101**

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

428 -0061-029-00	2	22456	MAPLE	\$7,851.51
428 -0061-039-01	2	1025	A	\$3,203.00
428 -0061-046-01	2		B	\$545.89
428 -0061-047-01	2		B	\$467.91
428 -0061-048-01	2		B	\$428.92
428 -0061-049-01	2		B	\$311.94
428 -0061-050-01	1	1042	B	\$1,606.15
428 -0061-053-01	2		B St	\$623.88
428 -0066-013-02	2		MAIN	\$2,289.61
428 -0066-019-00	2	22678	MISSION	\$653.92
428 -0066-037-00	2	1026	C	\$2,254.65
428 -0066-038-01	2	1026	C	\$1,970.93
428 -0066-038-02	2	22696	MAIN	\$1,484.49
428 -0066-043-00	2	22701	MAIN	\$1,563.88
428 -0066-044-00	2	22721	MAIN	\$937.87
428 -0066-045-00	2	22737	MAIN	\$11,005.44
428 -0066-048-00	2	944	D	\$912.87
428 -0066-049-00	2		D St	\$1,266.90
428 -0066-084-00	2	22730	C	\$4,539.44
428 -0071-002-00	1	789	B	\$1,534.81
428 -0071-003-00	1	799	B	\$1,658.40
428 -0071-023-00	2	888	C	\$17,488.93
428 -0071-053-00	2	22675	MISSION	\$4,744.60
428 -0076-023-13	1		WATKINS	\$7,684.03

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Please Print Name and Title

X 

Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

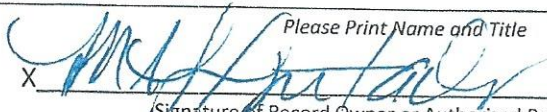
Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

428 -0076-027-09	2		WATKINS		\$1,917.38
428 -0076-028-01	1	777	B		\$8,434.85
					\$134,073.35

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.


 Please Print Name and Title

 X _____
 Signature of Record Owner or Authorized Representative
 (in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.


Legal Owner: CITY OF HAYWARD & SF BAY AREA RAPID TRANSIT DIST

Owner % of Total Assessment: 0.59%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
431 -0044-022-01	2	22735 Sutro St	\$3,509.31
			\$3,509.31

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Please Print Name and Title

X  _____
Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

3/28

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: DP VENTURES LLC

Owner % of Total Assessment: 8.75%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 -0026-067-03	2	22301 Foothill	\$10,641.31
428 -0026-068-01	2	22301 Foothill	\$41,277.65
			\$51,918.96

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Scott Althearn

Please Print Name and Title

X

Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: BELLINGER JR. ESPER

Owner % of Total Assessment: 0.44%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0061 037 00	2	1015 A St	\$2,604.91
			<u>\$2,604.91</u>

12/11

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

ESPER BELLINGER JR

Please Print Name and Title

X Esper Bellinger JR

Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101



PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: CASTILLO FRANK & EVELIA

Owner % of Total Assessment: 0.31%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
427 0011 013 00	1	1122 B St	\$1,872.93
			\$1,872.93

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Please Print Name and Title

X _____
Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101



PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: HAYWARD AREA HISTORICAL SOCIETY

Owner % of Total Assessment: 1.04%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
415 0240 001 02	2	22380 Foothill Blvd	\$6,191.76
			<u>\$6,191.76</u>

11/16/15

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

DR. STEPHENS, EXECUTIVE DIRECTOR, HAYWARD AREA HISTORICAL SOCIETY
Please Print Name and Title

X



Signature of Record Owner or Authorized Representative
(In the case of property owned by non-Individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

✓

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: HAYWARD FIRE FIGHTERS LOCAL #1909


Owner % of Total Assessment: 0.11%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0066 071 00	2	22734 Main St	\$684.49
			\$684.49

3/11
uu

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Andrew Ghali Union President Local 1909
Please Print Name and Title

X 
Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, October 30, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101

✓

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: FOHL LESLIE & MARQUITA

Owner % of Total Assessment: 0.16%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0061 027 00	2	22326 Main St	\$960.54
			<u>\$960.54</u>

12/11

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Leslie W. Fohl - owner

Please Print Name and Title

X

*Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)*

**Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101**



**PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD
TO FORM THE DOWNTOWN HAYWARD
COMMUNITY BENEFIT DISTRICT**

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: MAPLE COURT HOMES LLC - MAPLE AND MAIN

Owner % of Total Assessment: 3.45%


<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 -0061-010-00 ✓	2	22471 MAPLE	\$822.89
428 -0061-011-00 ✓	2	22477 MAPLE	\$822.89
428 -0061-012-02 ✓	2	22485 MAPLE	\$894.50
428 -0061-013-02 ✓	2	22491 MAPLE	\$790.58
428 -0061-061-01 ✓	2	22330 MAIN	\$17,158.25
			<u>\$20,489.11</u>

4/2

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

BLAKE POTERAS, VICE PRESIDENT
Please Print Name and Title

X


Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

**Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101**

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: DEKKER MARY

Owner % of Total Assessment: 0.12%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0066 041 00 ✓	2	933 C St	\$703.35
			\$703.35

11/10
M

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

MARY E. DEKKER Owner

Please Print Name and Title

X Mary E Dekker

Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

**Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101**

✓

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: RLW LLC

Owner % of Total Assessment: 2.29%


<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0061 032 00 ✓	2	22481 Foothill Blvd	\$1,845.55
428 0061 033 00 ✓	2	22453 Foothill Blvd	\$2,363.03
428 0061 034 00 ✓	2	22439 Foothill Blvd	\$2,197.51
428 0026 008 09 ✓	2	22401 Foothill Blvd	\$2,177.61
428 0026 064 01 ✓	2	22415 Foothill Blvd	\$5,082.59
			\$13,666.29

11/10
ll

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

BEN WEINSTEIN, RLW LLC

Please Print Name and Title

X 

Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101



**PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD
TO FORM THE DOWNTOWN HAYWARD
COMMUNITY BENEFIT DISTRICT**

12/22

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

Owner % of Total Assessment: 2.46%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
✓ 428 0076 023 10	3	B St	\$492.80
✓ 431 0044 035 04	3	C St	\$14,173.69
			\$14,666.49

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

Sean Brooks, Department Manager: Real Estate & Property Development
Please Print Name and Title

X Sean Brooks
Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

**Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101**

✓

PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

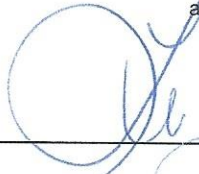
Legal Owner: FOHL STEVEN & L

Owner % of Total Assessment: 0.13%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0061 028 02	2	22316 Main St	\$773.96
			\$773.96

12/11

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.



Les W. Fohl - Owner

Please Print Name and Title

X

Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

**Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101**



PETITION TO THE CITY COUNCIL OF THE CITY OF HAYWARD TO FORM THE DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT

We petition the City Council of the City of Hayward to initiate proceedings to form the Downtown Hayward Community Benefit District (the "Proposed District") pursuant to Article 20, Chapter 8 in the Hayward Municipal Code. A summary of the Management District Plan for the Proposed District is attached to this petition. We understand that the City Council of the City of Hayward will not take final action to form the District until it conducts a mail ballot proceeding at which affected property owners may express their support for or opposition to the proposed assessment. If the mail ballot proceeding results in a majority protest against the assessment, then the Proposed District will not be formed.

Legal Owner: WEINSTEIN GENERAL PTP

Owner % of Total Assessment: 1.34%

<u>APN</u>	<u>Benefit Zone</u>	<u>Site Address</u>	<u>Initial Annual Assessment</u>
428 0061 040 02	2	1077 A St	\$4,989.45
428 0056 037 00	2	964 A St	\$1,773.21
428 0056 036 00	2	978 A St	\$1,218.75
			\$7,981.42

I hereby declare, under penalty of perjury of the laws of California, that I am the owner of the parcels listed on this petition or I am the authorized representative of such owner.

BEN WEINSTEIN, MGR.

Please Print Name and Title

X



Signature of Record Owner or Authorized Representative
(in the case of property owned by non-individuals)

**Please return Petitions by Friday, December 18, 2015.
Please fax to (619) 239-7105 or scan and email to mail@newcityamerica.com
and mail to Downtown Hayward Community Benefit District
c/o New City America, Inc.
710 West Ivy Street, San Diego CA 92101**





CITY OF HAYWARD

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

File #: LB 18-016

DATE: May 15, 2018

TO: Mayor and City Council

FROM: Interim Development Services Director

SUBJECT

La Vista Park - Project Status & Funding Direction

RECOMMENDATION

That the City Council accepts the final design of La Vista Park and adopts a resolution appropriating \$1.5 million of community center funds for the construction of La Vista Park.

SUMMARY

The landscape architecture firm of Surface Design, Inc. will present several minor revisions to the La Vista Park design and staff will be requesting Council consider temporary use of the La Vista community center money to build La Vista Park. Repayment of the loaned community center funds will come from future park in-lieu fees. HARD will also be seeking reimbursement for a portion of their allocation of additional F1 bond money from future park in-lieu fees. The City of Hayward will be repaid via future park in-lieu fees first before HARD receives their reimbursement.

It should be noted that the HARD Board of Directors approved the final La Vista Park design at their April 9, 2018 meeting. The HARD Board also approved and authorized additional F1 bond money to fund La Vista Park construction to be paid back to HARD through the collection of future park in-lieu fees.

Also, since the original size of the park is proposed to increase in size from 30 to more than 50 acres, the expanded park area will be evaluated for potential environmental impacts via a new Initial Study pursuant to the California Environmental Quality Act (CEQA). City staff will expeditiously work to ensure this evaluation is promptly completed before any park construction begins.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Illustrative La Vista Park Plan

File #: LB 18-016



DATE: May 15, 2018
TO: Mayor and City Council
FROM: Interim Development Services Director
SUBJECT La Vista Park – Project Status & Funding Direction

RECOMMENDATION

That the City Council accepts the final design of La Vista Park and adopts a resolution appropriating \$1.5 million for use of community center funds for the construction of La Vista Park.

SUMMARY

The landscape architecture firm of Surface Design, Inc. will present several minor revisions to the La Vista Park design and staff will be requesting Council consider temporary use of the La Vista community center money to build La Vista Park. Repayment of the loaned community center funds will come from future park in-lieu fees. HARD will also be seeking reimbursement for a portion of their allocation of additional F1 bond money from future park in-lieu fees. The City of Hayward will be repaid via future park in-lieu fees first before HARD receives their reimbursement.

It should be noted that the HARD Board of Directors approved the final La Vista Park design at their April 9, 2018 meeting. The HARD Board also approved and authorized additional F1 bond money to fund La Vista Park construction to be paid back to HARD through the collection of future park in-lieu fees.

Also, since the original size of the park is proposed to increase in size from 30 to more than 50 acres, the expanded park area will be evaluated for potential environmental impacts via a new Initial Study pursuant to the California Environmental Quality Act (CEQA). City staff will expeditiously work to ensure this evaluation is promptly completed before any park construction begins.

BACKGROUND

In 2005, the City of Hayward approved the La Vista residential development that included 179 new single-family homes to be built at the South Hayward site east of (and up the hill from) the terminus of Tennyson Road and Mission Boulevard. The project also included construction of a new approximately 30-acre public park. The development would not only provide new housing stock for the City of Hayward but also “officially” served as remediation

for a former rock quarry site. The entitled development sat idle through the most recent economic downturn and, over the last couple years, home construction has finally commenced.

It should be noted that the original 30-acre park site on land donated from the developer is proposed to be expanded to almost 50-acres in size given that the City of Hayward has acquired former Caltrans right-of-way from the now abandoned 238 freeway project. Additional park acreage will be added to the western side of the park. The additional acreage will be available for park use following the sale of the remainder of Parcel Group 3, which is the subject of a current Request for Development Proposals. No grading or other development activities will be permitted on the former Caltrans property until Caltrans releases its Power of Termination on the Parcel, which will occur once the property purchase price is paid. However, in the interim, development may commence on the original 30 acres. Given the increased park size and park facility deficiency in South Hayward, this new park is viewed as a “destination” park for use, not only from new residents of the La Vista development and existing surrounding neighborhoods, but for South Hayward and the entire City.

In June 2017, the HARD Board adopted a Three-Year Capital Improvement Program that allocated \$2 million of Measure F1 Bond funds for Phase I of La Vista Park, which was based on the previous conceptual park design. At the Board’s regular meeting on April 9, 2018, the Board considered the new and expanded Park Master Plan prepared by SDI, which proposes constructing the park in one phase. At that meeting, the Board directed staff to update the Capital Improvement Program to increase HARD’s initial \$2.0 million allocation of Measure F1 funds to this project as follows:

\$2.0 million Current Bond Funds Allocated in June 2017

\$13.4 million Additional Allocation of Bond Funds (of which 50% would be reimbursed to HARD from future park in-lieu fees collected by the City since this community park will be used by residents in new developments paying those fees)

Final action by the HARD Board to allocate the additional bond funds to the La Vista Park project will be included in the CIP update during the Board’s budget hearing on June 11, 2018. Sufficient funds are available from the first phase of bond proceeds to make the allocation to the La Vista Project as directed by the Board.

DISCUSSION

Project condition of approval number four for the La Vista development requires the applicant to pay for the cost of improvements associated with the Park in accordance with fees in effect as of July 1, 2005, which was estimated to be \$2.14 million dollars. These park in-lieu fees are collected at the time of Certificate of Occupancy for each new individual single-family home. City staff estimates that about one third of the 179 homes have either been built or are under construction, thus there is approximately one third of the \$2.14

million dollars currently available for park construction. Homebuilder DR Horton has indicated that they would advance the remainder of the \$2.14 million dollars to the La Vista Park effort given that the City of Hayward and HARD both are committed financially to the park and to an aggressive and reasonable schedule to construct La Vista Park sooner rather than later.

On October 30, 2017, Council and the HARD Board of Directors held a joint work session regarding the latest design for La Vista Park and provided comments and feedback regarding the proposed park design. Surface Design has further refined the park design based on those comments. It is also important to note that comments received from the public via previous community outreach have also been incorporated into the latest La Vista Park plans.

Listed below are the five (5) park design changes:

- Add a half basketball court next to the full court.
- Add 9-hole Disc Golf course at the southwestern end of the property between the slide area and Tennyson Rd.
- Remove the Dog Park but install doggy bag stations along the paths.
- Relocate both restrooms: Restroom A to the west along the same path; and Restroom B closer to the children's playground. Restrooms will be individual prefabricated self-cleaning units by Exeloo from New Zealand: 2 units for Restroom A and 4 stalls for Restroom B are requested.
- Relocate Maintenance Shed Structure to be near Restroom A

ECONOMIC IMPACT

The addition of a destination park to the South Hayward community will create a much-needed amenity and attraction for this part of the City. This will likely result in increased visitors to the area as well as more dollars spent at local businesses. In addition, there have been numerous studies that indicate that the addition of open space or parkland has a positive impact on home values in the surrounding areas.

FISCAL IMPACT

Previously, David Gates and Associates were asked by the City of Hayward to create a conceptual plan for La Vista Park; a traditional park design was developed and proposed. This conceptual design included an "art and tech walk," "science and tech garden," "riparian creek," and amphitheater ("Great Green"). The majority of the Gate's designed park was contained on the original 30 acre La Vista Park site. The park design included a significant amount of hardscape, an abundance of new trees, and other proposed heavily irrigated grass/sod areas (sports field and yoga garden). Very preliminary estimates to build the park

as previously designed were projected in the range of \$35 to \$40 million dollars. It's important to note that this estimate was based on very rough conceptual designs, not formal estimates, of City or HARD staff. Because these estimates were not considered reasonable, a more sustainable and affordable design was developed by Surface Design Inc.

The final La Vista Park design by Surface Design Inc. is estimated to cost \$23.3 million to construct. This estimate includes contingencies or potential cost overruns as well as landslide repair costs to remediate the former Caltrans property.

Permitting fees from the La Vista Development will contribute approximately \$2.14 million towards construction once collected. There is also a \$2 million Measure F1 Bond allocation from HARD, for a current allocation of \$4.14 million toward the La Vista Park project.

It should be noted that all lands associated with La Vista Park are owned or controlled by the City of Hayward. This was memorialized as part of the La Vista Development Final Map for the home development and all agreements associated with the project Final Map.

Current Budget - La Vista Park

Project Cost Estimate	\$23,253,962
Current Project Funding Sources	
Fees from La Vista Development	\$2,140,000
HARD initial bond fund allocation	\$2,000,000
Subtotal- Funding Sources	\$4,140,000
Current Funding Gap	\$(19,113,962)

The HARD Board of Directors recently approved a funding plan for the project that included the following: 1) \$4.23 million would be provided from existing park in-lieu fees previously collected by the City; 2) \$6.7 million in additional Measure F1 bond money; and 3) \$6.7 million of loaned Measure F1 bond money that would be repaid to HARD through the collections of future park in-lieu fees (see below).

Listed below are recent larger entitled projects that may yield substantial park in-lieu fees.

PROJECT	# UNITS	TYPE OF UNITS	POTENTIAL PARK IN-LIEU FEES	POSSIBLE CONSTRUCTION START DATE
Mission Crossings	140	townhomes	\$1,595,300	Spring 2019
Matsya's Villas	57	condos	\$649,515	Winter 2019
Maple and Main	240	apartment	\$2,316,720	Summer 2019
Lincoln Landing*	476	apartment	\$4,594,828*	Winter 2018
Mission Village	72	townhomes	\$820,440	Spring 2019
Fagundes	42	single family	\$502,026	Spring 2018
Ward Creek Cottages	97	single family	\$1,159,441	Fall 2018
Total Potential In Lieu Fees			\$11,638,270	

The above table is a projection by City staff of future park in-lieu fees that might be generated by these entitled projects. An approximate total of \$11,638,270 could be collected from these projects upon their completion. The Lincoln Landing project shown above may not only pay in-lieu fees but also offer some land dedication and may ask for a credit for improvements of the dedicated land area as part of their obligation for public park and recreation. Any accepted land dedication would reduce the potential park in-lieu fees listed above. No final definitive calculation has been done for these projects as of final preparation of this staff report. Please note that the projects referenced above are large entitled projects in Hayward and that there are other projects that could be entitled in the near future yielding additional future park in-lieu fees. Looking at just three unentitled projects submitted to the City of Hayward in late 2017 and early 2018 [Ersted Townhomes (59 units), Oak Street Townhomes (40 units), Gading II Single-Family Homes (18 units)] could yield \$1,343,259 in additional park in-lieu fees that could be counted towards the La Vista destination park if the projects are approved/entitled.

Lastly, the "possible construction start date" of the project mentioned above is City staff's best guess on when projects might begin construction and therefore when park fees might be collected.

Council is being asked to temporarily appropriate/approve the use of \$1.5 million in funds held for development of the South Hayward community center towards the park effort. These fees will be paid back via future park in-lieu fees. Condition number six (6) of the La Vista Development conditions of approval required that "prior to issuance of the first building permits" for the project that "the applicant shall contribute \$1.5 million toward the construction of a new community center to be located within Parcel B as shown on the vesting tentative tract map, or in the general vicinity. Such contribution shall be in addition to other obligations." The City is in receipt of the \$1.5 million community center contribution.

Current Funding Plan for La Vista Park

Project Cost Estimate	\$23,253,962
Current Project Funding Sources	
Fees from La Vista Development	\$2,140,000
HARD initial bond fund allocation	\$2,000,000
Subtotal-Funding Sources	\$4,140,000
Funding Gap as of March 2018	\$(19,113,962)
Additional HARD Contributions:	
Park In Lieu Fees on hand	\$4,230,000
Additional HARD bond allocation	\$6,700,000
Loaned HARD bond allocation	\$6,700,000
Community Center contribution	\$1,500,000
Current Funding Gap	\$16,038

This request has no impact on the General Fund now or in the future. Should future park in-lieu fees not be as robust as anticipated to pay for La Vista Park, staff envisions construction of the park to occur in phases or a modified/scaled down version of the park would be proposed based upon available park in-lieu fees. There are no other funding sources for La Vista Park except for those already mentioned in this report (developer fees, park in-lieu fees, and Measure F1 bond money).

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities Strategic Initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work, and play. This item supports the following goal and objective:

Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods.

Objective 2: Foster a sense of place and support neighborhood pride.

This agenda item also supports the Tennyson Corridor Strategic Initiative. The purpose of the Tennyson Corridor Strategic Initiative is to develop an attractive, cohesive, thriving Tennyson Corridor through thoughtful engagement of residents, businesses and community partnerships. This item supports the following goal and objectives:

Goal 4: Foster a cohesive sense of place.

Objective 2: Increase City sponsored events and projects I the Tennyson Community.

Objective 4: Explore innovative placemaking opportunities.

Hayward 2040 General Plan: This project also contributes to fulfillment of Land Use and Community Character Goal LU-3 of the Hayward 2040 General Plan, specifically that La Vista Park will help contribute to creating a "complete neighborhood" in South Hayward. The addition of La Vista Park is a long sought-after amenity in South Hayward, which will complement existing schools, daycare centers, religious institutions and existing neighborhood serving commercial businesses. Listed below is the specific General Plan policy related to complete neighborhoods:

- LU-3.1 Complete Neighborhoods: The City shall promote efforts to make neighborhoods more complete by encouraging the development of a mix of contemporary uses and amenities that meet the daily need of residents. Such uses and amenities may include parks, community centers, religious institutions, daycare centers, libraries, schools, community gardens, and neighborhood commercial and mixed-use developments.

SUSTAINABILITY FEATURES

As currently designed, La Vista Park will be the most sustainable park within the City of Hayward and probably within HARD's jurisdictional boundaries to date. Less irrigated park area is proposed as part of this new park design and more native grasses and plants are proposed throughout the park. Park structures are proposed to be made from natural materials versus traditional expensive fabricated structures currently the norm in Hayward parks. Surface Design Inc. will be to able showcase this important component of La Vista Park during their presentation to Council.

PUBLIC CONTACT

Listed below are previous public meetings or public outreach efforts performed by the City of Hayward, HARD, and Surface Design Inc. related to the final draft La Vista Park plan:

- On Friday October 20, 2017, City staff and the team from Surface Design Inc. met with representatives from Fairway Park to present and gain feedback regarding the current La Vista Park plans.
- On Thursday October 26, 2017, a public outreach meeting was conducted at Matt Jimenez Community Center soliciting input from the Hayward community at large regarding the most current La Vista Park design. City staff, HARD staff and the Surface Design Inc. team conducted a public presentation and received input from participants regarding draft Park plans.

- On Monday October 30, 2017, the Hayward City Council hosted a joint work session with the HARD Board of Directors where City staff, HARD staff, and the Surface Design Inc. team presented the latest design for La Vista Park.
- On Monday April 9, 2018, the HARD Board of Directors approved the final design for La Vista Park and the funding plan for the project.

NEXT STEPS

Upon approval of the temporary use of the La Vista \$1.5 million community center money to construct La Vista Park, City staff will work with HARD staff to begin the process of preparing grading and construction documents for the park. The current plan is to complete all site grading during the summer of 2018 with other park construction phases to follow.

Prepared by: Damon Golubics, Senior Planner

Recommended by: Stacey Bristow, Interim Director of Development Services

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-_____

Introduced by Council Member _____

RESOLUTION APPROVING THE TEMPORARY USE OF THE \$1.5 MILLION DOLLARS COLLECTED FOR A NEW LA VISTA COMMUNITY CENTER TO BE USED FOR CONSTRUCTING LA VISTA PARK

WHEREAS, on July 19, 2005, the City Council approved the La Vista Development allowing for 179 new detached single-family homes and a new community park; and

WHEREAS, condition of approval number six of the La Vista Development approval required that “prior to issuance of first building permits, the applicant shall contribute \$1.5 million towards construction of a new community center to be located within Parcel B as shown on the vesting tentative map, or in the general vicinity” and “such condition shall be in addition to any other obligation;” and

WHEREAS, the \$1.5 million contribution was paid to the City of Hayward prior to issuance of the first building permit for the project; and

WHEREAS, there is no immediate plan to construct a community center at or near the La Vista Development, thus the \$1.5 million developer contribution would be available to be used for construction of La Vista Park

WHEREAS, the HARD Board of Directors approved the final La Vista Park design at their April 9, 2018 meeting and the HARD Board also approved a \$23.3 million funding plan that included a request of the Hayward City Council to authorize the transfer of the \$1.5 million developer community center contribution to be used for the La Vista Park effort; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby approves the temporary use of \$1.5 million currently earmarked for a new community center near the La Vista Development to be used for construction of La Vista Park with these monies to be paid back through future park in-lieu fees.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2018

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

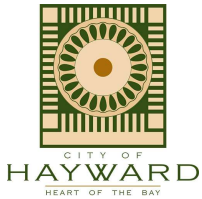
ABSENT: COUNCIL MEMBERS:

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

File #: LB 18-022

DATE: May 15, 2018

TO: Mayor and City Council

FROM: Assistant City Manager

SUBJECT

Status Update of the Fiscal Year (FY) 2018 approved Community Development Block Grant (CDBG) Biennial Fund Projects and review of the FY 2019 proposed Projects and Authorization to Reallocate \$1.9 Million of unspent CDBG funds to Eligible Projects in FY 2019

RECOMMENDATION

That Council reviews and comments on the FY 2018 - 2019 CDBG Biennial Fund Projects underway and approves a resolution authorizing the reallocation of \$1.9M of unspent CDBG program funds to the following eligible projects in FY 2019:

1. Provide CDBG funds as Measure A1 match for pre-development and site acquisition costs to qualified developers in the amount of \$800,000;
2. Execute a contract with a non-profit housing agency to manage the Housing Rehabilitation Loan Program in the amount of \$100,000; and
3. Execute a contract with St. Rose Hospital for lab equipment and related equipment purchases in the amount of \$1,000,000.

This report provides a status update on the implementation of the 7 projects authorized by Council on July 18, 2017. In 2017, the Department of Housing and Urban Development (HUD) sent notice that the City of Hayward failed to meet its "timeliness-ratio test" to reduce fund balance below 1.5 times entitlement, measured 60 days prior to the end of the program year (May 2, 2017). The City of Hayward submitted a plan of corrective actions to resolve the underlying planning and administrative problems contributing to the timeliness issue. The plan consisted of the implementation of the 7 projects authorized by Council on July 18, 2017. The July 18, 2017 staff report is attached for reference (Attachment II).

Despite progress made towards utilization of the funds this past year, including executed contracts, the City anticipates it will not meet the HUD timeliness requirement for a second year. Staff expects a HUD notification informing the City it did not meet the standard set forth in 24 CFR 570.902(a)(1). Specifically, the non-compliance states that the City's rate is 4.03 times the entitlement grant amount as of May 2, 2018, and that the City would have had to disburse an additional \$3,110,123 to meet the 1.5

program year ratio and avoid being placed on the list of untimely grantees. Upon receipt of the HUD notice, the City will submit its corrective action plan within the 15-day response period. The corrective action plan will address any information about the cause(s) for the delay in implementation, including any extenuating circumstance or information regarding recent drawdown of funds that may not be reflected in HUD's electronic information system (IDIS), along with a timeframe. The proposed FY 2019 re-allocation of the \$1.9 million dollars will be included in the corrective action plan. Staff seeks Council's review of and comment on the proposed re-allocation of anticipated unexpended Biennial Funds, underspent entitlement, and unallocated program income to new eligible projects.

ATTACHMENTS

- Attachment I Review of FY 2018 Community Development Block Grant Program Biennial Fund Projects
- Attachment II July 18, 2017 Staff Report - Biennial Review of the Community Development Block Grant Program Biennial Review
- Attachment III FY2018 -2019 Summary Reallocations
- Attachment IV Resolution



DATE: May 15, 2018

TO: Mayor and City Council

FROM: Assistant City Manager

SUBJECT: Status Update of the Fiscal Year (FY) 2018 Approved Community Development Block Grant (CDBG) Biennial Fund Projects and Review of the FY 2019 Proposed Projects and Authorization to Reallocate \$1.9 Million of Unspent CDBG funds to Eligible Projects in FY 2019

RECOMMENDATION

That Council reviews and comments on the FY 2018 – 2019 CDBG Biennial Fund Projects underway and approves a resolution authorizing the reallocation of \$1.9M of unspent CDBG program funds to the following eligible projects in FY 2019:

1. Provide CDBG funds as Measure A1 match for pre-development and site acquisition costs to qualified developers in the amount of \$800,000;
2. Execute a contract with non-profit housing agency to manage the Housing Rehabilitation Loan Program in the amount of \$100,000; and
3. Execute a contract with St. Rose Hospital for equipment and related purchases for Clinical Laboratory renovations in the amount of \$1,000,000.

SUMMARY

This report provides a status update on the implementation of the 7 projects authorized by Council on July 18, 2017. In 2017, the Department of Housing and Urban Development (HUD) sent notice that the City of Hayward failed to meet its “timeliness-ratio test” to reduce fund balance below 1.5 times entitlement, measured 60 days prior to the end of the program year (May 2, 2017). The City of Hayward submitted a plan of corrective actions to resolve the underlying planning and administrative problems contributing to the timeliness issue. The plan consisted of the implementation of the 7 projects authorized by Council on July 18, 2017. The July 18, 2017 staff report is attached for reference (Attachment II).

Despite progress made towards utilization of the funds this past year, including executed contracts, the City anticipates it will not meet the HUD timeliness requirement for a second year. Staff expects a HUD notification informing the City it did not meet the standard set forth in 24 CFR 570.902(a)(1). Specifically, the non-compliance states that the City’s rate is 4.03 times the entitlement grant amount as of May 2, 2018, and that the City would have had to

disburse an additional \$3,110,123 to meet the 1.5 program year ratio and avoid being placed on the list of untimely grantees. Upon receipt of the HUD notice, the City will submit its corrective action plan within the 15-day response period. The corrective action plan will address any information about the cause(s) for the delay in implementation, including any extenuating circumstance or information regarding recent drawdown of funds that may not be reflected in HUD's electronic information system (IDIS), along with a timeframe. The proposed FY 2019 re-allocation of the \$1.9 million dollars will be included in the corrective action plan. Staff seeks Council's review of and comment on the proposed re-allocation of anticipated unexpended Biennial Funds, underspent entitlement, and unallocated program income to new eligible projects.

BACKGROUND

In June 2017, HUD and City staff conducted a comprehensive reconciliation of unspent and under-utilized CDBG funds. The review reconciled financial files for program years 2014 through 2016 and resulted in approximately \$1,289,000 of one-time CDBG funds eligible for allocation to eligible projects in the "Community Infrastructure, Jobs and Economic Development" category. To meet eligibility, projects in this category must substantially meet one or more of three National Objectives to meet eligibility standards:

1. Benefit low- and moderate-income persons;
2. Prevent or eliminate slums or blight; or,
3. Address urgent community development needs to address emergency conditions that pose a serious or immediate threat to the health and welfare of the community for which no other funds are available (i.e. natural disaster).

CDBG Eligible Activities: The primary focus of HUD is housing and economic development-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 use;
- 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;
- Disaster mitigation; and
- Public services restricted to 15% of total entitlement award.

The 15% cap on the use of entitlement funds for the provision of public services in any given program year is statutory and cannot be waived; non-compliance could result in substantial penalties including the loss or return of entitlement funds.

FY 2018 BIENNIAL REVIEW OF UNSPENT/UNDERSPENT CDBG FUNDS:

On July 18, 2017, Council approved a biennial review of all unspent and underspent CDBG projects to ensure that future reconciliations would not over-accumulate in the City's line of credit. The assessment of the \$1,289,000 one-time fund balance outlined that the unspent and underspent CDBG funds related to:

- Project savings from the FY 2015 Promise Neighborhood Street Improvement Project (PNSIP);
- Revolving Loan program income from the Housing Rehabilitation Program and Small Business Assistance programs;
- Accumulated salary savings and lower expenditures in CDBG Administration; and
- Neighborhood Facilities and Economic Development projects completed under budget or withdrawn.

On July 18, 2017, Council approved seven projects as the remedy, which was included in last year's corrective action plan. Below is a status update of the FY 2018 Biennial Projects.

Of the seven projects approved by Council, three projects are on track and moving forward, three projects are pending contract execution, and one project has been placed on hold after staff determined low viability.

FY2018 PROJECTS ON TRACK:

HOMELESS EMPLOYMENT PROGRAM – TENNYSON CORRIDOR (\$100,000)

Status Update: This project was approved for \$200,000 (\$150,000/yr. 1; \$50,000/yr. 2). \$100,000 has been allocated so far and the remaining \$100,000 will be allocated in FY2018-19. The Downtown Streets Team Homeless Work Experience Program is currently operating along the Tennyson Corridor with a crew of five individuals. The program is providing these individuals with job and soft skills training in exchange for basic needs assistance, housing search assistance, housing/shelter placement, case management, transportation assistance, classes, and employment placement. No modifications to this project are recommended and the project is on track.

PERMANENT SUPPORTIVE HOUSING: “TINY HOMES” DEVELOPMENT (\$100,000)

Status Update: This project was approved for \$200,000 (\$100,000/yr. 1; \$100,000/yr. 2). \$100,000 has been allocated so far and the remaining \$100,000 will be allocated in FY2018-19. Abode Services has executed an agreement with Cronin House for the property purchase, has secured an architect and has conducted empathy work in the surrounding neighborhood to solicit feedback on project. Abode is now developing plans for review. No modifications to this project are recommended and the project is on track.

TARGETED BLIGHT ABATEMENT/COMMERCIAL FAÇADE IMPROVEMENT
IN TENNYSON CORRIDOR (\$100,000)

Status Update: This project was approved for \$175,000 (\$100,000/yr. 1; \$75,000/yr. 2). \$100,000 has been allocated so far and the remaining \$75,000 will be allocated in FY2018-19. Economic Development has received eight applications for façade improvements at the Superway Grocery site and is currently negotiating a potential improvement loan with the Superway tenant. No modifications to this project are recommended and the project is on track.

FY18 PROJECTS PENDING OR ON HOLD:

Of the seven projects, three are pending and one is on hold. Below are recommendations regarding partial re-allocation of funds to other eligible projects and status updates on pending projects.

HOUSING REHABILITATION: TARGETED CODE CORRECTIONS FOR INCOME-ELIGIBLE
SENIOR HOMEOWNERS (ON HOLD)

Status Update: This Housing Rehabilitation program proposed loans to eligible senior or disabled residents to convert their existing non-conforming garage conversions into code complaint accessory housing units. Staff administered a survey to eligible homeowners to measure interest in this loan program and survey results indicated minimal interest in converting units. Staff recommends re-allocating the \$150,000 currently approved for this project to St. Rose Hospital for lab equipment purchases (as described in the proposed FY 2019 projects below).

SMALL BUSINESS INCUBATORS AND JOB CREATORS IN THE TENNYSON
CORRIDOR AND DOWNTOWN (PENDING)

Status Update: Staff has identified a nonprofit partner, La Cocina, to implement this program. La Cocina specializes in developing micro-enterprises for low-income restaurant entrepreneurs. Staff is working with the federal Small Business Administration to bring the San Francisco-based program to Hayward. This project is pending upon contract execution with La Cocina. Staff recommends maintaining \$100,000 of the \$175,000 currently approved for this project and re-allocating the balance of \$75,000 to St. Rose Hospital for lab equipment purchases (as described in the proposed FY2019 projects below).

AFFORDABLE HOUSING REHABILITATION – MEASURE A1 PROJECT MATCHING FUNDS (\$200,000)

Status Update: The City of Hayward’s Measure A1 Funds Notice of Funding Availability (NOFA) was released on April 30, 2018, announcing the availability of County and City affordable housing development funds. The \$200,000 in funds currently approved for this purpose will be allocated upon receiving applications for CDBG match funds from qualified affordable housing developers. Staff recommends maintaining the \$200,000 approved funding allocation as is for this project.

Status Update: In coordination with the American Red Cross and the Hayward Fire Department, staff is working to identify emergency care and shelter sites that require rehabilitation to meet accessibility and building safety code requirements. New Life Church and Church of the Cross have been identified as potential disaster sites and are scheduled for inspection. This project is pending upon inspection of sites. Staff recommends maintaining \$100,000 of the \$189,000 approved allocation for this project and recommends re-allocating \$89,000 to St. Rose Hospital for lab equipment purchases (as described in the proposed FY2019 projects below).

DISCUSSION

HUD TIMELINESS STANDARD:

Council's adoption of the Biennial Funds process in 2017 authorized projects and activities to reduce the estimated \$1,289,000 of excess CDBG fund balance in the City's CDBG line of credit with HUD. The intent was to enable the City to meet HUD's annual deadline of timely expenditure. To have met HUD's timeliness standard, the City would have had to disburse an additional \$3,110,123 to meet the 1.5 program year ratio and avoid being placed on the list of untimely grantees.

Currently, the City's line of credit is currently at \$3.04 million, or four times the allowable limit of unexpended funds. The increase includes the \$1.289 million of Biennial Funds in addition to a combination of salary savings, underspent project funds, and program income from payments of past economic development and housing rehabilitation loans over FY2017 and FY2018. This excess means the City will not meet the timeliness requirement to reduce fund balance below 1.5 times entitlement for the second year in a row. Though funds are encumbered to identified projects as describe above, the HUD standard requires the funds be drawn and distributed by the May 2nd "snap shot" of available balance to be considered.

HUD will notify the City via letter it did not meet the standard set forth in 24 CFR 570.902(a)(1) and that its rate is 4.03 times the entitlement grant amount as of May 2, 2018. Upon receipt of the notice, the City will have 15 days to advise the HUD office of its plan to bring the City into compliance with program requirements (including identifying activities) and the specific timeframe by which it expects to meet the 1.5 timeliness standard. The letter will address any information about the cause(s) of the slow progress, including any extenuating circumstance or any information regarding recent drawdown of funds that may not be reflected in HUD's electronic information system (IDIS).

PROPOSED FY 2019 PROJECTS FOR RE-ALLOCATION OF FUNDS:

Staff committed to return to Council for guidance in the event unexpended funds were available for re-allocation to eligible programs. Staff has determined the following projects are CDBG eligible and have capacity to expend \$1.9 million in Biennial funds by the FY 2019 timeliness deadline (May 2019):

MATCH FUNDS FOR MEASURE A1 AFFORDABLE RENTAL HOUSING PROJECTS (\$800,000)

HUD encourages the use of CDBG dollars to fund pre-development or site acquisition costs incurred by qualified affordable housing developers. Staff has been approached by affordable rental housing developers with Measure A1 fund eligible projects who would also seek CDBG funds for pre-development and site acquisition related costs if available. Developers unable to secure sites prior to the NOFA application deadline of June 29, 2018 are ineligible for Measure A1 funds. The use of CDBG for construction of new affordable housing is ineligible. This project will result in improving the quality and strength of Measure A1 applicants and increasing the affordable housing supply in the City.

EXECUTE A HOUSING REHABILITATION LOAN PROGRAM CONTRACT WITH NONPROFIT HOUSING AGENCY HELLO HOUSING (\$100,000)

The City has unexpended revolving loan fund balance in the Housing Rehabilitation Program. The program currently outsources mobile home loans and minor home repair grant projects to Habitat for Humanity and Rebuilding Together respectively. Outsourcing this function has proven effective to expend funds quickly and efficiently. Executing a contract with Hello Housing to perform housing rehabilitation loans expands capacity and diversifies the program's reach. This project will result in preventing displacement of low-income home-owners.

EXECUTE A CONTRACT WITH ST. ROSE HOSPITAL FOR ELIGIBLE LAB EQUIPMENT PURCHASES IN THE RENOVATED CLINICAL LABORATORY DEPARTMENT (\$1,000,000)

St. Rose Hospital will be purchasing and installing equipment in labs within the CDBG project area including a centrifuge, chemistry equipment, hematology analyzers, and microbiology automation of the blood bank. St. Rose Hospital is a non-profit public facility and the purchase of this equipment is an eligible and allowable expense. This project will result in an expansion of provision of services to indigent Hayward residents.

ECONOMIC IMPACT

Funding these projects will result in increasing the City's supply of affordable housing, improving the quality and strength of Measure A1 applicants, preventing displacement of low-income home-owners, and continuing the provision of services to indigent Hayward residents.

Although staff is currently communicating with HUD to develop a correction action plan to avoid any reduction of CDBG allocation to the City, a potential consequence of failure to meet the ratio may include the reduction of the City's CDBG grant by an amount equal to 100 percent of the amount exceeding 1.5 times the annual grant equal to \$3,110,123.

FISCAL IMPACT

The Community Development Block Grant (CDBG) Program has no impact on the City's General Fund.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities Strategic Initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. This item supports the following goals:

- Goal 1: Improve the quality of life for residents, business owners, and community members in all Hayward neighborhoods.
- Goal 2: Provide a mix of housing stock for all Hayward residents and community members, including the expansion of affordable housing opportunities and resources.

PUBLIC CONTACT

Council reviewed the Biennial Review results and recommended reallocations at a public hearing dated July 18, 2017. The FY2018 review of recommended reallocations is included with the FY 19 Annual Action Plan and pending publication by Alameda County.

NEXT STEPS

Staff recommends that Council reviews and comments on the report and that Council authorizes the re-allocation of (\$1,900,000) CDBG funds to:

1. Provide Measure A1 match funds for pre-development or site acquisition to qualified affordable housing developers responding to the NOFA announcement (\$800,000);
2. Execute a Housing Rehabilitation Program contract with nonprofit housing agency Hello Housing to manage the housing rehabilitation loan program (\$100,000); and
3. Execute a contract with St. Rose Hospital for equipment purchases in their Clinical Laboratory (\$1,000,000),

Prepared by: Dana Bailey, Community Services Manager

Recommended by: Maria A. Hurtado, Assistant City Manager

Approved by:

A handwritten signature in black ink, appearing to read "K. McAdoo". The signature is fluid and cursive, with a large initial "K" and a stylized "McAdoo".

Kelly McAdoo, City Manager



CITY OF HAYWARD

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

File #: PH 17-071

DATE: July 18, 2017

TO: Mayor and City Council

FROM: Director of Library and Community Services

SUBJECT

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

RECOMMENDATION

That Council approves the resolution shown in Attachment II authorizing the reallocation of \$1,289,000 in one-time available Community Development Block Grant program funds to eligible "Tier 1" projects in FY 2018 and FY 2019 as shown in Attachment III.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Draft Resolution
Attachment III	Summary Reallocations



DATE: July 18, 2017

TO: Mayor and City Council

FROM: Director of Library and Community Services

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

RECOMMENDATION

That Council approves the resolution shown in Attachment II authorizing the reallocation of \$1,289,000 of one-time available Community Development Block Grant program funds to eligible projects in FY 2018 and FY 2019 as shown in Attachment III.

SUMMARY

This report summarizes options that Council reviewed at the July 11, 2017 work session and requests Council authorization to reallocate \$1,289,000 of one-time available CDBG funds to eligible projects in FY 2018 and FY 2019. The recommended projects in this report have been reviewed by Council, the Community Services Commission, and staff, and have been pre-screened for eligibility and approved for implementation by the U.S. Department of Housing and Urban Development (HUD). If the resolution in Attachment II is approved by Council, available one-time CDBG funds would be applied to eligible projects to be completed in FY 2018 and FY 2019 as shown in Attachment III.

BACKGROUND

[On July 11, 2017, Council convened a public work session](#) to review the results of the 2017 Biennial Review of the CDBG program and consider options for reallocating one-time available CDBG fund balance to eligible projects in FY 2018 and FY 2019.

As was discussed during the July 11 work session, 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 potential projects that align with Council’s priorities and meet HUD’s eligibility criteria. The recommended options address the Hayward housing crisis, contribute

to job creation and retention, implement improvements to community infrastructure, and increase community resiliency and disaster preparedness. The sub-recipients identified for potential implementation of the projects have proven track records of excellent performance and financial management records with the administration of CDBG. These options were recommended and identified as “Tier 1” projects, as they had been vetted with HUD.

At the July 11, 2017 Council meeting, Council had a robust discussion about the proposed Tier 1 projects, offered helpful feedback, and sought clarifications of various details. After a full review and discussion, Council expressed general assent for the Tier 1 options, provided direction for process improvements going forward, and offered ideas for projects in future years. A summary of Council’s feedback and direction is provided in the Discussion section of this report.

A second set of additional viable and eligible options, identified as “Tier 2” projects, also were identified for Council’s consideration on July 11. After careful review, Council did not express strong interest in pursuing the Tier 2 options because these options may not meet the 2-year HUD deadline and may require additional resources.

Lastly, several other options were explored but were not recommended due to concerns regarding costs, eligibility, and duplication of resources. Council expressed some interest in the possibility of pursuing one of these options: the demolition of the old Main Library; however, Council also expressed some concern that while this is a worthy project, it might not fit as well with the intent of the CDBG program as do the projects listed in Tier 1.

DISCUSSION

“Tier 1” Program Options for Reallocations of One-Time Available CDBG Fund Balance in FY 2018 and FY 2019:

The “Tier 1” options are summarized in Attachment III, and are described in more detail in the text that follows. The “Tier 1” options were reviewed by Council on July 11, 2017 and the Community Services Commission on June 21, 2017; are recommended by staff; and have been coordinated with HUD to ensure eligibility requirements can be met and that projects can be implemented quickly, if Council approves 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 for Low-Income Senior Homeowners – Conversions of Existing Non-Compliant Accessory Housing 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 accessory 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
- Small Business Incubators and Job Creators in Tennyson Corridor and Downtown: In coordination with Economic Development and the Small Business Administration, this project would facilitate 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, and new jobs and job training opportunities will be created. Recommended reallocations: FY 2018 - \$100,000; FY 2019 - \$75,000.
- Affordable Housing Rehabilitation - Measure A1 Project Match Funding: The approval by County voters of Measure A1 creates a major opportunity to create affordable

housing in Hayward. To access Measure A1 funding for affordable housing project development, the County requires local jurisdictions to provide local match funding. CDBG is an eligible source of match funding. 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, including 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 existing 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, it would reduce the cost to other housing-related special revenue funds, and provide the City with a source of local match 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 also were presented to Council at the July 11 work session as additional alternatives for consideration. After careful review, Council did not express strong interest in pursuing the Tier 2 options because 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 One Stop 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:

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

- 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. Council expressed some interest in the possibility of pursuing one of these options: the demolition of the old Main Library; however, Council also expressed some concern that while this is a worthy project, it might not fit as well with the intent of the CDBG program as do the projects listed in Tier 1. The total estimated cost of the library demolition is approximately \$306,000. Should Council choose to include this project as a "Tier 1" option, staff recommends allocating only a portion of the total cost, for example \$175,000, from the one-time CDBG fund balance, to maintain a local match for the project that can be demonstrated to HUD.
- 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. Council expressed some interest in using one-time available funding for this type of acquisition at a future time when the project timeline aligns with the availability of these funds, especially to create housing and/or navigation centers for homeless persons.
- 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.
- 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. Council expressed strong interest in using one-time available funding for this project at a future time when the project timeline aligns with the availability of these funds.
- 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.

Additional Council Feedback and Suggestions

At the July 11, 2017 Council meeting, Council had a full discussion about the project options and offered helpful feedback and direction to staff. Council expressed approval for the improvements made to the process compared to previous years, and suggested additional improvements to implement in future years. Some of the recommendations include: development and distribution of a project list for Council and CSC review earlier in the biennial cycle; integrating additional community input opportunities to the process; and presenting the project list to the CSC in a written staff report format prior to the CSC meeting in addition to the visual presentation provided at the meeting.

Some Councilmembers expressed interest in prioritizing the demolition of the old library and elevating it to Tier 1; however, Council also expressed some concern that this project might not fit as well with the intent of the CDBG program as do the projects listed in Tier 1.

Council suggested that the homeless employment program (Downtown Streets Team) coordinate with Police and Maintenance Services to achieve greater synergy and cooperation. Council noted that blight abatement activities should result in a high-quality aesthetic result, as opposed to the minimum standard of merely correcting the most blighted elements of a project.

Council expressed some interest in identifying vacant properties that potentially could be converted to housing for homeless persons, and suggested that project lists for future funding take this into consideration. Council noted that food access is an important issue in the Hayward community and should continue to be prioritized, including with this funding where possible. Council expressed interest in maintaining a focus on economic development activities with this funding, now and in the future.

Staff will integrate Council's direction and suggestions into the process and the projects that result from it, now and going forward.

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.

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, and offered substantive feedback as well as general assent. Council reviewed the Biennial Review results and Recommended Reallocations in a public work session on July 11, 2017. Public notice of the July 18, 2017 Council public hearing about the Recommended Reallocations was published in The Daily Review newspaper on June 30, 2017.

NEXT STEPS

Staff recommends that Council:

- Approves the resolution shown in Attachment II authorizing the reallocation of \$1,289,000 in one-time available Community Development Block Grant program funds to eligible "Tier 1" projects in FY 2018 and FY 2019 as shown in Attachment III.

Should Council authorize the implementation of the "Tier 1" Recommended Reallocations of One-Time Available Fund Balance as shown in Attachment III, 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

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:



Kelly McAdoo, City Manager

CITY OF HAYWARD

"Tier 1" Reallocations of One-Time Available CDBG Fund Balance in FY 2018 and FY 2019

TIER 1	Project / Activity	Estimated One-Time Fund Balance	
		FY 2018	FY 2019
	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
	Small Business Incubators and Job Creators in Tennyson Corridor and Downtown	\$100,000	\$75,000
	Affordable Housing Rehabilitation - Measure A1 Project Match Funding	\$100,000	\$100,000
	Emergency Care and Shelter Facility Rehabilitation	\$100,000	\$89,000
	Subtotals	\$725,000	\$564,000
	Estimated total use of one-time fund balance		\$1,289,000

HAYWARD CITY COUNCIL

RESOLUTION NO. 18-

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND THE ACTION PLAN TO ALLOCATE \$1.9 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 18 – FY 19 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 - 19 in the amount of \$1.9 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 _____, 2018

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

File #: LB 18-019

DATE: May 15, 2018

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Introduction of Ordinance Adding Section 15 to Chapter 2, Article 13 of the Hayward Municipal Code Relating to Electronic and Paperless Filing of the Fair Political Practices Commission Campaign Disclosure Statements

RECOMMENDATION

That the City Council introduces an Ordinance adding Section 15 to Chapter 2, Article 13 of the Hayward Municipal Code Relating to Electronic and Paperless Filing of the Fair Political Practices Commission Campaign Disclosure Statements.

SUMMARY

The proposed ordinance will allow for electronic and paperless filing of California Fair Political Practices Commission (FPPC) campaign disclosure statements. It is recommended that filers participate through an "opt-in" approach which will give filers a choice of filing electronically or continue with paper filing. Filers opting to file electronically will not need to turn in a wet signed paper copy.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Introduction of Ordinance
Attachment III	Government Code Section 84615



DATE: May 15, 2018

TO: Mayor and Council

FROM: City Clerk

SUBJECT Introduction of Ordinance Adding Section 15 to Chapter 2, Article 13 of the Hayward Municipal Code Relating to Electronic and Paperless Filing of the Fair Political Practices Commission Campaign Disclosure Statements

RECOMMENDATION

That the City Council introduces an ordinance adding Chapter 2.13.15 to the Hayward Municipal Code relating to electronic and paperless filing of California Fair Political Practices Commission (FPPC) campaign disclosure statements filed by elected officers, candidates or committees.

SUMMARY

The proposed ordinance will allow for electronic and paperless filing of California Fair Political Practices Commission (FPPC) campaign disclosure statements. It is recommended that filers participate through an “opt-in” approach which will give filers a choice of filing electronically or continue with paper filing. Filers opting to file electronically will not need to turn in a wet signed paper copy.

BACKGROUND

The Political Reform Act of 1974 requires specified candidates, committees, slate mailer organizations, and lobbyists to file campaign statements and reports online or electronically with the Secretary of State. The Act also requires certain entities to file campaign statements and reports with local filing officers as specified.

On January 1, 2013, Assembly Bill 2452 went into effect, adding Section 84615 to the California Government Code Title 9. Political Reform, Chapter 4.6 Online Disclosure Act of 1997, which allows local government agencies to require an elected officer, candidate, or committee to file statements, reports, or other documents online or electronically with its local filing officer, if the filer receives contributions and makes expenditures totaling \$1,000 or more in a calendar year (Attachment III).

On November 17, 2014, the City of Hayward entered into an agreement with NetFile, an electronic and paperless filing system for FPPC Statement of Economic Interests (Form 700) and Campaign Forms. The scope of service in the 2014 agreement was only for Statements of Economic Interests.

DISCUSSION

Government Code Section 84615 requires local jurisdictions that accept electronic campaign form filings to enact an ordinance, with required findings, approving the use of an electronic system, which includes that the system will operate securely and effectively and will not unduly burden filers. The proposed ordinance will also designate the filings received electronically by the City Clerk's Office as the filings of record for the City.

The NetFile system is a web-based vendor hosted application that utilizes "industry best practices" for securing data, using the same data encryption for online filings that is used by banks for online banking. NetFile stores and backs up data at three separate locations, creating the essential safety measures and redundancy that will allow for recovery of information in the event of an emergency or disaster. The City's data will be retained for the required minimum ten-year period.

The system will be free of charge to those who are interested in using it. For filers who may not have access to computers, the computer at the counter in the City Clerk's Office can be used (on an appointment basis) for online campaign forms filing. Additionally, the proposed ordinance will only apply to those filers who exceed a threshold of \$1,000 for expending or receiving campaign funds. The threshold is consistent with Government Code Section 84615.

Government Code Section 84615 requires the online or electronic filing systems to only accept a filing in the standardized record format that is developed by the Secretary of State and is compatible with the Secretary of State's system for receiving online or electronic filings. The NetFile system is one of two electronic filing systems in California created for cities and counties responsible for administering campaign form filings and that meets the requirements of the Secretary of State.

Currently, there are 78 cities and counties in California that utilize NetFile and have adopted ordinances to allow for paperless electronic filings. Of the cities that have authorized online filing, 37 have chosen to issue a mandate that all committees raising or expending \$1,000 or more must file electronically. About 25 use a more moderate approach by allowing candidates or committees to "opt-in" to using the system, which provides potential filers with the opportunity to receive training, establish a level of familiarity in using the system and give their filers a choice to file electronically or continue paper filing. If filers file electronically, they do not need to turn in a wet signed paper copy. Approximately three agencies enacted ordinances with an opt-in approach that turned into a mandate after a period of time. About 13 cities and counties use the system but have not enacted an ordinance yet.

Although Government Code 84615 authorizes a local agency to mandate electronic filings, staff recognizes that such a mandate could have a direct effect on those individuals or committees that do not have computer access or familiarity with computer programs. To prevent any hardship, staff recommends the Council approve an “opt-in” approach. Once a filer has successfully completed an online filing, the ordinance would then require the committee to continue to file online in the future. This will ensure the continuity and integrity of the data. Any filer who is unable or unwilling to file electronically may continue to file paper forms with the City Clerk’s Office.

To ensure a smooth transition, and as part of the contract with NetFile, the City Clerk’s Office in partnership with NetFile will provide extensive training to elected officials, candidates, and committees interested in using the system. Once the ordinance is in effect, staff will schedule one-on-one trainings with NetFile staff and filers and individual treasurers. The training will include the entire filing process from setting-up filer accounts, explaining the online filing process, showing how to input data and save reports, preparing statements for e-signature, and filing statements.

Electronic filings will promote transparency and provide timely viewing of campaign forms to members of the public. The NetFile program will also increase the accuracy of filed campaign statements.

FISCAL IMPACT

During the Fiscal Year 2016 budget review for the City Clerk’s Office, staff reported its intention to acquire an electronic filing software for administering campaign form disclosure filings. Due to vacancies in the office, the project was delayed and in 2017 funds were carried forward for implementation of the electronic filing system in Fiscal Year 2017.

A per quarter payment will be paid to NetFile to maintain a system that permits the City and users to electronically file FPPC campaign statements for committees that have a responsibility to file with the City. NetFile includes an online filer application administrative portal and public viewing portal. The City already uses NetFile for online filings of Statements of Economic Interests.

STRATEGIC INITIATIVES

This agenda item is a routine operational item and does not relate to one of the Council’s Strategic Initiatives.

SUSTAINABILITY FEATURES

The proposed electronic filing of FPPC campaign forms is in alignment with the City’s Green Priority in providing a 100% paperless filing system.

PUBLIC CONTACT

The agenda report will be made available to all FPPC committee filers on record.

NEXT STEPS

If introduced, the ordinance will be added to the May 22, 2018 agenda for adoption. A summary of the ordinance will be published in the Daily Review on May 18, 2018. After the ordinance is effective, trainings will be scheduled so that users can file their Semi-Annual Statements due July 31, 2018.

Prepared and Recommended by: Miriam Lens, City Clerk

Approved by:



Kelly McAdoo, City Manager

ORDINANCE NO. 18-

AN ORDINANCE ADDING SECTION 15 TO CHAPTER 2, ARTICLE 13 OF THE HAYWARD MUNICIPAL CODE RELATING TO ELECTRONIC AND PAPERLESS FILING OF THE FAIR POLITICAL PRACTICES COMMISSION CAMPAIGN DISCLOSURE STATEMENTS

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

WHEREAS, California Government Code Section 84615 provides that a legislative body of a local government agency may adopt an ordinance that requires an elected officer, candidate, committee, or other person required to file statements, reports or other documents required by Chapter 4 of the Political Reform Act, except those whose contributions and expenditure each total less than one thousand dollars (\$1,000) in a calendar year, to file such statements, reports, or other documents online or electronically with the City Clerk; and

WHEREAS, the software used by the City Clerk's electronic filing system, NetFile, has been certified by the Secretary of State and meets the requirements set by Government Code Section 84615; and

WHEREAS, the City Clerk will operate the electronic filing system in compliance with the requirements of California Government Code Section 84615 and any other applicable laws; and

WHEREAS, the City Council expressly finds and determines that the system will operate securely and effectively and will not unduly burden filers. Specifically: (1) the system will ensure the integrity of the data and includes safeguards against efforts to tamper with, manipulate, alter, or subvert the data; (2) the system will only accept a filing in the standardized record format developed by the Secretary of State and compatible with the Secretary of State's system for receiving an online or electronic filing; and (3) the system will be available free of charge to filers and to the public for viewing filings.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Provisions.

That new section 2-13.15 be, and the same is hereby added to, Chapter 2, Article 13 of the Hayward Municipal Code to read in full as follows:

SEC. 2-13.15 - ELECTRONIC FILING OF CAMPAIGN DISCLOSURE

- a) Any elected officer, candidate, committee or other person required to file specified statements, reports, or other documents with the City Clerk as required by Chapter 4 of the Political Reform Act (California Government Code Section 84100 et seq.) and that has received contributions or made expenditures of \$1,000 or more, may electronically file such statements using the City Clerk's online system according to procedures established by the City Clerk. These procedures shall ensure that the online system complies with the requirements set forth in Section 84615 of the Government Code. Elected officers, candidates and committees required to file statements, may file such statements using the City Clerk's online system, unless exempt from the requirement to file pursuant to Government Code Section 84615 because the elected officer, candidate or committee received contributions totaling less than \$1,000 and makes expenditures totaling less than \$1,000 in a calendar year.
- b) The online filing system shall ensure the integrity of the data transmitted and shall include safeguards against efforts to tamper with, manipulate, alter, or subvert the data.
- c) The online filing system shall only accept a filing in the standardized record format that is developed by the California Secretary of State pursuant to Section 84602(a)(2) of the California Government Code and that is compatible with the Secretary of State's system for receiving an online or electronic filing.
- d) During the period commencing with the effective date of this ordinance, an elected officer, candidate, or committee may choose to opt-in to the electronic filing system by electronically filing California Fair Political Practices Commission (FPPC) campaign forms required to be filed with the City Clerk pursuant to Chapter 4 of the Political Reform Act. Once the elected officer, candidate or committee has opted-in, all subsequent statements shall be filed electronically to ensure reporting continuity. An elected officer, candidate, or committee may opt-out of the electronic filing system by filing original statements in paper format with the City Clerk. Thereafter the elected officer, candidate or committee shall file all original statements in paper format with the City Clerk.
- e) Any elected officer, candidate, committee or other person who has electronically filed a statement, report, or other document using the City Clerk's online system is not required to file a copy of that statement in paper format with the City Clerk.
- f) In any instance in which an original statement, report, or other document must be filed with the Secretary of State and a copy of that statement, report, or other document is required to be filed with the City Clerk, the filer may, but is not required to file the copy electronically.

- g) If the City Clerk's system is not capable of accepting a statement, an elected officer, candidate, committee or other person shall file that statement in paper format with the City Clerk.
- h) The City Clerk's office shall maintain, for a period of at least 10 years commencing from the date filed, a secured, official version of each online or electronic statement which shall serve as the official version of that record for purpose of audits

Section 2. 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 3. Effective Date.

In accordance with the provisions of Section 620 of the City Charter, this Ordinance shall become effective upon adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the ____ day of ____, 2018, by Council Member _____.

ADOPTED at a regular meeting of the City Council of the City of Hayward, held the ____ day of ____, 2018, 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

**2016 California Code
Government Code - GOV
TITLE 9 - POLITICAL REFORM
CHAPTER 4.6 - Online Disclosure Act of 1997
Section 84615.**

Universal Citation: [CA Govt Code § 84615 \(2016\)](#)

84615. A local government agency may require an elected officer, candidate, committee, or other person required to file statements, reports, or other documents required by Chapter 4 (commencing with Section 84100), except an elected officer, candidate, committee, or other person who receives contributions totaling less than one thousand dollars (\$1,000), and makes expenditures totaling less than one thousand dollars (\$1,000), in a calendar year, to file those statements, reports, or other documents online or electronically with a local filing officer. A local government agency that requires online or electronic filing pursuant to this section shall comply with all of the following:

- (a) The legislative body for the local government agency shall adopt an ordinance approving the use of online or electronic filing, which shall include a legislative finding that the online or electronic filing system will operate securely and effectively and would not unduly burden filers. The ordinance adopted by the legislative body for the local government agency may, at the discretion of that legislative body, specify that the electronic or online filing requirements apply only to specifically identified types of filings or are triggered only by identified monetary thresholds. In any instance in which the original statement, report, or other document is required to be filed with the Secretary of State and a copy of that statement, report, or other document is required to be filed with the local government agency, the ordinance may permit, but shall not require, that the copy be filed online or electronically.
- (b) The online or electronic filing system shall only accept a filing in the standardized record format that is developed by the Secretary of State pursuant to paragraph (2) of subdivision (a) of Section 84602 and that is compatible with the Secretary of States system for receiving an online or electronic filing.
- (c) The online or electronic filing system shall ensure the integrity of the data transmitted and shall include safeguards against efforts to tamper with, manipulate, alter, or subvert the data.
- (d) (1) The local filing officer shall issue to a person who files a statement, report, or other document online or electronically an electronic confirmation that notifies the filer that the statement, report, or other document was received. The confirmation shall include the date and the time that the statement, report, or other document was received by the filing officer and the method by which the filer may view and print the data received by the filing officer.

(2) A copy retained by the filer of a statement, report, or other document that was filed online or electronically and the confirmation issued pursuant to paragraph (1) that shows the filer timely filed the statement, report, or other document shall create a rebuttable presumption that the filer timely filed the statement, report, or other document.

(e) The date of filing for a statement, report, or other document that is filed online or electronically shall be the day that it is received by the local filing officer.

(f) The local filing officer shall make all the data filed available on the Internet in an easily understood format that provides the greatest public access. The data shall be made available free of charge and as soon as possible after receipt. The data made available on the Internet shall not contain the street name and building number of the persons or entity representatives listed on the electronically filed forms or any bank account number required to be disclosed by the filer. The local filing officer shall make a complete, unredacted copy of any statement, report, or other document filed pursuant to this section, including any street names, building numbers, and bank account numbers disclosed by the filer, available to any person upon request.

(g) The online or electronic filing system shall include a procedure for filers to comply with the requirement that they sign statements and reports under penalty of perjury pursuant to Section 81004.

(h) The local government agency shall enable filers to complete and submit filings free of charge.

(i) The local filing officer shall maintain, for a period of at least 10 years commencing from the date filed, a secured, official version of each online or electronic statement, report, or other document filed pursuant to this section, which shall serve as the official version of that record for purpose of audits and any other legal purpose. Data that has been maintained for at least 10 years may then be archived in a secure format.

(j) Notwithstanding any other provision of law, any statement, report, or other document filed online or electronically pursuant to this section shall not be required to be filed with the local filing officer in paper format.

(Added by Stats. 2012, Ch. 126, Sec. 1. Effective January 1, 2013.)



CITY OF HAYWARD

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

File #: WS 18-023

DATE: May 15, 2018

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT

Proposed FY 2019 Operating Budget - Work Session #2

RECOMMENDATION

That the Council provides comments on the FY 2019 Operating Budget, reviews follow-up items from the Saturday, April 28, 2018 budget work session, and discusses the proposed use of general fund reserves to present a balanced FY 2019 Operating Budget, as well as the four strategies to reduce the overall use of general fund reserves in FY 2019.

SUMMARY

The Proposed FY 2019 Operating Budget work session #2 includes a discussion of the use of \$5.5 Million from General Fund Reserves to adopt a balanced budget and a review of four options to minimize the use of General Fund Reserves in FY 2019.

The options to reduce the use of General Fund Reserves include (1) a possible 3-month hiring deferral, (2) consideration of a deferral of the previously planned increased General Fund allocation to Fleet Capital Replacement Internal Service Fund (ISF), (3) negotiated labor-related savings, and (4) prepayment of PERS ARC. Implementation of these options will result in an estimated reduction in the use of General Fund Reserves of \$2.5 million.

Additionally, a transfer from the General Fund for Information Technology (IT) Capital Replacement of \$472,000 is also proposed, which increases the use of General Fund reserves to \$6 Million. If the proposed strategies to reduce the use of general fund reserves are implemented and the proposed transfer from general fund for IT is approved, the use of General Fund reserves is reduced from \$6 Million is reduced to \$3 Million.

ATTACHMENTS

Attachment I Staff Report

File #: WS 18-023



DATE: May 15, 2018

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT Proposed FY 2019 Operating Budget – Work Session #2

RECOMMENDATION

That the Council provides comments on the FY 2019 Operating Budget, reviews follow-up items from the Saturday, April 28, 2018 budget work session, and discusses the proposed use of general fund reserves to present a balanced FY 2019 Operating Budget, as well as the four strategies to reduce the overall use of general fund reserves in FY 2019.

SUMMARY

The Proposed FY 2019 Operating Budget work session #2 includes a discussion of the use of the \$5.5 Million General Fund Reserve to adopt a balanced budget and a review of four options to minimize the use of General Fund Reserves in FY 2019.

The options to reduce the use of General Fund Reserves include (1) a possible 3-month hiring deferral, (2) consideration of a reduction of the previously planned increased General Fund allocation to Fleet Capital Replacement Internal Service Fund (ISF), (3) negotiated labor-related savings, and (4) prepayment of PERS ARC. Implementation of these options will result in an estimated reduction in the use of General Fund Reserves of \$2.5 million.

Additionally, a transfer from the General Fund for Information Technology (IT) Capital Replacement of \$472,000 is also proposed, which increases the use of General Fund reserves to \$6 Million. If the proposed strategies to reduce the use of general fund reserves are implemented and the proposed transfer from general fund for IT is approved, the use of General Fund reserves is reduced from \$6 Million is reduced to \$3 Million.

BACKGROUND

The City commenced the FY 2019 budget development process in January 2018. Both the Council Budget & Finance Committee and City Council have held several budget-related meetings over the last several months as part of the budget development process.

On April 28, 2018, the Council held a special budget work session to review the Proposed FY 2019 Operating Budget. The budget work session included Department presentations, Council discussion on department budgets and related operating issues, and a review of options to close the Proposed FY 2019 structural budget deficit and next steps. These four options are discussed in more detail in this report.

DISCUSSION

This is the second budget work session regarding the FY 2019 Operating Budget and includes further discussion regarding options to reduce the proposed \$5.5M use of General Fund Reserves to present a balanced FY 2019 Operating Budget for Council consideration. The options to reduce the use of General Fund Reserves include: (1) a possible 3-month hiring deferral, (2) consideration of a deferral of the previously planned increased General Fund allocation to Fleet Capital Replacement Internal Service Fund (ISF), (3) negotiated labor-related savings, and (4) prepayment of PERS ARC. These four options result in an estimated reduction in the use of General Fund Reserves of \$3 million.

Hiring Deferral of non-Public Safety Related Positions for First Quarter of FY 2019 (\$322,000):

A non-Public Safety hiring deferral was implemented during the first quarter of FY 2018 with minimal impact to City operations. Staff recommends that a hiring deferral be implemented for all vacant non-sworn positions in the General Fund for the first quarter of FY 2019. While the hiring deferral would preclude the City from filling vacant General Fund non-sworn positions before October 1, 2018, recruitment efforts would continue during the hiring deferral period so as not to delay the recruitment process unnecessarily.

Reduction in General Fund Allocation to Fleet Capital Replacement ISF (\$1 Million):

As a one-time strategy, Council approved the reduction in General Fund allocation to all ISFs for FY 2018. The Proposed FY 2019 Operating Budget includes the restoration of ISFs to FY 2017 budget levels. In addition to restoring ISFs, the Fleet Capital Replacement ISF includes an increase of \$1.0M in the Proposed FY 2019 Operating Budget. This additional allocation is consistent with the long-term plan of phasing-in an annual increase of \$1.0M in General Fund allocation to build fund balance needed to maintain the City's Fleet replacement program. However, to reduce the use of reserves in the General Fund in FY 2019, staff is recommending that this additional \$1 million General Fund allocation be eliminated.

Instead, staff is proposing a one-time transfer of \$400,000 of the interest earned from prior period UUT revenues to fund essential needs in the Fleet Capital Replacement ISF. At mid-year, staff will consider the possibility of restoring all or some of this proposed allocation, depending on the outcome of some of the budget balancing strategies the City will implement.

Negotiated Labor-Related Savings (\$822,000):

On April 17, 2018, the Council approved a negotiated agreement with one of the City's bargaining groups ([CONS 18-217](#)). The City anticipates that this successor agreement will result in a savings of approximately \$822,000 in FY 2019. The City continues to negotiate with the other bargaining units. Any additional cost savings resulting from approved labor agreements will be included during the FY 2019 Mid-year process.

Prepayment of PERS ARC (\$850,000):

In FY 2018, City staff presented Council with several strategies to close the General Fund Gap. City staff presented the option of prepayment of the PERS ARC. Council supported and approved the prepayment of PERS ARC and recommended that prepayment of the PERS ARC become an annual cost savings strategy. Prepayment of the PERS ARC in the FY 2019 Operating Budget will result in a cost savings of approximately \$850,000 to the General Fund. In future fiscal years this will be included in the proposed budget.

Lastly, as presented in the proposed Capital Improvement Program at the May 1, 2018 City Council meeting, an additional transfer from the General Fund for Information Technology Capital Replacement of \$472,000 is being put forth for Council's consideration.

FISCAL IMPACT

The FY 2019 proposed budget included the use of \$5.5 Million in general fund reserves to balance the budget.

Since the time the FY 2019 Operating Budget was proposed, a transfer from the General Fund for Information Technology Capital Replacement of \$472,000 is proposed and was presented during the May 1st Capital Improvement Program presentation. Should Council support this General Fund transfer, the use of General Fund reserves increases from \$5.5 Million to \$6 Million.

The table below provides a demonstration of the balancing strategies and their collective impact on reduction to the use of General Fund reserves from amounts previously proposed:

Proposed Strategy	Savings in General Fund
(1) 3-Month hiring deferral	\$322,000
(2) Reduction in planned General Fund allocation to Fleet Capital Replacement ISF	\$1,000,000
(3) Negotiated labor-related savings	\$822,000
(4) Prepayment of PERS ARC	\$850,000
Total	\$2,994,000

If the four proposed strategies to reduce the use of General Fund reserve are implemented, the use of General Fund reserves decreases from \$6 Million to \$3 Million.

STRATEGIC INITIATIVES

The Proposed FY 2019 Operating Budget includes budget augmentations to fund projects that support each of the three Council Strategic Initiatives; however, the contents of this report do not directly impact the Strategic Initiatives.

NEXT STEPS

The Public Hearing and Adoption of the FY 2019 Operating and CIP Budgets is scheduled for May 22, 2018.

Prepared by: Nicole Gonzales, Budget Officer

Recommended by: Dustin Claussen, Director of Finance

Approved by:



Kelly McAdoo, City Manager