

CITY OF HAYWARD

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



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Wednesday, November 17, 2021

5:00 PM

Remote Participation

Council Budget and Finance Committee

COVID-19 Notice: Consistent with Assembly Bill 361/Gov Code 54953(e), the Council Budget and Finance Committee meeting includes teleconference participation by all Council Budget and Finance Committee members and the public.

Please note that we are now using the Zoom Webinar platform to conduct meetings.

How to watch the meeting from home:

1. YouTube Live stream: <https://www.youtube.com/user/cityofhayward>

How to submit written Public Comment:

Send an email to Crissy.Mello@hayward-ca.gov by 2:00 p.m. the day of the meeting. Please identify the Agenda Item Number in the subject line of your email. Emails will be compiled into one file, distributed to the Council Budget and Finance Committee and City staff, and published on the City's Meeting & Agenda Center under Documents Received After Published Agenda. <https://hayward.legistar.com/Calendar.aspx>

When submitting written comments, indicate in the email if you want your comment read into the record. Requests will be allowed provided the reading will not exceed three (3) minutes consistent with the time limit for speakers at Council Committee meetings. Email comments will become part of the record of Council Committee meetings. The Chair can limit the time for reading written comments.

Click this link below to join the webinar:

*<https://hayward.zoom.us/j/89436320361?pwd=M0tDeWxCcDVSNEZZRFR2elRldkY5Zz09>
Passcode: Bdget@1117*

*Or Telephone: US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 301 715 8592 or +1 312 626 6799 or +1 929 205 6099
Meeting ID: 894 3632 0361
Passcode: 4709533639*

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS:

Limited Only to Items on the Agenda and Submitted in Writing Prior to the Meeting.

APPROVAL OF MINUTES

1. [MIN 21-153](#) Review and Approve the Council Budget and Finance Committee October 20, 2021 Meeting Minutes

Attachments: [Attachment I Minutes](#)

REPORTS/ACTION ITEMS

2. [RPT 21-133](#) Public Banking Update and Credit Union Informational Report

Attachments: [Attachment I Public Banking in the East Bay](#)

3. [RPT 21-130](#) Measure C Annual Report: Review Annual Report of Measure C Revenues and Expenditures, Approved by Voters on June 3, 2014

Attachments: [Attachment I Staff Report](#)
[Attachment II Measure C 20-Year Forecast](#)

4. [RPT 21-131](#) FY 2023 Preliminary Budget Process and Calendar Review

Attachments: [Attachment I FY 2023 Preliminary Budget Process and Calendar](#)

FUTURE AGENDA ITEMS

5. [ACT 21-099](#) Review and Approve the FY 2022 Agenda Planning Calendar

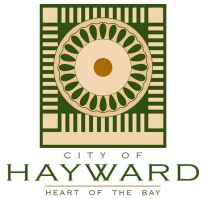
Attachments: [Attachment I Planning Agenda](#)

COMMITTEE MEMBER/STAFF ANNOUNCEMENTS

ADJOURNMENT

*Next Meeting - 5:00 p.m. Wednesday, January 19, 2022
(Meeting Canceled - December 2021)*

The City of Hayward's Open Data Portal was designed to allow the public to explore, visualize, and download publicly accessible data. The Open Data Portal allows a clear view of the City's financial performance. Access to the portal may be found at <https://haywardca.opengov.com/>



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File #: MIN 21-153

DATE: November 17, 2021

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

Review and Approve the Council Budget and Finance Committee October 20, 2021 Meeting Minutes

RECOMMENDATION

That the Council Budget and Finance Committee reviews and approves the October 20, 2021 Council Budget Committee meeting minutes.

SUMMARY

The Council Budget Committee (CBFC) held a meeting on October 20, 2021, and the draft minutes are attached for the Committee's review and approval.

ATTACHMENTS

Attachment I 10/20/21 CBFC Meeting Minutes



COUNCIL BUDGET & FINANCE COMMITTEE MEETING
Meeting Minutes of October 20, 2021

Call to Order: 5:03 p.m.

Members Present: Mayor Barbara Halliday, Councilmember Aisha Wahab,
Councilmember Sara Lamnin

Members Absent: None

Staff: Kelly McAdoo, Dustin Claussen, Nicole Gonzales, Nicholas Mullins,
Rick Rivera, Crissy Mello, Nick Tabari

Guests: Monique Spyke, PFM
Vikki Rodriguez, Maze & Associates
Dan Matusiewicz, GovInvest, Inc.

Public Comments: None

1. Approval of Meeting Minutes from September 15, 2021

At the direction of Councilmember Lamnin, the fourth major bullet point under Agenda Item 3, Overview of East Bay Community Foundation, will be changed to read:

“Councilmember Lamnin was supportive in providing the remaining COVID-19 Relief funds to the South Hayward Parish to support existing programs as well as healthcare needs identified last year related to the winter shelter.”

Action: Motions were made by Councilmember Lamnin to approve the minutes of September 15, 2021, with a correction. Motions were seconded by Councilmember Wahab and passed with unanimous approval.

2. Investment Portfolio Review and FY 2022 Statement of Investment Policy Update

- Director Claussen introduced Monique Spyke, Managing Director for PFM and provided a brief history and overview of PFM’s relationship with the City.

- Ms. Spyke informed the Committee that there had been no changes to the California Government Code that necessitated changes to the City's Investment Policy.
- Ms. Spyke presented the Committee with an overview of the investment market and its effects on the City's investment portfolio.
 - The COVID-19 pandemic continues to be the major influence on the economy, keeping bond prices high and yields low.
 - PFM continues to actively manage the City's investments and seek greater yield opportunities within the bounds set by the investment policy.
 - The City's investment portfolio continues to primarily be securities with 1-to-3-year maturities, with investments in longer maturities to offset the difficult market.
 - Income continues to be strong, but a slight decline is expected this year compared to prior fiscal years. The City's yields continue to trend slightly above market.
- In response to a question from Councilmember Lamnin, Director Claussen discussed the potential for using investment income to pay unfunded liabilities. Investment income is currently reinvested into the actively managed portfolio.

Action: The Committee received the presentation and provided feedback.

3. FY 2021 Annual Audit Process (Oral Presentation)

- Director Claussen introduced Vikki Rodriguez, Partner with Maze & Associates. Maze & Associates is the independent auditor for the City.
- Ms. Rodriguez provided the Committee with an overview of the FY 2021 Annual Audit Process.
 - The Auditor is responsible for providing an opinion on whether the City's financial statements are fairly stated.
 - The Auditor develops and provides a materiality threshold benchmark for reasonable assurance that it did not detect any material misstatements.
 - The Auditor reviews the City's financial activities, fiscal controls, transactions, balances, and compliance with regulations and grant terms.
 - The Auditor performed sampling in June 2021 and completed all fieldwork in late Summer. They expect to issue the Audit Report in December and complete the audit shortly thereafter.
 - Prior to the report, the Auditor requires an information disclosure letter.
- Ms. Rodriguez asked the Committee fraud disclosure questions as part of the annual audit process. The Committee did not have affirmative answers to any of the disclosure questions.

Action: The Committee received the presentation and answered the Auditor's fraud disclosure questions.

4. CalPERS Update

- Director Claussen introduced Dan Matusiewicz, Senior Public Finance Consultant for GovInvest, Inc. The City has contracted GovInvest, Inc to develop and provided expert support for pension and OPEB modeling software.
- Mr. Matusiewicz provided the Committee with an overview of the current CalPERS landscape.
 - The presentation began with a review of pension basics, including defined benefit programs, prefunding, and investment earning sensitivity.
 - The current state of CalPERS is due to changes implemented in 2012 as part of the PEPRA legislation.
 - CalPERS' risk mitigation policy dictates that surplus in higher return years be used to reduce risk in the investment portfolio. Current economic trends have resulted in lower-risk securities providing low-to-no returns.
 - The CalPERS Board is currently discussing lowering to the current discount rate of 7%. A lower discount rate would reduce the City's funded status. The expected new discount rate will be established after the Board's meetings in November.
- As a next step, Mr. Matusiewicz advised that the CalPERS Board meetings include an opportunity for comments advocating on behalf of the City and its bargaining groups.
- City Manager McAdoo proposed preparing advocacy talking points for members of the Committee and City bargaining groups who wish to testify at the CalPERS Board meetings.

Action: The Committee received the presentation and provided feedback.

5. Future Agenda Items

- The Committee reviewed the FY 2022 Meeting Schedule
- Director Claussen informed the Committee that the next session will include an update on Public Banking.

Action: Councilmember Lamnin requested further discussion of a parcel tax in February to coincide with the Mid-Year Budget process. Councilmember Wahab requested that the Public Banking discussion include a comparison with credit unions and conventional banks. Mayor Halliday requested further discussion of the Hayward Foundation, specifically the East Bay Community Foundation's process for providing acknowledgement letters and tax documents.

Committee Members/Staff Announcements:

None

Adjournment: The meeting was adjourned at 6:48 p.m.



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File #: RPT 21-133

DATE: November 17, 2021

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

Public Banking Update and Credit Union Informational Report

RECOMMENDATION

That the Committee reviews and comments on information on Public Banking from Public Bank East Bay and the City's Credit Union, Chabot Federal Credit Union.

SUMMARY

The Committee has expressed a desire for an update on the status of Public Banking in California and the Hayward community and on information about credit unions in general. The City became a member of Chabot Federal Credit Union in March 2020 extending benefits to all City employees and their family members. This staff report includes a presentation provided from Public Bank East Bay and the Chabot Federal Credit Union.

ATTACHMENTS

Attachment I Public Banking Presentation

Public Bank East Bay

November 2021

publicbankeastbay.org

What is a public bank?

A **financial institution owned by public entities**, such as a city/county/region.

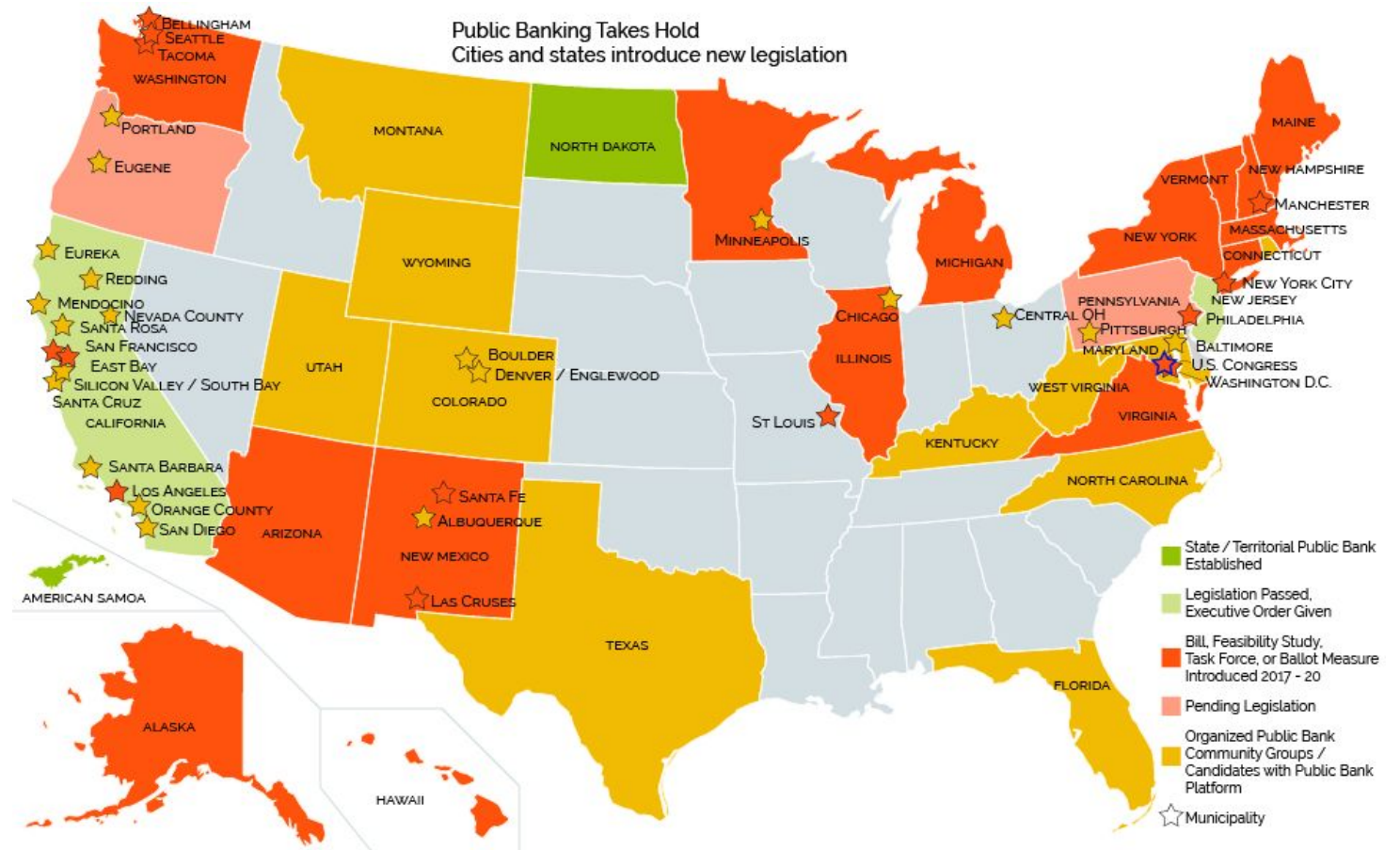


Why now?

- **Private banks hold billions of tax dollars**, charging **enormous fees** and investing in projects that **don't align with the public's priorities**.
- There is a **severe lack of funding** for affordable housing, underserved small businesses, and green energy infrastructure
- COVID-19 has decimated our local economies and **recovery capital is limited**.

Public Banks are being initiated across the nation!

- The CA Public Banking Alliance includes 10 local chapters statewide
- In 2019 the **Public Banking Act** (AB 857) was passed creating the legal pathway for public banks in CA
- Introduction of the federal Public Banking Act in Oct 2020
- Eight states and 16 cities across the US



Public banks exist around the world

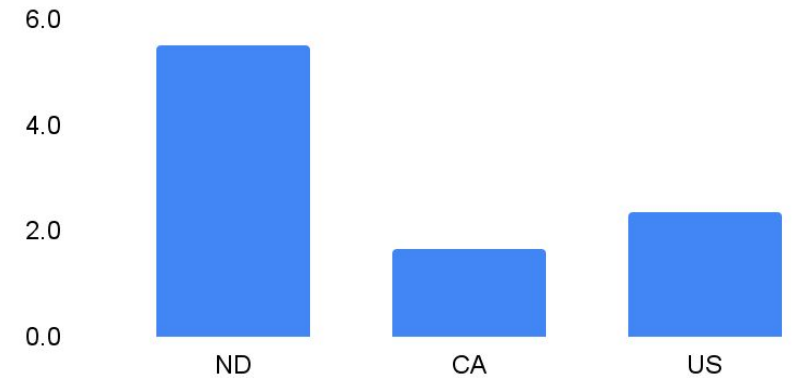
- One third of banks worldwide are publicly owned
- In Germany, the Sparkassen network was key to fuel the investment boom into renewable energy infrastructure
- In the U.S. the Bank of North Dakota has successfully operated for over 100 years



The Bank of North Dakota

- **Supports a vibrant ecosystem of local banks** in North Dakota to provide small business and community development loans
- **Higher return on investment** than Wall Street Banks, bringing \$1B+ to the state over first 100 years
- **Fewer economic losses** and **faster recovery** from the 2008 & 2020 recessions than any other state

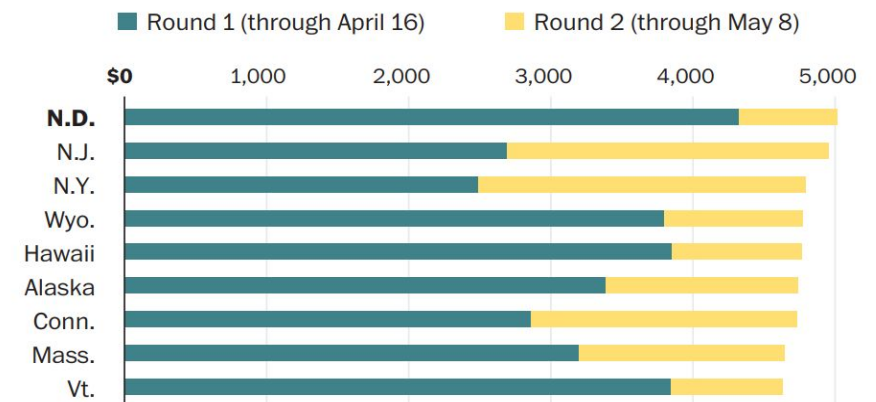
Bank branches per 10,000 people by state



Source: [FDIC Deposit Market Share Reports](#)

PPP relative to the size of each state's workforce

Payroll Protection Program loan awards per worker in the state

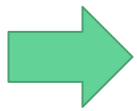


Source: SBA Labor Department; [Washington Post](#)

How does a public bank work?

Public Banks **partner** with existing local financial institutions *by design*

- AB 857: Section 16, Division 5. 57604: public banks **cannot compete with existing local financial institutions**, but must lend only through partnership with them
- The public bank will be a **wholesale bank** that leverages public funds for the benefit of the community
- The public bank will operate with a **social mission** that prioritizes lending to borrowers in low-income communities that are underserved



The public bank strives to bring in **additional lending** to currently underserved borrowers by leveraging public funds and partnering with local financial institutions

How it would work practically



Land Trust Loan Application

East Bay Land Trust approaches local bank for a \$10M loan to purchase properties for community use.



Local Bank Offer

Local Bank underwrites the loan and is willing to lend \$5M at 5% interest over 30 years



Public Bank Partnership

PBEB co-underwrites the deal and participates with \$5M and buys down the first year of interest payments to cut down overall interest costs



The money starts to work for our community

Land Trust receives \$10M loan at 3% over 30 years.

How the Public Bank can help our communities

- **Invest** public money locally in infrastructure, affordable housing, and small businesses
- **Develop** a vibrant, sustainable and regenerative local economy through partnering with local financial institutions
- **Restore Equity** by prioritizing loans to underserved communities
- **Divest** public funds from Wall Street and **Reduce** the cost of banking services and local government debts
- **Create Accountability** through a bank board with a majority of community representatives



Our model and next steps

Our Model for the Public Bank East Bay

Funding

- **Owned and capitalized** by Alameda County and the cities of Oakland, Berkeley and Richmond as founding members
- **Takes only municipal deposits** from cities, counties, and semi-governmental agencies like BART or EBMUD

Lending

- **Partners with local financial institutions** like credit unions, Community Development Financial Institutions (CDFIs) and community banks to expand their loan programs
- **Mission-driven loan policy** based on the values of racial equity, environmental sustainability, and democracy

Oversight

- **Regulated by state and federal agencies** with the same standards as any commercial bank (FDIC insurance, collateralization of municipal deposits)
- **Governed** by an independent board of directors with a mix of community representatives, city/county officials, and finance experts

Our Progress

- In 2019, we were part of a statewide, grassroots organizing effort that **passed AB 857 - the California Public Banking Act.**
- We are working with two consultants to **complete a viability study in collaboration with financial directors** from Oakland, Berkeley, Richmond, and Alameda County.
- We have **hired banking attorney Gary Findley to write our business plan** once the viability study is approved.
- We have **raised ~\$120k from foundations, allied organizations, and private donors.** Budget referrals are being prepared in Richmond and Berkeley for **\$250k.**
- We have the **support of over 50 community organizations** and the majority of councilmembers in Oakland, Berkeley and Richmond.

Endorsements

AFSCME Council 57

Allen Temple Baptist Church

Asian Pacific Environmental Network

Bay Area Organization of Black Owned Businesses

Beacon Presbyterian Fellowship

California Nurses Association/National Nurses Unite

Causa Justa/Just Cause

Climate Workers

Code Pink

Commonomics USA

Community Development Finance

Dellums Institute for Social Justice

Diamond Neighbors for Racial Justice

EBase: East Bay Alliance for a Sustainable Economy

East Bay Democratic Socialists of America

East Bay Housing Organizations

Ella Baker Center for Human Rights

Empowered Investments/Mehul Thakker

First Presbyterian Church of Berkeley

Friends of the Earth United States

Golden Gate Community Association

Green Party of Alameda County

Harborside Health Center

Housing and Economic Rights Advocates

Idle No More SF Bay

In the Public Interest

John George Democratic Club

Kehilla Community Synagogue Economic Justice Committee

Local Clean Energy Alliance

Movement Generation: Justice and Ecology Project

North Oakland Restorative Justice

Oakland Climate Action Coalition

Oakland Education Association

Oakland Green Party

Oakland Justice Coalition

Oakland NAACP

Oakland Tenants Union

People's Community Market

Phat Beets

Planting Justice

Project Equity

Public Banking Institute

Scraper Bike Team

SEIU 1021

Showing Up for Racial Justice (SURJ) Bay Area

Sierra Club Employee Alliance, UAW Local 2103

Socialist Alternative Bay Area

Strike Debt Bay Area

Sunflower Alliance

Sunwalker Energy

Sustainable Economies Law Center

Urban Strategies Council

Wellstone Democratic Renewal Club

Short Term

- Getting County buy-in (with your help!)
- Raising funds for the bank's Startup Costs (~\$2.4M)

Next Steps

Long Term

- Depositing in the Public Bank

Questions?

Appendix

Startup Costs

We have covered our operating costs for 2021.
100% of the funding we receive goes toward
establishing the Public Bank East Bay.

Business Plan	\$ 250,000
Board Member Vetting & Recruitment	380,000
Staff Salaries	650,000
Legal and Consulting	250,000
Technology, Fixed Assets, & Misc. Fees	815,000
TOTAL	\$2,345,000

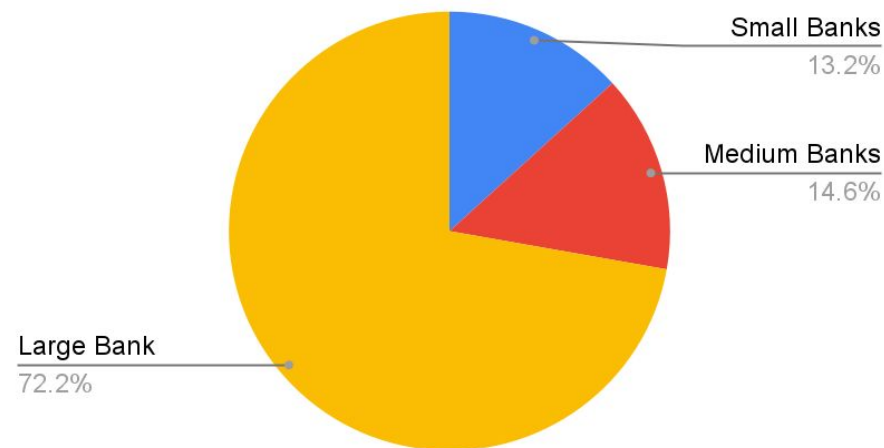
**Community based,
equitable governance** is at
the core of our proposal for
the Public Bank East Bay

- **Board of Directors** representing the needs of the community the bank aims to serve:
 - Community leaders
 - Banking experts
 - City and County officials
- **Loan Policies** with progressive metrics around:
 - Racial equity
 - Environmental sustainability
 - Fair and equal access to capital

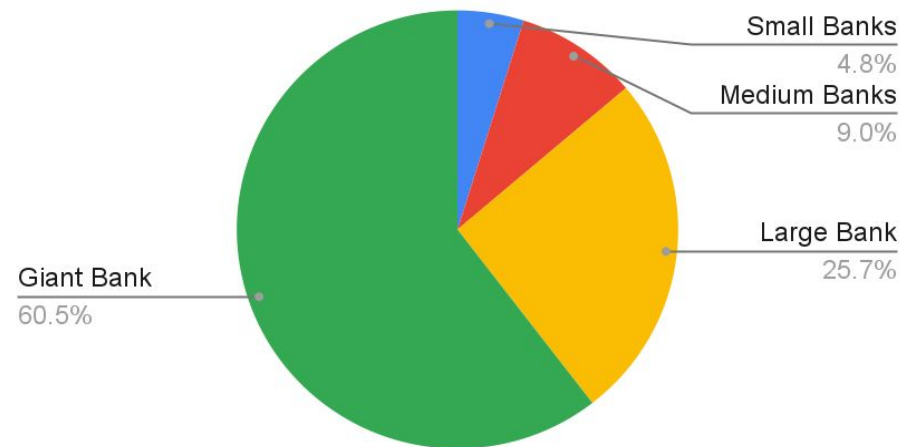
Wall Street banks have dramatically increased their share of US deposits over the last two decades.

Today, only 6 banks control more than 60% of CA deposits

Share of CA Deposits, 1994

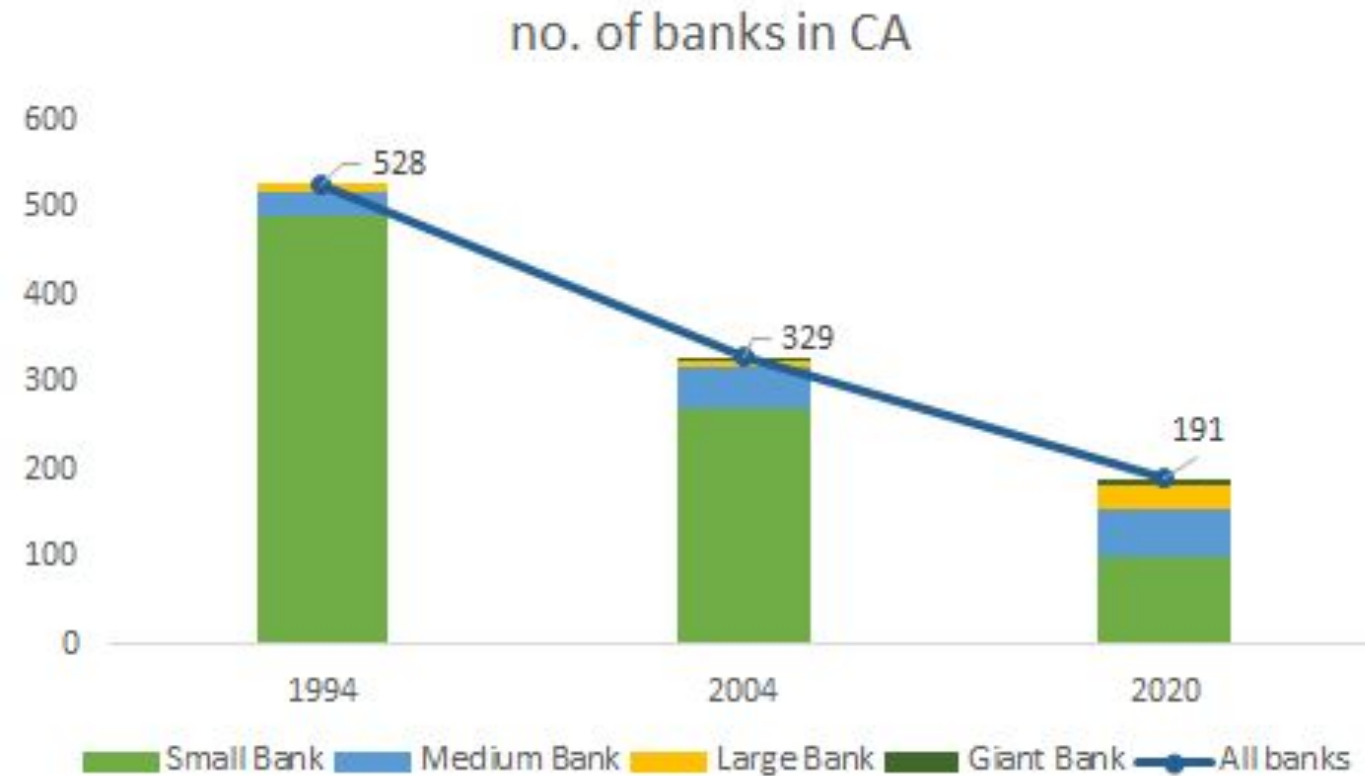


Share of CA Deposits, 2020



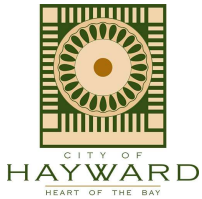
Source: [FDIC Deposit Market Share Reports](#). "Small Bank": Assets less than \$1.2Bn, "Medium Bank": Assets between \$1.2Bn and \$10.2Bn, "Large Bank": Assets between \$10.2Bn and 100.2Bn, "Giant Bank": Assets above \$100.2Bn.

1 out of 5 community banks have disappeared in California over the last 25 years



➔ Fewer community banks and credit unions lead to fewer loans for small businesses, housing and infrastructure in the local communities

Source: [FDIC Deposit Market Share Reports](#). “Small Bank”: Assets less than \$1.2Bn, “Medium Bank”: Assets between \$1.2Bn and \$10.2Bn, “Large Bank”: Assets between \$10.2Bn and 100.2Bn, “Giant Bank”: Assets above \$100.2Bn.



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File #: RPT 21-130

DATE: November 17, 2021

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

Measure C Annual Report: Review Annual Report of Measure C Revenues and Expenditures, Approved by Voters on June 3, 2014

RECOMMENDATION

That the Committee receives and reviews the City's Measure C (District Sales Tax) FY 2021 annual report.

SUMMARY

In 2014, the voters of the City of Hayward approved a ½ cent District Sales Tax (Measure C), which is a general tax that can pay for any services within the City's General Fund. However, when the Council placed the measure on the ballot in 2014, they identified several priorities for the use of these funds based on issues identified by the community: police and public safety services; illegal dumping; litter control; street improvements; graffiti abatement; and capital infrastructure projects. The prioritized capital projects included: the construction of the City's 21st Century Library and Community Learning Center; completion of fire station retrofits and improvements; rehabilitation and expansion of the existing fire training center located at Fire Station 6; as well as extensive street improvements. As of November 2021, the fire station retrofit and street improvement projects have been completed, the 21st Century Library and Community Learning Center project is pending final project acceptance, and the regional fire training center at Fire Station 6 is well underway with expected completion in Fall 2022. This report provides an overview of Measure C projects to date as well as current financial projections for the funds.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Measure C 20-Year Forecast



DATE: November 17, 2021

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT: Measure C Annual Report: Review Annual Report of Measure C Revenues and Expenditures, Approved by Voters on June 3, 2014

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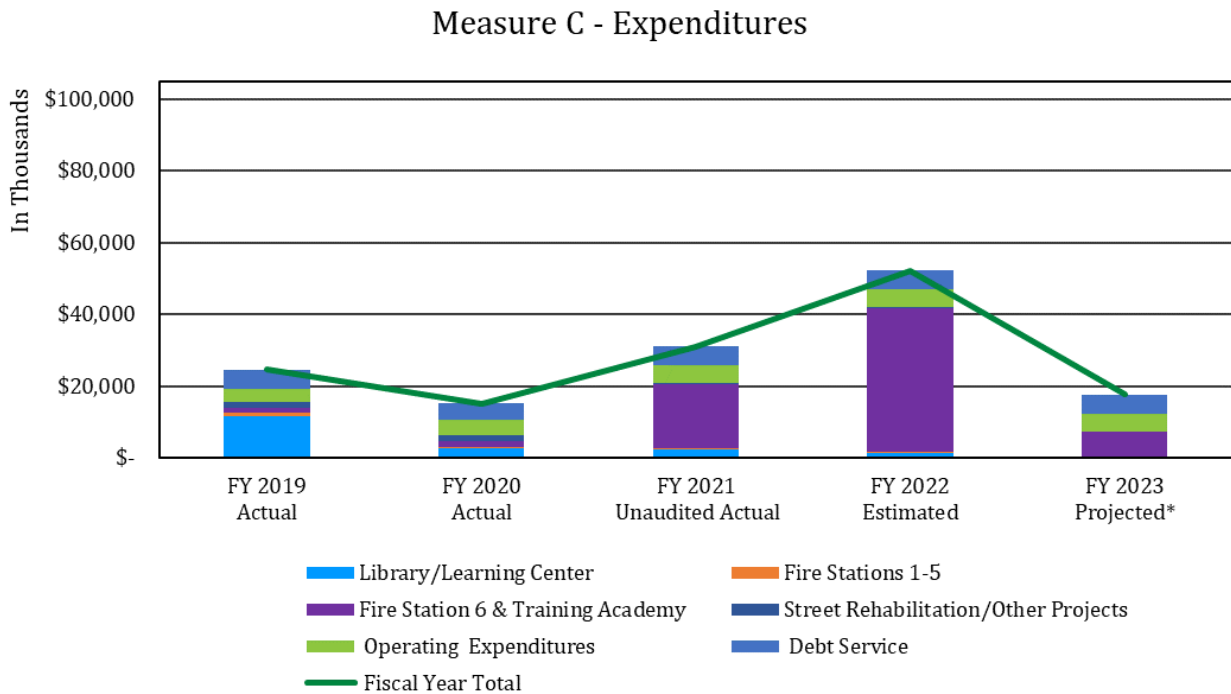
BACKGROUND

On June 3, 2014, the voters of the City of Hayward passed Measure C to create a District Sales Tax and increase the City's Sales and Use Tax by half a percent for twenty years. Since that time, staff has focused on the completion of current and future capital improvement projects funded by Measure C, and has looked for ways to utilize revenues to achieve the promises of Measure C. Using Measure C funds, the City completed its largest road improvement project in history, reduced graffiti around the City, built a state of the art 21st Century Library and Community Learning Center, retrofitted five of the City's fire stations and is currently in the construction phase to complete a comprehensive regional fire training center that will be used by agencies and educational institutions from around the western United States.

DISCUSSION

Measure C Performance

With the passing of Measure C, the City developed a 20-Year Financial Forecast to project Measure C revenue over time and develop budgets for capital improvement projects and ongoing operational costs that support the Council's priorities for Measure C as outlined above. The following graph illustrates the use of Measure C related funds through FY 2023.



Detailed expenditures of Measure C in FY 2021 and estimated expenditures in FY 2022 are provided in Table 1. The table shows projected revenue and expenditure activity as it relates to Measure C in FY 2021 and FY 2022, including a breakdown of capital and operating expenditures.

TABLE 1: MEASURE C - FY 2021 ACTUAL AND FY 2022 ESTIMATED

	FY 2021 Actual	FY 2022 Estimated
Revenues		
Measure C District Sales Tax	18,715,986	18,547,918
Other Partnering Contributors	6,127,662	12,035,189
Total Revenues	24,843,648	30,583,107

Expenditures

Capital

Library/ Learning Center	2,449,125	1,482,871
Fire Facilities Design	50,250	208,050
Fire Station 1		
Fire Station 2	3,095	
Fire Station 3	1,269	
Fire Station 4	20,554	
Fire Station 5	1,345	
Fire Station 6	5,298,984	3,911,433
Fire Training Academy	12,719,734	36,244,127
Street Rehabilitation		
Debt Service	5,424,438	5,423,063
Other Projects	263,231	217,009
Operating		
Police Services	3,290,198	3,151,091
Maintenance Services	1,468,931	1,410,360
Other Department Services	106,542	223,969
Total Expenditures	31,097,696	52,271,973
Beginning Fund Balance	28,012,868	21,758,821
Annual Surplus/(Shortfall)	(6,254,048)	(21,688,866)
Ending Fund Cash Balance	21,758,821	69,955

Measure C Funded Capital Improvement Projects

Fire Station 6 and Regional Fire Training Center Improvement



Building; Underground Search and Rescue Structure/BART Structure; Covered Outdoor Classroom; Entry Structure; and Parking Lot. The final design of Fire Station 6 and Regional Fire Training Center was completed in April 2020. City Council awarded the construction

This project will replace the existing Fire Station 6 with a new fire station and create a regional fire training center that will include: Classroom Buildings; Fire Station 6/Classroom Building; Apparatus Building; Training Tower; Burn Building; Storage Building; Hangar



contract to SJ Amoroso on July 7, 2020. Construction started on August 17, 2020, with site grading, soil off-haul and undergrounding work. The Fire Station/Classroom Building is the most complex building with the longest construction duration. All structural steel, concrete walls and roof are completed at this building and continues with interior walls, mechanical, electrical, plumbing work and interior finishes. With the exception of the Entry Structure, construction on all other buildings have also begun and are at various stages of construction. It is anticipated that the project will be complete in FY 2023. The estimated total project cost is \$70.9 million.

A partnership for the Regional Fire Training Center between the City of Hayward and the Chabot-Las Positas Community College District (District) will serve as a mutual benefit. The Regional Fire Training Center will be a joint center and training program with dedicated classroom space, offices, and shared use of the grounds for City of Hayward fire personnel, as well as Chabot College's Fire Technology Program. Chabot College's Fire Technology Program is an Accredited Regional Fire Academy that will offer training opportunities for entry-level and active-duty fire service professionals from around the region.

21st Century Library and Community Learning Center



The 21st Century Library and Community Learning Center is an invaluable asset to the Hayward community. Work on the 21st Century Library and Community Learning Center began with the selection of an architect in 2007, and construction began in January 2016. The estimated final project cost is \$63.2 million.

The new 21st Century Library and Community Learning Center is a three-story, 58,000 square foot building. As a planned net-zero energy facility, the building will be 100% self-sufficient in use of electricity once fully functional and is expected to receive a LEED certified rating of Platinum from the U.S. Green Building Council. In addition to its LEED certification, the library houses 50% more library materials, including books and multi-media for all ages, 53 additional computers made available for public use, and a Makerspace featuring 3D printers, robotics, and textiles. It includes multiple community meeting rooms, a Homework Support Center within the Children's Library, and offers additional services to the Hayward community.

The 21st Century Library opened to the public on September 14, 2019. The City continues to work with the primary contractor to finalize some construction related items prior to final project acceptance by the City. In response to the Covid-19



pandemic, the Library was temporarily closed on March 17, 2020, and resumed limited operations in July 2020. During this period of time, there were minor delays in finalizing outstanding construction related items. It is anticipated that the final project acceptance will be completed in the near future. The 21st Century Library resumed pre-pandemic open hours in October 2021, though not all pre-pandemic services are available. Reopening of all regular operations at the 21st Century Library will be determined based upon the health and safety guidance issued by the State of California and Alameda County.

Heritage Plaza



The Heritage Plaza project is Phase II of the 21st Century Library and Community Learning Center. The Plaza is substantially complete and open to the public as of July 17, 2021. Work for Phase II has included the demolition of the prior Library facility, the

construction of an underground rainwater catchment system, and installation of landscaping features. Demolition of the Main Library structure took place in July 2018. This was followed by the construction of the underground catchment, filtration, and storage system. When complete, this system will recycle rainwater for irrigation and graywater uses in the 21st Century Library and Heritage Plaza and will be a major component of the project's expected LEED certification. Landscaping features are expected to include an event space, an arboretum housing 40 rare and mature trees, and a Children's Garden. Final project completion and acceptance is expected in the near future.

Fire Stations 1 through 5 Improvements

This project involved considerable renovations of Fire Stations 1-5. Substantial improvements included seismic retrofits, energy efficient enhancements, and accessibility upgrades. Seismic retrofits at all stations will allow for immediate occupancy following a 7.0 earthquake, facilitating a smooth transition into emergency response following a natural disaster. Traffic Pre-Emption systems were installed to speed response times and minimize negative effects of Code 3 responses on traffic patterns. Energy efficiency improvements were completed at each

fire station, including the installation of solar panels on Stations 2-5, which are designed to offset 70% of electricity consumption of the old buildings. However, the solar panels are projected to offset more, as the building upgrades included new energy efficient lighting and windows. Improvements were completed in August 2018. A celebration and thank you to the community were held in October 2018.

Roads / Street Improvements

Measure C funds were used in the FY 2016 Pavement Preventive Maintenance and Resurfacing Project. This was a two-year project that was completed in February 2018. The City leveraged funds from a combination of funding sources (i.e., Gas Tax, Measure B & BB), including \$12 million from Measure C to complete the City's largest road improvement project to date.

The project provided new asphalt surfaces, and both intensive and minor roadway repairs on 312 street segments. These projects also included new and upgraded curb ramps, new striping for lane delineation, crosswalks, and bike lanes. With the completion of this project, the City's average Pavement Condition Index (PCI) increased from 66 to 70 in two years. Measure C funds may be used in future pavement preventive maintenance and resurfacing projects to expand the number of roadway segments treated by the City.

Staffing

The following table lists the positions that are authorized and budgeted in Measure C fund in FY 2021, as well as the status of each position. Measure C funded positions were not changed from FY 2021. The green shading depicts the positions budgeted within the Maintenance Services Department; while the blue shading denotes the positions budgeted in the Police Department.

TABLE 2: FY 2021 MEASURE C FUNDED FTE'S:

Positions	Authorized	Budgeted	Filled	Vacant
Groundskeeper I	5.0	5.0	5.0	0.0
Groundskeeper II	1.0	1.0	1.0	0.0
Maintenance Worker / Laborer	2.0	2.0	2.0	0.0
Maintenance Lead	1.0	1.0	1.0	0.0
Police Officer	3.0	3.0	3.0	0.0
Police Lieutenant	1.0	1.0	1.0	0.0
Crime Analyst	1.0	1.0	1.0	0.0
Certified Latent Print Examiner	1.0	1.0	1.0	0.0
Communications Supervisor	1.0	1.0	1.0	0.0
Communications Operator	7.0	7.0	7.0	0.0
TOTAL FTE	23.0	23.0	23.0	0.0

At the time of this report, all positions are filled among the Measure C authorized and budgeted positions.

ECONOMIC IMPACT

There is no economic impact associated with this report as it is informational only.

FISCAL IMPACT

There is no fiscal impact associated with this report; however, staff will continue to manage the Measure C 20-Year Financial Forecast to identify opportunities for City capital improvement projects, and other costs to fulfill the promises of Measure C.

STRATEGIC ROADMAP

Measure C funding directly supports the Strategic Priorities of Improve Infrastructure and Support Quality of Life. Specifically, this item relates to the implementation of the following project(s):

Improve Infrastructure, Project 5, Part 5.a: Maintain Pavement Condition Index (PCI) at 70.

Improve Infrastructure, Project 12: Construct the fire station and Fire Training Center.
Support Quality of Life, Project 6: Plan Library operations and hours to leverage the new facility.

Support Quality of Life, Project 13: Evaluate Options for adding bathrooms to Heritage Plaza for Council consideration.

SUSTAINABILITY FEATURES

The 21st Century Library and Community Learning Center is a net-zero energy facility, which is expected to qualify for LEED Platinum Certification. The Regional Fire Training Center Improvement Project will include the installation of Bay-friendly landscaping, storm water treatment devices, LED lighting, and solar PV panels. The new facilities are planned to achieve LEED Silver, and the habitable buildings are being designed to achieve Net Zero Energy. Additional energy efficiency improvements, such as LED lighting improvements and energy efficient windows, were completed as part of the retrofits at Fire Stations 1-5.

PUBLIC CONTACT

The agenda for this item was posted in compliance with the California Brown Act.

NEXT STEPS

Staff will continue to prioritize the completion of current and future Capital Improvement Projects, and look for ways to utilize revenues to achieve the promises of Measure C and remain exemplary stewards of the funds available through Measure C.

Prepared by: Rick Rivera, Management Analyst I

Nicole Gonzales, Deputy Director of Finance

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

Measure C
20-Year Financial Forecast Update

Measure C 20-Year Financial Forecast																						
Year Ref.		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Fiscal Year		Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Unaudited Actual FY 2021	Estimated FY 2022	Projected FY 2023*	Projected FY 2024*	Projected FY 2025*	Projected FY 2026*	Projected FY 2027*	Projected FY 2028*	Projected FY 2029*	Projected FY 2030*	Projected FY 2031*	Projected FY 2032*	Projected FY 2033*	Projected FY 2034*	Projected 2035*
Revenues																						
Measure C		8,090,470	13,436,227	14,189,607	15,216,260	16,906,772	16,876,487	18,715,986	18,547,918	19,370,950	20,183,018	20,945,915	21,659,643	22,323,743	22,939,911	23,398,709	23,866,683	24,344,017	24,830,897	25,327,515	25,327,515	25,834,066
Bond Issuance			65,789,797																			
Chabot Commitment							1,837,150	6,127,662	12,035,189													
Total Revenues		8,090,470	79,226,024	14,189,607	15,216,260	16,906,772	18,713,637	24,843,648	30,583,107	19,370,950	20,183,018	20,945,915	21,659,643	22,323,743	22,939,911	23,398,709	23,866,683	24,344,017	24,830,897	25,327,515	25,327,515	25,834,066
Expenditures																						
Capital Expenditures																						
Library/Learning Center			10,607,338	17,372,241	17,051,095	11,503,558	2,739,353	2,449,125	1,482,871													
Fire Facilities Design			930,859	1,285,242	284,537	150,680	35,898	50,250	208,050	195,465												
Fire Station 1				358,293	618,851	33,618	1,521															
Fire Station 2				587,183	1,571,806	172,704	95,567	3,095														
Fire Station 3				472,826	1,622,186	141,045	66,950	1,269														
Fire Station 4				114,900	1,609,051	297,312	128,458	20,554														
Fire Station 5				75,973	1,207,332	435,506	58,488	1,345														
Fire Station 6					65,762	305,789	720,032	5,298,984	3,911,433	600,000												
Fire Training Academy				681,043	2,025,836	752,152	877,108	12,719,734	36,244,127	6,700,000												
Street Rehabilitation			490,845	10,554,232	652,521	32,113	-			2,000,000									2,000,000			
EBRCS Radios						1,314,719	1,337,437	-														
Tennyson Corridor Median Improvement						251,604	356,050	263,231	217,009													
Subtotal		-	12,029,043	31,501,932	26,708,977	15,390,800	6,416,863	20,807,587	42,063,490	7,495,465	2,000,000	-	-	-	-	-	-	-	2,000,000	-	-	-
Operating Expenditures																						
Police Services			569,836	1,793,135	1,935,134	2,956,896	3,097,313	3,290,198	3,151,091	3,371,668	3,607,685	3,860,222	4,130,438	4,419,569	4,728,938	5,059,964	5,414,162	5,793,153	6,198,674	6,632,581	6,632,581	7,096,862
Maintenance Services		205,969	708,249	572,105	610,926	761,784	1,058,980	1,468,931	1,410,360	1,509,085	1,614,721	1,727,751	1,848,694	1,978,103	2,116,570	2,264,730	2,423,261	2,592,889	2,774,391	2,968,599	2,968,599	3,176,401
Other Department Services						73,240	66,116	106,542	223,969													
Subtotal		205,969	1,278,084	2,365,240	2,546,060	3,791,920	4,222,408	4,865,672	4,785,420	4,880,753	5,222,405	5,587,974	5,979,132	6,397,671	6,845,508	7,324,694	7,837,422	8,386,042	8,973,065	9,601,179	9,601,179	10,273,262
Debt Service Expenditures			2,326,436	2,859,637	2,732,875	5,430,063	4,523,594	5,424,438	5,423,063	5,415,313	5,407,938	5,425,488	5,419,188	5,436,938	5,434,838	5,434,063	5,426,800	5,424,913	5,420,657	5,379,350	5,372,350	5,372,350
Total Expenditures		205,969	15,633,563	36,726,809	31,987,912	24,612,783	15,162,865	31,097,696	52,271,973	17,791,530	12,630,343	11,013,461	11,398,320	11,834,609	12,280,346	12,758,756	13,264,222	13,810,954	16,393,721	14,980,529	14,973,529	15,645,612
Annual Cash Flow		7,884,501	63,592,461	(22,537,202)	(16,771,652)	(7,706,011)	3,550,772	(6,254,048)	(21,688,866)	1,579,420	7,552,675	9,932,454	10,261,323	10,489,134	10,659,565	10,639,953	10,602,461	10,533,063	8,437,176	10,346,986	10,353,986	10,188,454
Cumulative Fund Balance		7,884,501	71,476,962	48,939,761	32,168,108	24,462,097	28,012,868	21,758,821	69,955	1,649,374	9,202,049	19,134,503	29,395,826	39,884,961	50,544,526	61,184,479	71,786,940	82,320,002	90,757,178	101,104,164	101,111,164	111,292,618

*The amounts identified for capital projects in future fiscal years of this projection are conceptual only and have not been approved or appropriated. Appropriation and allocation of these funds will occur annually with adoption of the City's Operating and Capital budgets.



CITY OF HAYWARD

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

File #: RPT 21-131

DATE: November 17, 2021

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

FY 2023 Preliminary Budget Process and Calendar Review

RECOMMENDATION

That the Committee receives an overview on the FY 2023 Preliminary Budget Process and Calendar Review.

SUMMARY

The attached provides the Committee with an overview of the FY 2023 Preliminary Budget Process and Calendar. The City's annual budget process begins in January. The budget process includes several significant steps that allows for the development and presentation of the proposed budget to the Council for consideration prior to the planned adoption in May 2022. Attached is a detailed calendar of key deadlines that outline the FY 2023 preliminary budget process.

ATTACHMENTS

Attachment I FY 2023 Preliminary Budget Process and Calendar

Key Dates		Actions
FY 2023 Annual Operating Budget & CIP Budget		
Oct-21		
13		CIP instructions and guidelines issued to departments
Nov-21		
1-5		One on One CIP Fund Balance Review / Project Needs Discussions w/ PW Director and Dept. Directors
15		UES CIP Projects Due in OpenGov Budget Builder
19		Present FY 2023 Budget Process and Calendar (CBFC)
Dec-21		
1		CIP Projects Due in OpenGov Budget Builder
Jan-22		
7		FY 2023 Operating budget development instructions issued to departments
19		Discuss FY 2023 Budget Process & Work Session Framework (CBFC)
24		FY 2023 Master Fee Schedule - begin staff review
Feb-22		
7		Department budget and Updated Department Narratives & Baseline Organization Charts, including proposed changes to Organization Charts submittals due Finance in OpenGov Budget Builder
7		Internal Service Fund (ISF) Budget & Rates due to Finance
7		Enterprise & Special Revenue Funds Summaries due to Finance
7-11		CIP Screening Committee for General Fund - Fire, PD, MSD, IT. Attendees to include ACM, Finance Director, Fire Chief, PD Chief, PW Director, MSD Director, IT Director
14-18		CIP Screening Committee for U&ES, Airport and PW. Attendees to include ACM, Finance Director, U&ES Director, PW Director, PW Managers
14-18		Initial operating budget review meetings with department budget liaisons prior to CM/ACM meetings
21		FY 2023 Master Fee Schedule - Changes Due to Finance
Mar-22		
1-11		Initial operating budget meetings with CM, ACM, Departments & Finance
7-11		Presentation of draft CIP to City Manager & ACM
18		Submit Publication-Ready draft of CIP to City Manager for final approval
16		Updated department narratives due to Finance in OpenGov Budget Builder
16		All final department budget information due to Finance in OpenGov Budget Builder
16		ISF, Enterprise & Special Revenue Funds Summaries & Multi-Year Forecasts Finalized (via OpenGov)
16		OpenGov will be advanced to Proposed -- Department will no longer be able to make edits
22		City Council to adopt FY 2023 Master Fee Schedule
Apr-22		
4		Begin FY 2023 GANN Limit calculations
5		City Council Work Session - Community Agency Funding: CDBG, Social Services, and Arts/Music
7 or 21		City Council - Draft Recommended CIP Budget published on City website
14 or 28		Planning Commission Public Hearing - FY 2023-2031 CIP Budget
26		City Council Public Hearing - Community Agency Funding: CDBG, Social Services, and Arts/Music
25-27		Department Saturday Worksession Presentation Walk-Throughs with CM
27		Council Infrastructure Committee - Draft Recommended CIP Review
29		FY 2023 Proposed Operating Budget Document Available Online for Council
May-22		
14		City Council Operating Budget Work Session #1 (Saturday) - TENTATIVE
17		City Council Operating Budget Work Session #2
17		City Council CIP Budget Work Session #1 FY 2023-2031
31		City Council Public Hearing & Adoption - Operating and Capital budgets
31		City Council to adopt FY 2023 GANN Appropriations Limit
31		City Council Adopt Operating and Capital Budgets
Jun-22		
7		City Council Adopt Operating and Capital Budgets (if not approved on 5/31)

Items in bold include City Council or a Council Sub-Committee

Green Shading = FY 2023 CIP Budget Calendar

Blue Shading = FY 2023 Operating Budget Calendar



CITY OF HAYWARD

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

File #: ACT 21-099

DATE: November 17, 2021

TO: Council Budget and Finance Committee

FROM: Director of Finance

SUBJECT

Review and Approve the FY 2022 Agenda Planning Calendar

RECOMMENDATION

That the Council Budget and Finance Committee reviews and approves the 2022 Agenda Planning Calendar.

SUMMARY

The FY 2022 Agenda Planning Calendar suggests agenda topics for the year for the Committee's consideration.

ATTACHMENTS

Attachment I FY 2022 Agenda Planning Calendar



**COUNCIL BUDGET AND FINANCE COMMITTEE
FY 2022 Agenda Planning Calendar
November 17, 2021**

Meeting Location: Remote Participation

Meeting Time: 5:00 p.m.

Meeting Dates: The Council Budget & Finance Committee generally meet monthly on the 3rd Wednesday of the month, except for August, due to City Council Break. Special meetings will be scheduled as determined necessary by the Committee or the City Manager.

DATE	SUGGESTED TOPICS (subject to change)
November 17, 2021	Presentation of FY 2021 Annual Audit Measure C Annual Report Public Banking Update and Credit Union Comparison FY 2023 Budget Process and Calendar Review
December 15, 2021	<i>Meeting Canceled</i>
January 19, 2022	Annual Comprehensive Financial Report for the Year Ended June 30, 2021
February 16, 2022	FY 2022 Mid-Year Budget Review and General Fund Long Range Financial Model Update FY 2022 Revenue Review Parcel Tax
March 16, 2022	Discussion on Mayor & City Council FY 2023 Budget FY 2023 Budget Process Update
April 20, 2022	FY 2023 Proposed Budget Discussion
May 18, 2022	Annual Review of City Issued Debt Annual City Benefit Liabilities and Funding Plan Review
June 15, 2022	FY 2023 Budget Process Debrief (Oral Presentation)

Non-scheduled future agenda topics:

- Fleet Utilization Study
- Hayward Community Foundation Update