

# **CITY OF HAYWARD**

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



CITY OF  
**HAYWARD**  
HEART OF THE BAY

## **Agenda**

**Tuesday, October 15, 2019**

**6:00 PM**

**Matt Jimenez Community Center - 28200 Ruus Road, Hayward, CA  
94544**

## **City Council**

**SPECIAL CITY COUNCIL MEETING****CALL TO ORDER Pledge of Allegiance: Council Member Zermeño****ROLL CALL****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 19-124](#)     Minutes of the City Council Meeting on September 24, 2019  
  
      **Attachments:**   [Attachment I Draft Minutes of 9/24/2019](#)
2.     [MIN 19-125](#)     Minutes of the City Council Meeting on October 1, 2019  
  
      **Attachments:**   [Attachment I Draft Minutes of 10/1/2019](#)
3.     [CONS 19-661](#)     Adopt Resolutions Authorizing the City Manager to Negotiate and Execute an Agreement with Tyler Technologies Inc and SoftResources LLC and Amend FY 2020 CIP Budget to Transfer and Appropriate Funds to Project Number 07267 in the Amount of \$624,732 to Increase the Project Budget to \$814,732  
  
      **Attachments:**   [Attachment I Staff Report](#)  
                              [Attachment II Resolution Approving Tyler Contract](#)  
                              [Attachment III Resolution Approving SoftResources Contract](#)  
                              [Attachment IV Resolution Approving CIP Budget Amendment](#)

**WORK SESSION**



**LEGISLATIVE BUSINESS**

6. [LB 19-042](#) Introduction of an Ordinance Adding Article 29 to Chapter 10 of the Hayward Municipal Code Related to Vacant Properties and Adoption of a Resolution Amending the Master Fee Schedule to Include Fees Related to the Vacant Property Ordinance (Report from Development Services Director Simpson)

**Attachments:** [Attachment I Staff Report](#)  
[Attachment II Ordinance](#)  
[Attachment III Resolution](#)  
[Attachment IV Chamber of Commerce Council Letter](#)

**CITY MANAGER'S COMMENTS**

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

**COUNCIL REPORTS AND ANNOUNCEMENTS**

Council Members can provide oral reports on attendance at intergovernmental agency meetings, conferences, seminars, or other Council events to comply with AB 1234 requirements (reimbursable expenses for official activities).

**COUNCIL REFERRALS**

Council Members may bring forward a Council Referral Memorandum (Memo) on any topic to be considered by the entire Council. The intent of this Council Referrals section of the agenda is to provide an orderly means through which an individual Council Member can raise an issue for discussion and possible direction by the Council to the appropriate Council Appointed Officers for action by the applicable City staff.

7. [RPT 19-355](#) Education as a City Priority to Encourage Transparency, Collaboration, & Success for Students & Families & Become an Education City. Consider an Item for Discussion on a Future City Council Agenda Regarding a Joint and Full Board Meeting between the Hayward School Board and City Council on a Regular Basis. (Referral from Council Member Wahab and Council Member Salinas)

**Attachments:** [Attachment I Council Referral Memorandum](#)

**ADJOURNMENT**

**NEXT SPECIAL MEETING, October 29, 2019, 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.*



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**File #:** MIN 19-124

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**DATE:** October 15, 2019

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Minutes of the City Council Meeting on September 24, 2019

**RECOMMENDATION**

That the City Council approves the minutes of the City Council meeting on September 24, 2019.

**SUMMARY**

The City Council held a meeting on September 24, 2019.

**ATTACHMENTS**

Attachment I Draft Minutes of 9/24/2019



**MINUTES OF THE CITY COUNCIL MEETING**  
**Council Chambers**  
**777 B Street, Hayward, CA 94541**  
**Tuesday, September 24, 2019, 7:00 p.m.**

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

**ROLL CALL**

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

**CLOSED SESSION ANNOUNCEMENT**

The City Council convened in closed session at 5:30 p.m., regarding three items: 1) conference with legal counsel pursuant to Government Code 54956.9(d)(1) regarding Velinda Vasut v. City of Hayward, Workers' Compensation Appeals Board Case No. ADJ8844787; 2) conference with legal counsel pursuant to Government Code 54956.9(d)(1) regarding City of Hayward v. California State University Trustees, Alameda County Superior Court, No. RG 18895213; and 3) conference with real property negotiators pursuant to Government Code 54956.8 regarding Hayward Area Historical Society and Stonewood Properties, Inc., 22398-22380 Foothill Boulevard, Hayward, APN: 415-0240-001-02; 1154-1166 Russell Way, Hayward, APNs 415-0240-002-00, 415-0240-003-02. City Attorney Lawson reported the City Council unanimously approved, with Council Member Salinas moving and Council Member Zermeño seconding, settlement of the case Velinda Vasut v. City of Hayward in the amount of \$110,000. Regarding Item 2 and Item 3, there was no reportable action.

**PRESENTATIONS**

Mayor Halliday acknowledged the Koshland Opportunity Scholarship granted its second round of funding awarding \$100,000 in scholarships to 21 scholarship recipients of the Jackson Triangle and Harder Tennyson neighborhoods to students who are pursuing certificates in technology, skilled trades and health care. Mr. Gabriel Hernandez, San Francisco Foundation Koshland Program Fellow, spoke about the Koshland Opportunity Scholarship program which was funded with a grant from the San Francisco Foundation. Mayor Halliday and Mr. Gabriel Hernandez recognized recipients who were present at the meeting with certificates.

**PUBLIC COMMENTS**

Mr. Aric Yeverino, owner of the Dirty Bird Lounge, and his business partner Ms. Diana Rodriguez, shared that their project to open a business, Latitude 38 Wine Bar & Bistro, was stalled because of a Conditional Use Permit requirement.

Mr. Kim Huggett, Hayward Chamber of Commerce President, spoke about past successful events and highlighted the upcoming ribbon cutting for Hippies Brew and the groundbreaking ceremony for Lincoln Landing on September 30, 2019.

Ms. Shani Shay urged the Council to allocate funds for a community recreation center in Hayward and encouraged investing in marginalized and communities of color.

Consent Items 2, 3 and 7 were removed from the Consent Calendar for discussion and separate vote.

## CONSENT

1. Minutes of the Special City Council Meeting on September 10, 2019 **MIN 19-113**

It was moved by Council Member Márquez, seconded by Council Member Mendall, and carried unanimously, to approve the minutes of the Special City Council meeting on September 10, 2019.

2. Adopt a Resolution Authorizing the City Manager to Execute a Professional Services Agreement Extension for Investment Portfolio Management Services with PFM Asset Management LLC **CONS 19-605**

Staff report submitted by Finance Director Clausen, dated September 24, 2019, was filed.

Council Member Wahab expressed concern for the financial accountability and phasing of contracts.

It was moved by Council Member Mendall, seconded by Council Member Lamnin, and carried with the following vote, to approve the resolution:

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

NOES: COUNCIL MEMBER Wahab

ABSENT: NONE

Resolution 19-185, "Resolution Authorizing the City Manager to Execute Contract with PFM Asset Management LLC for Investment Portfolio Management Services"

3. Adopt a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Chabot-Las Positas Community College District for PEG Broadcasting Services **CONS 19-624**

Staff report submitted by Director of Information Technology/CIO Kostrzak, dated September 24, 2019, was filed.





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Council Member Wahab asked staff to summarize the report.

Mayor Halliday opened the public comments section at 7:30 p.m.

Mr. Romeo DeCastro submitted a card but did not speak.

Mr. Anthony Hickman and Mr. Joseph Hickman spoke in favor of the PEG (Public, Education and Government) broadcasting service.

Mr. Carlos Archuleta spoke in favor of the proposed agreement with Chabot-Las Positas Community College District for PEG broadcasting service; however, he expressed concerns about the facility and Chabot TV's website, censorship and Community Media Center access for non-Hayward/Fremont users.

Discussion ensued among Council members, City staff and Deonne Kunkel, Dean of Arts, Media and Communications at Chabot College, regarding the facility website, censorship, access, availability of studio hour, and on-demand content.

Ms. Sandra Macias, public access channel producer, asked whether the City was collecting PEG funds from unincorporated areas (94541-Cherryland and 94546-Castro Valley) and providing access to services.

Mayor Halliday closed the public hearing at 7:48 p.m.

Council Member Mendall offered a motion to move staff's recommendation and Council Member Zermeno seconded the motion.

Council Member Wahab offered an amendment to the motion to expand Community Media Center access beyond a non-profit agency or organization by allowing a Hayward resident to serve as a sponsor for a non-resident.

Council Member Márquez offered an amendment to the motion to obtain more information on whether the City is collecting PEG funds from unincorporated 94541 and 94546 zip codes and is providing access. She also requested additional information on whether the City can allow sponsorship through a Hayward resident.

City Manager McAdoo recommended that the Council approve the contract and have staff conduct an audit on how the City is collecting PEG revenue and assess allowing sponsorship via a Hayward resident, and based on findings and legal review, amend the contract if necessary and inform the Council and interested parties.

Council Member Zermeño favored approving the contract and having City and Chabot College staff discuss the proposed amendments to the contract. He further suggested allowing sponsorship via a Chabot College student or club.

It was moved by Council Member Mendall, seconded by Council Member Zermeño, and carried unanimously to approve the following resolution with direction to staff to investigate how the City collects PEG revenue and how it provides access, assess allowing a Hayward resident sponsor a non-resident, and, if needed, amend the contract based on findings and legal review:

Resolution 19-186, "Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute an Agreement between the City of Hayward and Chabot-Las Positas Community College District for PEG Broadcasting Services"

4. Adopt a Resolution Appointing the Representative and Alternate Representative to the ERMA Board of Directors and to the ERMAC Board of Directors; and Approving Amendments to the ERMAC Joint Powers Agreement **CONS 19-632**

Staff report submitted by City Attorney Lawson, dated September 24, 2019, was filed.

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

Resolution 19-181, "Resolution Appointing the Representative and Alternate to the ERMAC Board of Directors and Appointing the Representative and Alternate to the ERMA Board of Directors"

Resolution 19-182, "Resolution Approving Amendments to the Exclusive Risk Management Authority of California Joint Powers Agreement"

5. Adopt a Resolution Accepting the Resignation of Ms. Sarah Low from the Keep Hayward Clean and Green Task Force, Effective September 22, 2019 **CONS 19-633**

Staff report submitted by City Clerk Lens, dated September 24, 2019, was filed.

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

Resolution 19-183, "Resolution Accepting the Resignation of Sarah Low from the Keep Hayward Clean and Green Task Force"



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6. Adopt a Resolution Approving an Amendment to the City of Hayward Salary Plan for Fiscal Year 2020 **CONS 19-639**

Staff report submitted by Assistant City Manager/Interim Human Resources Director Hurtado, dated September 24, 2019, was filed.

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

Resolution 19-184, "Resolution Approving the Amended Fiscal Year 2020 Salary Plan Designating Positions of Employment in the City of Hayward and Salary Range; and Superseding Resolution No. 19-142 and all Amendments thereto"

7. Authorization to Negotiate and Execute an Agreement with Knightscope for Security Robot Subscription Service **CONS 19-643**

Staff report submitted by Director of Information Technology/CIO Kostrzak, dated September 24, 2019, was filed.

Council Member Wahab sought clarification from staff regarding Knightscope's pilot program, crime statistics associated with the pilot program, security robot technology and functionality, data collection and facial recognition feature.

Mayor Halliday opened the public hearing at 8:06 p.m.

Mr. Mike Katz-Lacabe, with Oakland Privacy, posed questions about the security robot's features and advocated for a surveillance transparency ordinance and further discussion with the public to establish policies prior to implementation of surveillance technology.

Ms. Shaney Shane noted that an increase in the quality of life causes crime to go down and recommended that the Council halt spending funds to increase surveillance technology.

Mayor Halliday closed the public hearing at 8:10 p.m.

Council Member Mendall offered a motion to move staff's recommendation acknowledging that further discussion and policies would need to occur before scaling up.

It was moved by Council Member Mendall, seconded by Council Member Zermeño, and carried with the following vote, to approve the resolution:

AYES: COUNCIL MEMBERS Zermeño, Márquez, Mendall, Lamnin, Salinas  
MAYOR Halliday  
NOES: COUNCIL MEMBER Wahab  
ABSENT: NONE

Resolution 19-187, “Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute an Agreement between the City of Hayward and Knightscope for Security Robot Subscription Service”

## LEGISLATIVE BUSINESS

Council Member Wahab had to leave the Council Chambers due to a personal matter.

8. Adopt a Resolution Supporting Two League of California Cities Policy Resolutions Being Considered at the 2019 League of California Cities Annual Business Meeting (Report from City Manager McAdoo) **LB 19-040**

Staff report submitted by Assistant City Manager Hurtado, dated September 24, 2019, was filed.

Assistant City Manager Hurtado provided an overview of the staff report.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:18 p.m.

It was moved by Council Member Márquez, seconded by Council Member Lamnin, and carried with the following vote, to approve the resolution:

AYES: COUNCIL MEMBERS Zermeño, Márquez, Mendall, Lamnin, Salinas  
MAYOR Halliday  
NOES: NONE  
ABSENT: COUNCIL MEMBER Wahab

Resolution 19-188, “Resolution Supporting Two League of California Cities Policy Resolutions Being Considered at the 2019 League of California Cities Annual Meeting”

## CITY MANAGER’S COMMENTS

City Manager McAdoo made four announcements: 1) the library grand opening on September 14, 2019 was a success with over 2,600 people came through the gate, 521 new library cards made, 458 old cards swapped for new designs, and 3,703 library items checked out; 2) the Hayward Executive Airport Open House on September 22, 2019 was also a success with about 5,500 people in attendance; 3) a ground breaking ceremony for the Lincoln Landing project on



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September 30, 2019 at 22301 Foothill Boulevard; and 4) the City Council will hold a special City Council meeting at the Matt Jimenez Community Center on October 15, 2019, starting at 6:00 p.m.

**COUNCIL REPORTS AND ANNOUNCEMENTS**

Council Member Salinas announced the Hayward Odd Fellows was presenting the last concert of the 10<sup>th</sup> Annual Music & Arts in the Park series at the Hayward Memorial Park on September 29, 2019 and noted proceeds would benefit the Hayward High School Instrumental Music Program.

Council Member Márquez announced the American Legion Post-68 was inviting all to its centennial celebration, which will include a parade in downtown Hayward on September 28, 2019.

**COUNCIL REFERRALS**

9. Consider an Item for Discussion on a Future City Council Agenda Regarding Modifying Regulations on Tobacco Retailers to Reduce Teen Smoking and Vaping (Report from Council Member Mendall, Council Member Márquez and Council Member Zermeño)  
**RPT 19-344**

Referral memorandum submitted by Council Member Mendall, Council Member Márquez and Council Member Zermeño, dated September 24, 2019, was filed.

Council Member Mendall spoke about the proposed referral.

Council Member Wahab returned to the Council Chambers.

Council Member Salinas noted the negative impact of e-cigarettes and cannabis on young people.

Mayor Halliday opened the public comments section at 8:31 p.m.

Mr. Jack Moscardini, Hayward High School student, asked for regulations in place for teens who vape, enforcement for businesses that sell products to minors, and legal action against teen users.

Miss Jessica Fuentes, Youth Advisory Council representative, expressed support for regulating gas stations around schools and suggested placing “juul” detectors in school bathrooms to cut down on e-cigarette use.

Ms. Maria Fernandez Sotomayor, Eden Youth and Family Center representative, favored modifying regulations to reduce teen smoking and vaping.

Mr. Nathan Subramanian, Alameda County Tobacco Control Program representative, offered to partner with Hayward and serve as a resource for drafting tobacco retailer licensing policies.

Ms. Rosalyn Moya, Alameda County Tobacco Control Coalition co-chair and Bay Area Community Resources project director, supported exploring regulation modifications and noted she was reviewing tobacco control policies regarding flavored tobacco.

Mr. Tim Romano-Pugh, Eden Youth and Family Center representative, favored the Council taking into consideration modifying regulations on tobacco retailers.

Mayor Halliday closed the public hearing at 8:39 p.m.

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

Discussion ensued among Council members and staff regarding having the referral vetted by the Council Economic Development Committee and possibly the Hayward Local Agencies Committee, input provided by the Hayward Youth Commission, current tobacco regulations and enforcement, and the black market for cigarettes.

It was moved by Council Member Mendall, seconded by Council Member Zermeño, and approved unanimously to move the referral forward.

## **ADJOURNMENT**

Mayor Halliday adjourned the meeting at 8:50 p.m.

## **APPROVED**

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Barbara Halliday  
Mayor, City of Hayward

## **ATTEST:**

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Miriam Lens  
City Clerk, City of Hayward



# CITY OF HAYWARD

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**File #:** MIN 19-125

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**DATE:** October 15, 2019

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT**

Minutes of the City Council Meeting on October 1, 2019

**RECOMMENDATION**

That the City Council approves the minutes of the City Council meeting on October 1, 2019.

**SUMMARY**

The City Council held a meeting on October 1, 2019.

**ATTACHMENTS**

Attachment I Draft Minutes of 10/1/2019



**MINUTES OF THE CITY COUNCIL MEETING**  
**Council Chambers**  
**777 B Street, Hayward, CA 94541**  
**Tuesday, October 1, 2019, 7:00 p.m.**

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

**ROLL CALL**

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

**CLOSED SESSION ANNOUNCEMENT**

The City Council convened in closed session at 5:00 p.m., regarding five items: 1) conference with legal counsel pursuant to Government Code 54956.9(d)(1) regarding Theodore Muniz v. City of Hayward, Workers' Compensation Appeals Board Case No. ADJ10887964; ADJ11567404; 2) conference with legal counsel pursuant to Government Code 54956.9(d)(1) regarding City of Hayward v. California State University Trustees, Alameda County Superior Court, No. RG 18895213; 3) conference with property negotiators pursuant to Government Code 54956.8 regarding Caltrans Parcel Group 5: Maitland Drive, Bunker Hill Court, Bunker Hill Boulevard and Central Boulevard; APNs: 445-0250-041-01, 445-0260-084-03, 445-0260-018-04, 445-0270-054-02, 445-0250-060-00, 445-0250-059-01, 445-0260-109-04, 445-0260-018-03, 445-0260-109-03, 445-0260-002-00; 4) conference with legal counsel pursuant to Government Code 54956.9 regarding anticipated litigation; and 5) conference with legal counsel pursuant to Government Code 54956.9(d)(1) regarding Nelson v. City of Hayward, et al., U.S. District Court, N.D. CA., No. 3:16-cv-7222-SK. City Attorney Lawson reported the Council unanimously approved the settlement of the case Theodore Muniz v. City of Hayward with Council Member Salinas moving, Council Member Mendall seconding with Council Member Wahab absent. City Attorney Lawson added there was no reportable action related to Items 2, 3, and 4. Related to Item 5, City Attorney Lawson reported action taken on July 23, 2019, which was to authorize compromise and release of the case in the amount of \$1 million. The action was moved by Council Member Mendall, seconded by Council Member Márquez with Council Member Zermeño and Council Member Wahab absent.

**PRESENTATIONS**

Mayor Halliday read a proclamation declaring the month of October 2019 as National Domestic Violence Awareness and Prevention Month. Ms. Sophora Acheson, Ruby's Place Executive Director, accepted the proclamation on behalf of Ruby's Place. Ms. Kate Hart, SAVE Director of Programs, accepted the proclamation for Safe Alternatives to Violent Environments (SAVE).



## **PUBLIC COMMENTS**

Mr. Kim Huggett, Hayward Chamber of Commerce President, showed photos of the groundbreaking ceremony for the Lincoln Landing project and the grand opening of Hippiess Brew, and announced a workshop on “How to Start a Business” on October 10, 2019.

Dr. Marshall Mitzman invited all to the Salvation Army Annual Red Kettle Kickoff Dinner on November 7, 2019 at the Hayward Veteran’s Memorial Hall.

Mr. Charlie Peters, Clean Air Performance Professionals representative, spoke about an article on the voluntary use of ethanol and the gasoline mandate.

Mr. Jim Drake, Hayward resident, spoke about Taqueria El Mezcal’s Conditions of Approval regarding Eucalyptus trees.

Ms. Sandy Frost, Hayward tenant, shared her stressful experience with relocation during renovations at the Tennyson Gardens Apartment and urged the City to be progressive in implementing low-income housing solutions.

Mr. James Evans, Hayward resident and former police officer, complained about the truck route on Winton Avenue.

Dr. Ann Maris, spoke on behalf of tenants at Reliant and Eden Housing, who are having health problems due to building renovations. She asked the Council to consider not pushing low-income rentals, but to instead offer more affordable homes for purchase.

Ms. Mary Boutté, Hayward tenant, showed photos from renovations in progress at Leisure Terrace apartments and complained about construction noise and delays in finishing construction.

Ms. Elisha Crader, Hayward resident, asked the Council to add an item to a Council agenda regarding the Leisure Terrace apartments and take immediate action to help its residents.

Ms. Lacei Amodei, Hayward resident, asked the Council to fight for Leisure Terrace tenants, review relocation packages and close the housing “loophole” immediately.

Ms. Alicia Lawrence, Hayward resident and The Hayward Collective member, notified the Council about Assembly Bill 1482, expressed support for Leisure Terrace tenants and urged the Council to act against bad faith operators.

Ms. Inas Yatt, Hayward tenant, spoke about a truck that was stuck in a driveway for many hours and shared a list from tenants about unresolved Reliant building concerns, such as gas leak hazards, exposure to asbestos and construction noise.



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City Manager McAdoo encouraged tenants to continue contacting City staff about issues at Leisure Terrace to try to address them and noted there would be discussion about Reliant at the Homelessness-Housing Task Force meeting on October 22, 2019.

Consent Items 1, 2, and 3 were removed from the Consent Calendar for discussion and separate vote.

**CONSENT**

1. Adopt a Resolution Authorizing the City Manager to Negotiate and Execute an Assignment/Assumption of Lease with Bud Field Aviation, Inc. for Property at 22005 Skywest Drive **CONS 19-636**

Staff report submitted by Public Works Director Ameri, dated October 1, 2019, was filed.

Mr. Jim Drake, Hayward resident, asked for competitive bidding.

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

Resolution 19-189, "Resolution Authorizing the City Manager to Negotiate and Execute an Assignment/Assumption of Lease to the Ground Lease with Bud Field Aviation, Inc"

2. Adopt a Resolution Authorizing the City Manager to Negotiate and Execute a Second Amendment to the Existing Ground Lease with Mahabal Hospitality, LLC., for the Construction of Two Hotels at the Hayward Executive Airport **CONS 19-637**

Staff report submitted by Public Works Director Ameri, dated October 1, 2019, was filed.

Mr. Jim Drake, Hayward resident, asked for competitive bidding.

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

Resolution 19-190, "Resolution Authorizing the City Manager to Negotiate and Execute a Second Amendment to the Ground Lease with Mahabal Hospitality, LLC., for the Construction of Two Hotels at the Hayward Executive Airport"

3. Authorize the City Manager to Negotiate and Execute a Ground Lease and Facilities Use Agreement with the Chabot-Las Positas Community College District for the Fire Training Center **CONS 19-650**

Staff report submitted by Fire Chief Garrett, dated October 1, 2019, was filed.

Mr. Bob Buell, Fire Technology Coordinator and Chabot College Instructor, spoke in support of the proposed Fire Training Center.

Mr. Ron Gerhard, Interim Chancellor, Chabot-Las Positas Community College District, expressed gratitude on behalf of the District and the Board of Trustees for the partnership agreement to open the Fire Training Center.

Dr. Marshall Mitzman, Chabot-Las Positas Community College District Board member, shared this will be a first responder's program as well as being a path into fire-fighting careers.

City Manager McAdoo acknowledged Fire Chief Contreras for his vision and leadership.

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

Resolution 19-191, "Resolution Authorizing the City Manager to Negotiate and Execute a Ground Lease and Facilities Use Agreement with the Chabot-Las Positas Community College District for the Fire Training Center"

## **LEGISLATIVE BUSINESS**

4. Adopt a Resolution Recognizing the Importance of Census 2020 (Report from Deputy City Manager Ott and Development Services Director Simpson) **LB 19-041**

Staff report submitted by Fire Chief Garrett, dated October 1, 2019, was filed.

Community Service Manager Davis introduced Ms. Ashley Renick, Alameda County Complete Count Community representative, who provided an overview of the importance of Census 2020 and the coordinated efforts occurring throughout Alameda County.

Council Member Zermeño encouraged staff to ensure that everyone gets counted.

Mayor Halliday encouraged to get the word out, have special events and have staff at the new library help to spread the word.



**MINUTES OF THE CITY COUNCIL MEETING**  
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Council Member Salinas suggested using city and school digital boards and video ads in movie theaters to help communicate the 2020 Census message.

Council Member Wahab suggested having questionnaire assistance centers at city departments such as the Police and Fire departments, helping individuals apply for enumerator jobs at City Hall and/or the library, having census workshops at senior and faith-based centers, and having hard paper copies of materials available.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:32 p.m.

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

Resolution 19-192, "Resolution Recognizing the Importance of Census 2020 and Encouraging all Residents to be counted"

**CITY MANAGER'S COMMENTS**

City Manager McAdoo announced the City Council would be holding a special City Council meeting on October 15, 2019 at the Matt Jimenez Community Center.

**COUNCIL REPORTS AND ANNOUNCEMENTS**

Council Member Wahab announced the Homelessness-Housing Task Force was holding a meeting on October 22, 2019 at City Hall to discuss the just cause exemption "loophole" related to Reliant and the overall future of affordable housing.

Mayor Halliday spoke highly of events that occurred over the past week and highlighted the Annual Hayward Volunteer Awards and Recognition Dinner scheduled for October 8, 2019 at St. Rose Hospital's Grand White Tent.

**COUNCIL REFERRALS**

There were none.

**ADJOURNMENT**

Mayor Halliday adjourned the meeting at 8:39 p.m., in memory of Ms. Frances Granados.

Council Member Zermeño noted that Ms. Frances Granados was instrumental in the former San Felipe Sister City Committee and helping build the San Felipe Community Park in Hayward

and the Hayward Park in San Felipe, Baja California, Mexico; was a strong woman; was a longtime Hayward resident; and a contributor to the Hayward community and active in the Latinx community.

Mayor Halliday asked staff to work with the Granados family and the Hayward Area Recreation and Park District to plant a tree at the San Felipe Community Park in memory of Frances Granados.

Mayor Halliday added the City Council would be holding a special City Council meeting on Monday, October 7, 2019 at City Hall.

**APPROVED**

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Barbara Halliday  
Mayor, City of Hayward

**ATTEST:**

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Miriam Lens  
City Clerk, City of Hayward



# CITY OF HAYWARD

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

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**File #:** CONS 19-661

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**DATE:** October 15, 2019

**TO:** Mayor and City Council

**FROM:** Development Services Director

**SUBJECT**

Adopt Resolutions Authorizing the City Manager to Negotiate and Execute an Agreement with Tyler Technologies Inc and SoftResources LLC and Amend FY 2020 CIP Budget to Transfer and Appropriate Funds to Project Number 07267 in the Amount of \$624,732 to Increase the Project Budget to \$814,732

**RECOMMENDATION**

That Council adopts the attached resolutions (Attachment II, III and IV) authorizing the City Manager to:

1. Negotiate and execute an agreement with Tyler Technologies Inc. ("Tyler") for a term not to exceed three (3) years, but allowing the option for a three-year extension, in an amount not to exceed \$1,085,881 to acquire, install, implement and receive technical support for EnerGov permitting Software as a Solution (SaaS);
2. Negotiate and execute an agreement with SoftResources LLC ("SoftResources") for a term not to exceed three (3) years in an amount not to exceed \$147,105 for project management services throughout the EnerGov project; and
3. Amend the Fiscal Year 2020 Operating and Capital Improvement Program (CIP) Budgets related to the transfer and appropriation of funds to Project Number 07267 in the amount of \$624,732 in order to increase the project budget to the amount of \$814,732.

**SUMMARY**

The Department of Development Services (DSD), in collaboration with the Departments of Information Technology (IT), Fire, Public Works and the City Clerk, have evaluated the acquisition of EnerGov, a permitting solution that will allow for interdepartmental, concurrent, electronic plan review and online permitting, meeting the City's goals of a more sustainable, customer friendly, efficient and cost-effective development review and permitting process. The outcome of the evaluation, as well as proposals from Tyler and SoftResources for project implementation and project management services, were presented to the Council Infrastructure Committee on September 16, 2019, with a recommendation that this item be

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**File #:** CONS 19-661

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forwarded to Council for consideration.

**ATTACHMENTS**

|                |                                             |
|----------------|---------------------------------------------|
| Attachment I   | Staff Report                                |
| Attachment II  | Resolution Approving Tyler Contract         |
| Attachment III | Resolution Approving SoftResources Contract |
| Attachment IV  | Resolution Approving CIP Budget Amendment   |



DATE: October 15, 2019

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT: Adopt Resolutions Authorizing the City Manager to Negotiate and Execute an Agreement with Tyler Technologies Inc and SoftResources LLC and Amend FY 2020 CIP Budget to Transfer and Appropriate Funds to Project Number 07267 in the Amount of \$624,732 to Increase the Project Budget to \$814,732

#### RECOMMENDATION

That Council adopts the attached resolutions (Attachment II, III and IV) authorizing the City Manager to:

1. Negotiate and execute an agreement with Tyler Technologies Inc. ("Tyler") for a term not to exceed three (3) years, but allowing the option for a three-year extension, in an amount not to exceed \$1,085,881 to acquire, install, implement and receive technical support for EnerGov permitting Software as a Solution (SaaS);
2. Negotiate and execute an agreement with SoftResources LLC ("SoftResources") for a term not to exceed three (3) years in an amount not to exceed \$147,105 for project management services throughout the EnerGov project; and
3. Amend the Fiscal Year 2020 Operating and Capital Improvement Program (CIP) Budgets related to the transfer and appropriation of funds to Project Number 07267 in the amount of \$624,732 in order to increase the project budget to the amount of \$814,732.

#### SUMMARY

The Department of Development Services (DSD), in collaboration with the Departments of Information Technology (IT), Fire, Public Works and the City Clerk, have evaluated the acquisition of EnerGov, a permitting solution that will allow for interdepartmental, concurrent, electronic plan review and online permitting, meeting the City's goals of a more sustainable, customer friendly, efficient and cost-effective development review and permitting process. The outcome of the evaluation, as well as proposals from Tyler and SoftResources for project implementation and project management services, were presented to the Council



Infrastructure Committee on September 16, 2019, with a recommendation that this item be forwarded to Council for consideration

## BACKGROUND

In 2014, City Council and the City Manager directed staff to evaluate current and potential permitting software needs to include electronic plan submittal and review, and public accessibility.

During 2015, the City purchased an Enterprise Resource Planning (ERP) system (Munis) through Tyler Industries. However, this system did not provide a robust permitting component.

June 20, 2016, the City executed an agreement with SoftResources LLC, a technology consulting firm selected through a request for proposals process, to help assess the City's development permitting needs; prepare a Request for Proposals (RFP) establishing the requirements for development and implementation of a comprehensive permitting system; evaluate vendor fit to the City's key requirements; compile a short list vendor comparison chart; facilitate software demos; help the City select the final vendor; and assist in the contract negotiation process.

On October 3, 2016, an RFP was issued to solicit bids for permitting system software with a more robust GIS-centric solution, e-Plan functionality, and to eliminate the need for shadow systems, such as Excel spreadsheets and Access databases for reporting purposes.

The City received seven (7) responses to the RFP from which a list of three (3) vendors were selected to take into the demonstration phase of the project, including Tyler Technologies Inc. – EnerGov, Accela – Civic Platform, and SunGard - TRAKiT.

City staff evaluated demonstrations from the three (3) vendors and conducted extensive research by contacting several other municipalities to inquire about their current systems, implementation process and their overall satisfaction with both the software solution and the customer support. Ultimately, EnerGov was selected as the best choice to meet the needs of staff and customers for the following features:

- Integration with Tyler Content Management systems already in use by the City
- Competitive pricing
- GIS-centric data model
- Configurable Executive Dashboard views
- Built-in ePlan Review module
- Reporting Tool Kit for end users
- Ability to interface with document management systems
- Rules-based workflow with priorities and notifications

On December 7, 2017, staff presented information to the Council Technology Application Committee, CTAC seeking direction on how to proceed, particularly regarding the fiscal impact of the EnerGov purchase. The direction from CTAC was to ascertain a way to pay for the purchase of the EnerGov solution without General Fund subsidy. Around this time, Capital Improvement Project Number 07267 was set up for the online permitting project and budgeted for \$190,000. However, there were insufficient technology funds available to proceed and the project was put on hold.

In the fall of 2018, DSD re-initiated the project in collaboration with Public Works, Fire, IT and the City Clerk. Staff met with EnerGov, received a revised and updated proposal from EnerGov, and interviewed and reviewed testimonials from municipalities that utilize EnerGov for permitting. Staff determined that EnerGov remains the recommended vendor for an online permitting software solution. Staff also confirmed that SoftResources has experience with EnerGov integrations and comes highly recommended by other municipalities, including the City of San Mateo, CA, who have utilized SoftResources' project management services.

In July 2019, IT conducted an analysis of the current state of the development review process and found that there was a strong business case for a Cloud-based permitting solution like EnerGov. Anticipated outcomes from implementing EnerGov include more business attraction to Hayward, increased employee satisfaction, improved efficiencies, satisfied public at large, and a quicker turnaround to developers and the public. The City amended the existing agreement with SoftResources to extend the term to December 31, 2019 so that SoftResources could help negotiate the terms of an agreement with EnerGov.

In August 2019, staff received an updated scope of work and budget from EnerGov, and SoftResources began to negotiate the financial and other agreement terms with EnerGov. Staff also received a proposal from SoftResources for the management of the project through the estimated 18- to 22-month schedule from project initiation to implementation.

On September 16, 2019, staff presented the Tyler EnerGov and SoftResources proposals to the Council Infrastructure Committee (CIC) and CIC approved a motion to move the item to the City Council consent calendar.

In September 2019, staff received updated budget and agreement documents from EnerGov reflecting negotiated payment and project terms. Agreement documents were sent to the City Attorney's Office for review.

## DISCUSSION

The City has determined the need to implement a more robust GIS-centric solution with automation and improved digitization for Permitting, Planning, Code Enforcement and Inspections to meet the needs of Building and Planning and Code Enforcement, as well Public Works, Police, Fire, and HazMat where possible. Identified needs that the EnerGov system is expected to address include the following:

Integration. Currently, the City uses multiple, disparate systems to support the permitting process, and most interfaces with existing systems are manual or via flat file. This lack of system integration and automated data exchange has resulted in inefficiency, lack of data accessibility/transparency, and poor customer service to residents and developers.

In addition, Excel spreadsheets and Access databases are being used to manage, query, and report information outside the Permitting system. The vision of the City is to eliminate or minimize the need for the shadow systems within each department and rely on technology to improve efficiencies and system usability. The EnerGov solution allows the City to leverage more open integration tools that support a Microsoft Windows platform.

Mobile Accessibility. The City's preference is to utilize mobile devices for non-office or field work performed by employees. EnerGov's mobile systems can cache data from the server and allow data entry in the field without Wi-Fi connectivity and re-synch data once Wi-Fi is available.

GIS Systems. The City currently uses Esri ArcGIS for its GIS solution. The new Permitting System will have bi-directional integration with GIS. Required functionality includes the ability to drill down from spatial maps into the Permitting system for views of open, expired or pending permits, as well as history of permitting, code enforcement or other activities pertaining to an individual parcel or group of parcels within a project. The new system also includes a "wizard" to assist applicants in navigating the online permitting and plan review process. The wizard prompts applicants to answer questions that allow it to route the applicant to the appropriate permit type or development review process, based on geo location.

Reporting and Document Management. There is an ongoing need for reporting of data in various formats via user-friendly, ad-hoc query and reporting tools that are intuitive to the user community. In addition, there is a need for document management and integration with existing systems, such as Laserfiche. The new system will provide functionality to store documents related to transactions within the system, as well as be able to interact with other stores of documents and images. This functionality will also help the City better manage Public Records Act requests, which have been increasing in volume over the last eight years.

Electronic Plan (ePlan) Review. One of the key functions of the EnerGov solution is that development plan submittals will be reviewable online and concurrently across departments by Planning, Public Works Engineering, and Fire. Currently, the city requires multiple hard copies of plans to be submitted by applicants at the time of application. At an average of \$500 - \$5000 for multiple sets of plans, this can be costly for applicants. Key benefits of ePlan review include:

- Saves resources (e.g. less paper, decreased need for off-site storage)
- Reduces costs to developers

- Instant routing saves labor/staff time
- Enhanced review capabilities allow greater transparency for City staff, developers and residents

EnerGov features, including automatic reminders of important deadlines via text or email and the ability see where a plan is in the development review workflow, will help the public better navigate the development review process. The City envisions that a kiosk will be established in the Permit Center to allow staff to assist residents, single-family homeowners, smaller developers and business owners to submit electronic files for review, to ensure that the new technology is not a barrier to access for those who may be less tech-savvy. (The cost of a public kiosk is not included in the project budget but is anticipated to be consistent with the price of a desktop computer and large-screen monitor.)

Electronic Permitting. Staff developed a customer survey in which the majority of respondents requested online permitting and ePlan submittal. A permitting system with ePlan capability will allow applicants to submit their plans electronically and apply for any and all City permits online, essentially extending the City's business hours 24/7/365. Enhanced automation and workflow offered by an online permitting system will allow for streamlined reporting, less staff time, and greater efficiencies. Ultimately it will allow the city to provide better customer service, which helps attract business to Hayward and enhance resident satisfaction.

In addition to satisfying the above needs, the City expects process improvement to coincide with EnerGov implementation activities and the adoption of best practices wherever possible. Overall, successful implementation of Tyler's EnerGov solution is expected to:

- Ensure integration with other systems
- Make information easily and broadly available to internal and external consumers of data
- Minimize manual processes, reduce paper, and increase usage of automation wherever possible
- Automate manual tasks and improve permit efficiency
- Streamline the application and permit approval processes and eliminate bottlenecks
- Provide intuitive systems that are easy to navigate
- Support query and reporting of data in the user's desired format
- Support or compliment the desired technical architecture, and
- Promote the adoption of best practices and the development of policies and procedures

## Council Infrastructure Committee Review

Several issues were discussed during the September 16, 2019 CIC meeting regarding the EnerGov project. Council asked whether the EnerGov solution could result in decreased staffing. The system will allow existing staff to be more effective and efficient in their roles. For example, other municipalities using EnerGov have reported a decrease in the number of walk-in customers and an increase in the number of completed inspections. The Committee requested that the EnerGov project be brought back one year after the system goes live to assess key outcomes including efficiencies gained, such as cuts to the review time and reduced workload. The Committee also asked for assurances that the EnerGov solution will be accessible to the general public who may not be technically savvy. Staff explained how a public kiosk will be set up and managed by DSD staff to assist those who require technical support throughout the review process. The CIC then approved a motion to move the item to the City Council consent calendar.

### Project Budget

The project budget to initiate and establish EnerGov is \$814,732. This includes the cost to purchase and support year-one EnerGov SaaS services (\$209,127) and the services related to set-up, testing, and training users (\$458,500) to ensure the successful implementation at the Go Live stage, anticipated in July 2021. The budget also includes the cost to the City of a technical project management consulting firm (\$147,105) that will assist with project roll out, both internally across departments, and externally with the development community and residents. A breakdown of these costs is outlined in Table 1 below:

Table 1

|                        | Description                      | One-time   | Annual      | TOTAL     |
|------------------------|----------------------------------|------------|-------------|-----------|
| Tyler Contract         | Implementation Services          | \$458,500  |             |           |
|                        | Software as a Service (SaaS) Fee |            | \$206,127   |           |
|                        | Maintenance & Support Fees       |            | \$3,000     |           |
| SoftResources Contract | Project Management Services      | \$147,105  |             |           |
| TOTAL:                 |                                  | \$605,605* | \$209,127** | \$814,732 |

\* Implementation and project management services will be billed monthly, as incurred.

\*\* 75% of year one annual fees will be due at contract signing.

The Tyler EnerGov proposal is based on a three-year term, for a total cost of \$1,085,881, with the option to renew for three additional years. A breakdown of the costs for the first three years of the project is listed in Table 2 below:

Table 2

|                  | Onetime Fee | Annual Fee | TOTAL       |
|------------------|-------------|------------|-------------|
| Year 1 (FY 2020) | \$605,605*  | \$156,845  |             |
| Year 2 (FY 2021) |             | \$261,409  |             |
| Year 3 (FY 2022) |             | \$209,127  |             |
| TOTAL:           | \$605,605*  | \$627,381  | \$1,232,986 |

\* Implementation and project management services will be billed monthly, as incurred.

As is typical with Software as a Solution purchases, the cost of the SaaS annual fee is based upon the number of employee user licenses (80) and amount of data storage capacity that the City acquires. The number of licenses is based on estimated users in DSD (45), Fire (11), and Public Works (24). Seventy-five percent (\$156,845) of the year one SaaS, Maintenance and Support fees will be due at contract signing, while the remaining twenty-five percent (\$52,282) will be due 365 days from contract signature, along with year two fees. An escalation fee, or “uplift”, will be applied annually after the first three years, if the City chooses the option to negotiate and extend the contract, based on the rates indicated in Table 3 below:

Table 3

|                  | Uplift % | Total Annual Fee |
|------------------|----------|------------------|
| Year 1 (FY 2020) | 0%       | \$156,845        |
| Year 2 (FY 2021) | 0%       | \$261,409        |
| Year 3 (FY 2022) | 0%       | \$209,127        |
| Year 4 (FY 2023) | 4%       | \$217,492        |
| Year 5 (FY 2023) | 5%       | \$228,367        |
| Year 6 (FY 2024) | 5%       | \$239,785        |

After year six, the uplift percentage will revert to “at then current prices,” at which time the City may wish to reassess annual costs and increase its technology fees if necessary.

An important component of the implementation and project management of the EnerGov system is the agreement with SoftResources consultants. SoftResources consultants previously assisted the City in assessing permitting system needs. SoftResources helped draft the permitting system RFP, vetted software providers, and assisted in negotiating the Tyler services agreement and statement of work. SoftResources is familiar with Tyler’s EnerGov integrations. The City Attorney’s Office has analyzed the role played by SoftResources in evaluating Tyler’s proposal and the proposed role to assist in project implementation, and the City Attorney’s Office has concluded there is no conflict of interest that would preclude the proposed project implementation agreement with SoftResources. An issue could arise if SoftResources were to be compensated by Tyler, but SoftResources

would be compensated by the City (\$147,105). SoftResources is obligated to the City to take an unbiased approach to project implementation and is independent of Tyler. SoftResources advocated for the City's interests and identified cost savings in the Tyler proposal. Further, SoftResources is flexible in advocating software solutions, having assisted at least three other clients in implementing solutions other than Tyler's software solution.

EnerGov project costs will be funded by using Technology Surcharge Fee revenues, which are required by the State to be utilized for technology related expenses, including software solutions, and which have accumulated over time in an amount sufficient to cover project implementation. DSD's current Technology Surcharge Fee of 6% has generated revenue of approximately \$200,000 annually for the past several years, for a total of approximately \$731,258 collected since 2015.

In addition to DSD's annual Technology Surcharge Fee revenues of an estimated \$200,000, Public Works and Fire will contribute additional funds based on their staff's needs to help cover ongoing service costs.

## FISCAL IMPACT

Funding of this project will use previously collected and future Technology Surcharge Fee revenue. Table 4 below shows the Fees accumulated to date. There are sufficient funds to cover one-time start-up costs and annual costs through 2021. Annual costs will be covered through additional technology fees collected:

Table 4

| Technology Surcharge Revenue<br>By Fiscal Year |                   |                   |                   |             |
|------------------------------------------------|-------------------|-------------------|-------------------|-------------|
| 2015 to<br>2019<br>Actuals                     | 2020<br>Estimated | 2021<br>Estimated | 2022<br>Estimated | TOTAL       |
| \$757,937                                      | \$240,000         | \$240,000         | \$240,000         | \$1,477,937 |

Given that EnerGov annual SaaS and maintenance and support fees are expected to increase over time (4% in year four, 5% in year five and six, and "at then current prices" after that), there may be an opportunity to increase the City's Technology Surcharge Fees if needed when the Master Fee schedule is updated in 2022.

## STRATEGIC INITIATIVES

This project 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 goals and objective:

Goal 3: Develop a Regulatory Toolkit for Policy Makers.

Objective 3: Develop and refine other regulatory tools.

This request also was in alignment with the 2040 General Plan, Economic Development Goal 6: A Business-Friendly City.

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

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

## PUBLIC CONTACT

The report was published on the City website. If City Council approves the contracts, training on the EnerGov system will be provided for internal staff users and for developers and residents over the course of project rollout.

## NEXT STEPS

If Council approves the attached amendments, by November 2019, the City Manager will take the following steps:

1. Execute an agreement with Tyler for a term not to exceed three (3) years in an amount not to exceed \$1,085,881 to acquire, install, implement and receive technical support for EnerGov permitting Software as a Solution (SaaS);
2. Execute an agreement with SoftResources for a term not to exceed three (3) years in an amount not to exceed \$147,105 for project management services throughout the EnerGov project; and
3. Amend the Fiscal Year 2020 Operating and Capital Improvement Program (CIP) Budgets related to the transfer and appropriation of funds to Project Number 07267 in the amount of \$624,732 in order to increase the project budget to the amount of \$814,732.

Once project agreements have been executed, the online permitting project will be rolled out in the following phases over the subsequent 18- to 22-month period (or by July 2021):



| Estimated Timeframe | Project Phase                                                                                                                                                                                                                                       |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4 months            | Initiate & Plan. Identify and assemble key teams and ramp up resources. Build a project schedule and a project implementation plan based on system infrastructure requirements. October-January 2020                                                |
| 4-6 months          | Assess & Define. Gather information about current processes and workflows and translate into future business processes. June 2020                                                                                                                   |
| 4-6 months          | Build & Validate. Prepare the software solution for use in accordance with City's needs. Prepare for final testing by conducting user testing (UT). UT takes a long time and can extend the build and validate phase out to 6 months. December 2020 |
| 3 months            | Final Testing & Training. Prepare for final cutover and train staff how to utilize the software solution. March 2021                                                                                                                                |
| 3 months            | Production Cutover: City provides final data extract and Tyler executes final data conversion. July 2021                                                                                                                                            |

Prepared by: Laura Simpson, Development Services Director

Approved by:




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Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 19

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

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND  
EXECUTE AN AGREEMENT WITH TYLER TECHNOLOGIES INC.

WHEREAS, in 2014, City Council and the City Manager directed staff to evaluate current and potential permitting software needs to include electronic plan submittal and review, and public accessibility.

WHEREAS, on October 3, 2016, an RFP was issued to solicit bids for permitting system software with a more robust GIS-centric solution, e-Plan functionality, and to eliminate the need for shadow systems, such as Excel spreadsheets and Access databases for reporting purposes.

WHEREAS, the City received seven (7) responses to the RFP from which a list of three (3) vendors were selected to take into the demonstration phase of the project, including Tyler Technologies Inc. - EnerGov.

WHEREAS, City staff evaluated demonstrations from the three (3) vendors and conducted extensive research by contacting several other municipalities to inquire about their current systems, implementation process and their overall satisfaction with both the software solution and the customer support.

WHEREAS, EnerGov was selected as the best choice to meet the needs of staff and customers.

WHEREAS, On September 16, 2019, staff presented the Tyler EnerGov and SoftResources proposals to the Council Infrastructure Committee (CIC) and CIC approved a motion to move the item to the City Council consent calendar.

WHEREAS, Tyler's EnerGov solution is expected to: ensure integration with other systems; make information easily and broadly available to internal and external consumers of data; minimize manual processes, reduce paper, and increase usage of automation wherever possible; automate manual tasks and improve permit efficiency; streamline the application and permit approval processes and eliminate bottlenecks; provide intuitive systems that are easy to navigate; support query and reporting of data in the user's desired format; support or compliment the desired technical architecture; and promote the adoption of best practices and the development of policies and procedures.

WHEREAS, EnerGov project costs will be funded by using Technology Surcharge Fee revenues, which are required by the State to be utilized for technology related expenses, including software solutions, and which have accumulated over time in an amount sufficient to cover project implementation.

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby authorizes and directs the City Manager to negotiate and execute an agreement with Tyler Technologies Inc. for a term not to exceed three (3) years. but allowing the option for a three-year extension, in an amount not to exceed \$1,085,881 to acquire, install, implement and receive technical support for EnerGov permitting Software as a Solution (SaaS).

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2019

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 19-

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

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND  
EXECUTE AN AGREEMENT WITH SOFTRESOURCES LLC

WHEREAS, in 2014, City Council and the City Manager directed staff to evaluate current and potential permitting software needs to include electronic plan submittal and review, and public accessibility.

WHEREAS, on June 20, 2016, the City executed an agreement with SoftResources LLC, a technology consulting firm selected through a request for proposals process, to help assess the City's development permitting needs; prepare a Request for Proposals (RFP) establishing the requirements for development and implementation of a comprehensive permitting system; evaluate vendor fit to the City's key requirements; compile a short list vendor comparison chart; facilitate software demos; help the City select the final vendor; and assist in the contract negotiation process.

WHEREAS, On October 3, 2016, an RFP was issued to solicit bids for permitting system software with a more robust GIS-centric solution, e-Plan functionality, and to eliminate the need for shadow systems, such as Excel spreadsheets and Access databases for reporting purposes.

WHEREAS, the City received seven (7) responses to the RFP from which a list of three (3) vendors were selected to take into the demonstration phase of the project, including Tyler Technologies Inc. - EnerGov.

WHEREAS, SoftResources has past experience with EnerGov integrations and comes highly recommended by other municipalities, including the City of San Mateo, CA, who have utilized SoftResources' project management services.

WHEREAS, on September 16, 2019, staff presented the Tyler EnerGov and SoftResources proposals to the Council Infrastructure Committee (CIC) and CIC approved a motion to move the item to the City Council consent calendar.

WHEREAS, EnerGov project costs will be funded by using Technology Surcharge Fee revenues, which are required by the State to be utilized for technology related expenses, including software solutions, and which have accumulated over time in an amount sufficient to cover project implementation.

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby authorizes and directs the City Manager to negotiate and execute an agreement with SoftResources for a term not to exceed three (3) years in an amount not to exceed \$147,105 for project management services for the implementation of EnerGov permitting Software as a Solution (SaaS).

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2019

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 19-\_\_\_\_\_

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

RESOLUTION AUTHORIZING AMENDMENT OF THE FISCAL YEAR 2020  
CAPITAL IMPROVEMENTS PROGRAM BUDGETS RELATING TO THE  
TRANSFER AND APPROPRIATION OF FUNDS FOR THE PURCHASE OF  
ENERGOV ONLINE PERMITTING SOLUTION AND OTHER RELATED PROJECT  
MANAGEMENT SERVICES

WHEREAS, in 2014, City Council and the City Manager directed staff to evaluate current and potential permitting software needs to include electronic plan submittal and review, and public accessibility.

WHEREAS, on October 3, 2016, an RFP was issued to solicit bids for permitting system software with a more robust GIS-centric solution, e-Plan functionality, and to eliminate the need for shadow systems, such as Excel spreadsheets and Access databases for reporting purposes.

WHEREAS, EnerGov was selected as the best choice to meet the needs of staff and customers.

WHEREAS, SoftResources has past experience with EnerGov integrations and comes highly recommended by other municipalities, including the City of San Mateo, CA, who have utilized SoftResources' project management services.

WHEREAS, on September 16, 2019, staff presented the Tyler EnerGov and SoftResources proposals to the Council Infrastructure Committee (CIC) and CIC approved a motion to move the item to the City Council consent calendar.

WHEREAS, EnerGov project costs will be funded by using Technology Surcharge Fee revenues, which are required by the State to be utilized for technology related expenses, including software solutions, and which have accumulated over time in an amount sufficient to cover project implementation.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby amends Resolution 19-103, the budget resolution for the City of Hayward Operating and Capital Budget for FY 2020, and approves the transfer and appropriation of funds to Project Number 07267 in the amount of \$624,732 in order to increase the project budget to the amount of \$814,732.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2019

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

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



# CITY OF HAYWARD

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

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**File #:** WS 19-055

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**DATE:** October 15, 2019

**TO:** Mayor and City Council

**FROM:** City Manager

**SUBJECT**

Acceleration of Statewide Minimum Wage in the City of Hayward

**RECOMMENDATION**

That the City Council receives information on creating a local minimum wage and provides direction to staff on policy options and a community outreach program.

**SUMMARY**

The City Council will be reviewing information from other cities that have adopted an accelerated minimum wage prior to the State's adopted acceleration plan and providing direction to staff on options to explore with the Hayward community.

**ATTACHMENTS**

|               |                                                  |
|---------------|--------------------------------------------------|
| Attachment I  | Staff Report                                     |
| Attachment II | Inventory of other Local Minimum Wage Ordinances |





DATE: October 15, 2019

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Acceleration of Statewide Minimum Wage in the City of Hayward

#### RECOMMENDATION

That the City Council receives information on creating a local minimum wage and provides direction to staff on policy options and a community outreach program.

#### SUMMARY

The City Council will be reviewing information from other cities that have adopted an accelerated minimum wage prior to the State's adopted acceleration plan and providing direction to staff on options to explore with the Hayward community.

#### BACKGROUND

The City Council provided direction to staff to consider establishing a local minimum wage that accelerates the implementation of the Statewide minimum wage for employers that maintain a business in the City or perform any work/service within the City limits. This report will provide an initial review of information from other cities, and local minimum wage requirements, as well as identify potential policy options for the Council to consider for Hayward.

#### Federal, State and Local Minimum Wages

The minimum wage established by federal, State, and local government law sets the lowest wage an employer may legally pay to workers. As of January 1, 2019, California law requires the minimum wage for all industries to be no less than \$11.00 per hour for businesses with less than 25 employees and \$12.00 per hour for businesses with 26 or more employees. The federal minimum wage for covered nonexempt employees has been \$7.25 per hour since July 24, 2009.

On April 4, 2016, California Governor Jerry Brown signed legislation (SB 3, Leno) which will raise California's minimum wage to \$15.00 per hour by 2023. After January 1, 2023, future wage increases are tied to inflation, reflecting increases in the Consumer Price Index, up to

3.5% per year. Under the new state law, the wage increase schedule may be temporarily suspended by the Governor during economic downturns. The increased minimum wage levels would be applied uniformly across the State. The law also maintains existing exemptions in the State's minimum wage law. This legislation gives California the highest minimum wage in the country along with New York, where minimum wages will rise to \$15 per hour in 2020.

| State of California Minimum Wage Schedule |                                   |                                   |
|-------------------------------------------|-----------------------------------|-----------------------------------|
| Effective Date                            | Employers w/ 25 Employees or Less | Employers w/ 26 Employees or More |
| January 1, 2016                           | \$10.00                           | \$10.00                           |
| January 1, 2017                           | \$10.00                           | \$10.50                           |
| January 1, 2018                           | \$10.50                           | \$11.00                           |
| January 1, 2019                           | \$11.00                           | \$12.00                           |
| January 1, 2020                           | \$12.00                           | \$13.00                           |
| January 1, 2021                           | \$13.00                           | \$14.00                           |
| January 1, 2022                           | \$14.00                           | \$15.00                           |
| January 1, 2023                           | \$15.00                           | \$15.00                           |
| January 1, 2024                           | \$15.00 + CPI                     | \$15.00 + CPI                     |

Source: [California Labor Commission](https://www.dir.ca.gov/dlse/faq_minimumwage.htm) <sup>1</sup>

Local governments retain the ability to adopt local wage ordinances. Such ordinances can increase the minimum wage more rapidly than the statewide timeframe or can increase the minimum wage beyond the level set by the State. When there are conflicts in the laws, the employer must follow the strictest standard, meaning that employers must follow the standard that is most favorable to the employee. Since the State's law on minimum wage is higher than the federal law, covered employers are required to pay the State's minimum wage. Similarly, should the City enact a minimum wage ordinance that is higher than State law, covered employers are required to pay the City's minimum wage. Currently, Hayward employers are subject to federal and State minimum wage laws.

In July 2012, only five local agencies (cities and counties) nation-wide had enacted a minimum wage ordinance. As of January 1, 2019, forty-three local agencies across the country had enacted a local minimum wage ordinance. Twenty-three of the forty-three agencies are located in the Bay Area (Attachment II).

Currently, in Alameda County, six cities have adopted minimum wage ordinances:

- Alameda – Currently \$13.50. \$15.00 by July 1, 2020 with inflation adjustments beginning July 1, 2022 and every July thereafter.
- Berkeley – Currently \$15.59. Adjusted for inflation on July 1, 2020, and every July thereafter.

<sup>1</sup> [https://www.dir.ca.gov/dlse/faq\\_minimumwage.htm](https://www.dir.ca.gov/dlse/faq_minimumwage.htm)

- Emeryville – Currently \$16.30. Adjusted for inflation on July 1, 2020, and every July thereafter.
- Fremont - Currently \$11.00 for small employers, \$13.50 for large employers. Will rise to \$15.00 for small employers on July 2021 and \$15.00 for large employers on July 2020. Adjusted for inflation every July thereafter.
- Oakland – Currently \$13.80. Adjusted for inflation January 1, 2020 and every January thereafter.
- San Leandro – Currently \$14.00. \$15.00 on July 1, 2020

Note that State, federal, and county agencies, including school and other special districts, are not required to pay a local minimum wage when the work performed is related to their governmental function.

### Demographics of City of Hayward workforce

Based on 2014 U.S. Census Bureau data, the City of Hayward has 79,500 workers who reside within the City. Some of the key characteristics of that workforce include:

- The majority of workers in Hayward (55%) are age 30 to 54, while 27% of the remaining work force are 29 and younger and 17% are 55 and older.
- Approximately 10.5% of Hayward households are below the poverty level. The poverty rate among those who worked full time was 2% and 12.75% for those who worked part time. The poverty rate is 17% for those who did not work.
- A vast majority of workers (68%) make more than \$4,166 per month (approximately \$25/hour), while 27.7% make between \$1,250 per month (\$7.35/hour) and \$4,165 per month (\$24/hour) and 4.1% make \$1,249 per month or less.
- Approximately 11% of Hayward households receive Food Stamp/SNAP benefits each year.
- The workforce is split fairly evenly between men (54%) and women (45%).
- About 40% of workers identify as Hispanic or Latino, with the remaining 59% identifying their ethnicity as not Hispanic or Latino.
- A large percent of the City's workers (43%) are employed in five main industries: Office and Administrative Support, Sales, Management, Production, and Construction.

### Business & Employment Characteristics

Based on data collected by the City of Hayward Revenue Services Division, there are currently 7,203 registered business licenses in the City. Some of the key data that is collected from businesses include:

- The majority of businesses (4,281) report having at least one employee other than the owner of the business. Those not listing employees are generally home-based businesses or rental properties.

- A total of 49,545 employees are reported by City of Hayward businesses. This number is different from the census number of employees who reside in Hayward because the census tracks are where people live, not where they work.
- Approximately 89% (3,841) of the businesses that report having employees, employ less than 26 employees per business for a total of 18,780 employees.
- Just 10% (440) of Hayward businesses employ 62% (30,765) of the workforce.

## DISCUSSION

This next section provides information on policy alternatives for the Council to consider along with information on how these alternatives have been created. In examining the development of a local minimum wage ordinance, areas of policy significance include: the dollar amount and time frame to increase a local minimum wage; exceptions and exemptions; ongoing minimum wage ordinance monitoring and enforcement; community engagement and communication activities; and potential City impacts.

### Policy Alternatives

The State regulations for minimum wage will increase the minimum wage in Hayward to \$15.00 per hour by 2022 for employers with 26 or more employees and to \$15 per hour by 2023 for employers with 25 or less employees. The key policy issue for the City Council is whether the minimum wage in Hayward should increase to \$15.00 per hour faster than the Statewide timeframe, and at what pace that increase should take place.

City staff developed three potential alternatives for the City Council to examine that would increase the local minimum wage to \$15.00 faster than the rate established by State Law. The tables below compare the three alternatives to current State law. The tables are followed by a description of each alternative and the potential pros and cons.

### Potential Local Minimum Wage Acceleration Scenarios

| 25 or Less Employees |                                         |               |               |
|----------------------|-----------------------------------------|---------------|---------------|
| Effective Date       | Current State of California Regulations | Alternative 1 | Alternative 2 |
| January 1, 2019      | \$11.00                                 | \$11.00       | \$11.00       |
| January 1, 2020      | \$12.00                                 | \$12.00       | \$12.00       |
| July 1, 2020         |                                         | \$13.00       |               |
| January 1, 2021      | \$13.00                                 | \$14.00       | \$14.00       |
| January 1, 2022      | \$14.00                                 | \$15.00       | \$15.00       |

|                 |         |         |         |
|-----------------|---------|---------|---------|
| January 1, 2023 | \$15.00 | \$15.00 | \$15.00 |
|-----------------|---------|---------|---------|

| 26 or More Employees |                                         |               |               |
|----------------------|-----------------------------------------|---------------|---------------|
| Effective Date       | Current State of California Regulations | Alternative 1 | Alternative 2 |
| January 1, 2019      | \$12.00                                 | \$12.00       | \$12.00       |
| January 1, 2020      | \$13.00                                 | \$13.00       | \$13.00       |
| July 1, 2020         |                                         | \$14.00       |               |
| January 1, 2021      | \$14.00                                 | \$15.00       | \$15.00       |
| January 1, 2022      | \$15.00                                 | \$15.00       | \$15.00       |
| January 1, 2023      | \$15.00                                 | \$15.00       | \$15.00       |

#### Alternative 1

A local minimum wage ordinance would go into effect July 1, 2020 with a \$1.00 per hour increase. Additional increases would occur annually in January until the business based on size reaches \$15.00 per hour. Businesses would reach \$15.00 per hour 1 year prior to the State requirement.

- Pros:
  - Allows for adequate time to notify and educate businesses on the pending increase.
  - Allows businesses time to adjust pricing and financial systems to accommodate the change from State requirements.
  - Provides an increase to employees at a quicker pace than State law.
- Cons:
  - Requires a mid-year notification and change for businesses, which is off schedule from State law and may cause confusion.

#### Alternative 2

A local minimum wage ordinance would go into effect January 1, 2021 with a \$1.00 per hour increase above State law. Businesses would reach \$15.00 per hour 1 year prior to the State requirement.

- Pros:

- Allows for adequate time to notify and educate businesses on the pending increase.
- Allows businesses time to adjust pricing and financial systems to accommodate the change from State requirements.
- Cons:
  - While employees would make more than State law, the increase would be slower than Alternative 1.

In each of these alternatives, staff recommends that once the minimum wage for the business reaches \$15.00 per hour, the minimum wage holds at that rate until State law matches the \$15.00 per hour rate to avoid the need for the City to notice, monitor, and enforce the law after 2023. For large businesses, this would happen for the years 2022 and 2023 and for small businesses, 2023. In January 2024, the State will then begin adding a CPI adjustment to the minimum wage not to exceed 3.5% each year. With this format, the State minimum wage law would take effect and no additional noticing, monitoring, or enforcement by the City would be required to continue above and beyond the State enforcement, eliminating any long-term annual City staffing and enforcement costs.

#### Time Frame for Increasing the Minimum Wage

Based on staff's research, almost all increases in the minimum wage at a Statewide or local level have phased-in the increase. This includes the State's legislation, which increases the wage to \$15.00 over a six-year period. Currently, of the six cities in Alameda County that have enacted minimum wage ordinances, all but two are phasing in the minimum wage increases over two years. Those cities with the phased in approach for increasing minimum wage in Alameda County will hit \$15.00 an hour by 2020, which was between 2 and 3 years from their first increase before State requirements.

The phased acceleration of the wage rate provides time for businesses to adapt their cost structure and pricing to adapt to the increase.

#### Exceptions and Exemptions

Other jurisdictions that have adopted wage increases created different exceptions and exemptions for types of industries, business sizes, youth workers, collective bargaining agreements, and other specifications in their local minimum wage ordinances based on feedback from the community and businesses. For example, the City of San Mateo made an exception for non-profits, allowing them to have an additional year to comply with increased levels. Other cities such as Fremont allow small business with 25 or fewer employees an additional year to comply, similar to the state regulations.

One exemption that many cities have had requested from the business community is for a lower minimum wage for tipped employees. Per State Law, an employer may not use an employee's tips as a credit toward its obligation to pay the minimum wage. All employees of a business would be subject to the same wage requirement regardless of tips or gratuities

received. However, the Council could decide to exempt tipped employees from the minimum wage acceleration.

Staff only included the exception of businesses with 25 or fewer employees to have one additional year to reach the \$15.00 per hour rate than those businesses with 26 or more businesses. This approach is intended to align with the State and limit long term monitoring and enforcement impacts to the City. Additional exceptions or exemptions, while feasible could add further complication and confusion for implementation of the ordinance for businesses and would increase the need for staff time and additional resources for ongoing monitoring and enforcement of grievances reported by employees.

### Minimum Wage Ordinance Enforcement

Establishing appropriate enforcement provisions is a key component of a minimum wage ordinance. As part of adopting a local minimum wage ordinance, the City will need to establish and implement systems to enforce an ordinance. Generally, enforcement of the local minimum wage is handled on a complaint basis, in which employees who are not being paid the correct wage must file a grievance complaint. At that time, an investigation proceeds and corrective action can be taken. Enforcement of the ordinance can be either handled by City staff or contracted out to an outside agency. The anticipated staff time and costs associated with either option will have to be more fully explored to determine which is the better option for the City. As stated above, staff recommends that once the minimum wage for the business reaches \$15.00 per hour, the minimum wage holds at that rate until State law matches the \$15.00 per hour rate to avoid the need for the City to notice, monitor, and enforce the law after 2023, eliminating any long-term annual City staffing and enforcement costs.

### Community Engagement and Outreach Strategy

Conducting robust community engagement and communication activities with business stakeholders and the community is of utmost importance in the successful examination, preparation, and implementation of a local minimum wage ordinance. Staff met with representatives from other Bay Area cities who recently implemented local minimum wage ordinances for their respective cities. All stressed the importance of engaging businesses, business associations, nonprofits, labor groups, local government agencies, and the community at-large. Staff plans to conduct significant outreach efforts to communicate and obtain feedback. The recommended community engagement and outreach strategy entails a two-pronged approach of face-to-face interactions with stakeholders and community members and the use of online tools and communication activities to solicit feedback.

Dependent on the timeframe for implementing a proposed ordinance, staff proposes undertaking the following outreach and communication initiatives to obtain community input:

1. Make presentations to the Hayward Chamber of Commerce Board and committees, the Downtown Hayward Improvement Association, United Merchant Association, and Hayward Business Association
2. Conduct business outreach meetings/roundtables with businesses, non-profits, and outside government agencies such as Hayward Unified and HARD
3. Conduct a community-wide outreach meeting



4. Mail postcards to every Hayward business with a City business license on file
5. Establish a City webpage with information on the City's efforts to study the issue and engage the business community, including FAQs.
6. Use other communication channels including social media platforms, email newsletters, and partner organizations.
7. Translate educational materials in Spanish and other languages as identified by Community and Media Relations staff.

The community engagement and outreach process will culminate with a presentation of stakeholder and community member input and feedback to the City Council. In general, most cities conduct their outreach efforts over a 4 to 6-month period in order to allow adequate input from the community. The more extensive outreach and education program the City can engage in prior to the ordinance taking effect, the lower the rate of grievances filed for businesses not paying the correct wage, and the less impact to the City's staffing and financial resources.

## FISCAL IMPACT

In most cities that adopt an increased minimum wage, there is a fiscal impact to the jurisdiction due to the increase in wages for employees currently employed by the City that are paid less than \$15.00. However, the City of Hayward adopted a Living Wage Ordinance in July 1999, which is designed to upwardly adjust and reflect a change in the Bay Area Consumer Price Index. As such, the current lowest paid employees for the City of Hayward organization are earning a salary of \$15.82 per hour. If the Council were to enact a local minimum wage of \$15.00, there would not be a direct fiscal impact on City operations from salary adjustments that would be needed.

One potential fiscal impact to the City for enacting a local minimum wage that differs from that of the State's established minimum wage would be associated with the cost for staff and fiscal resources towards the implementation and ongoing monitoring/enforcement of the ordinance. If the Council chooses to create an ordinance that does not come into alignment with the State at any point in time, the annual notification cost and cost of administering the program will be incurred by the City indefinitely. The cost to enforce the ordinance, respond to grievance filings, and ensure compliance with a new City minimum wage ordinance will also impact the City. Typical duties of enforcement include community outreach, compliance review, and managing a complaint process. Some of these enforcement duties could potentially be contracted out. Although the City does not have an estimated cost for this service, several other cities that staff spoke with that have a minimum wage ordinance that differs from the State and actively enforce the ordinance currently budget between \$30,000 - \$50,000 per year for this service. Demand for the program is complaint based and would likely fluctuate on a year to year basis. Should the Council decide to create an ordinance that does not align (after 2023) with the State's minimum wage, staff will work to design a monitoring and enforcement program and provide Council with an estimated cost of providing these services to the Hayward Community.

There are also costs associated with the notifications that must be made to all businesses for each wage rate adjustment that differs from state law; this cost is currently estimated at \$17,000 each year.

If the Council adopts an ordinance that aligns the local minimum wage with the State law at \$15.00 per hour, then the need for additional notification and enforcement will no longer be necessary after 2023, and the cost will no longer exist.

## STRATEGIC INITIATIVES

This agenda item does not directly relate to the Council's Strategic Initiatives.

## NEXT STEPS

Staff will incorporate Council's feedback and move forward with community outreach. This includes conducting Citywide engagement and communication activities to solicit feedback from businesses and the community on the City's consideration of a local minimum wage ordinance. Staff envisions this process will take place over the next two to three months and anticipates returning to the Council in January 2020 to present community feedback and a recommended local minimum wage ordinance. If a minimum wage ordinance is approved by the City Council in January, implementation (including education of employees and establishment of enforcement mechanisms) could occur over the next 5 to 11 months, depending on the direction provided by the Council this evening.

Prepared by: Catherine Ralston, Economic Development Specialist

Recommended by: Jennifer Ott, Deputy City Manager

Approved by:

A handwritten signature in dark ink, appearing to read 'K. McAdoo', is written over a horizontal line.

Kelly McAdoo, City Manager

# Inventory of Local Minimum Wage Ordinances (Cities and Counties)

UC Berkeley Center for Labor Research and Education

Last updated: 09/19/2019

The information in the Minimum Wage Inventory is for informational purposes only and is not for the purpose of providing legal advice or documentation. Despite our best efforts, our inventory may not be immediately updated to reflect changes in laws, and may contain inaccuracies. Information on minimum wages should be confirmed with individual localities.

The inventory includes only minimum wages that were set by local ordinance; it does NOT include localities whose separate minimum wage was set by state law.

|                                                                                      | Minimum wage increase schedule                     |                  |                  |                    |                  |                          |                  |                  |                  |                               | Law details*     |                              |                               |                                                  |                                                 |                                                           |                                                                                                              |                                                      |
|--------------------------------------------------------------------------------------|----------------------------------------------------|------------------|------------------|--------------------|------------------|--------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------------------|-------------------------------|--------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| Locality (year enacted)                                                              | Wage before first increase                         | 1st step         |                  | 2nd step           |                  | 3rd step                 |                  | 4th step         |                  | 5th step                      |                  | Is the minimum wage indexed? | Index details                 | Is there a subminimum wage for tipped employees? | Details on subminimum wage for tipped employees | Do other forms of compensation count toward minimum wage? | Details on other forms of compensation                                                                       | Link to law text and/or website                      |
|                                                                                      |                                                    | New minimum wage | Date of increase | New minimum wage   | Date of increase | New minimum wage         | Date of increase | New minimum wage | Date of increase | New minimum wage              | Date of increase |                              |                               |                                                  |                                                 |                                                           |                                                                                                              |                                                      |
| Alameda, CA (2018)                                                                   | \$12.00 (26+ employees)<br>\$11.00 (<26 employees) | \$13.50          | 7/1/2019         | \$15.00            | 7/1/2020         |                          |                  |                  |                  |                               |                  | yes (starting 7/1/2022)      | S.F. CPI-W capped at 5%       | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| Belmont, CA (2017)                                                                   | \$11.00 (26+ employees)<br>\$10.50 (<26 employees) | \$12.50          | 7/1/2018         | \$13.50            | 1/1/2019         | \$15.00                  | 1/1/2020         | \$15.90          | 1/1/2021         |                               |                  | yes                          | S.F. CPI-W                    | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a><br><a href="#">ordinance</a> |
| Berkeley, CA (2016) <sup>1</sup>                                                     | \$11.00                                            | \$12.53          | 10/1/2016        | \$13.75            | 10/1/2017        | \$15.00                  | 10/1/2018        |                  |                  |                               |                  | yes (starting 7/1/2019)      | S.F. CPI-W                    | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| Cupertino, CA (2016)                                                                 | \$10.00                                            | \$12.00          | 1/1/2017         | \$13.50            | 1/1/2018         | \$15.00                  | 1/1/2019         |                  |                  |                               |                  | yes                          | S.F. CPI-W not to exceed 5%   | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| Daly City, CA (2019)                                                                 | \$12.00 (26+ employees)<br>\$11.00 (<26 employees) | \$12.00          | 2/13/2019        | \$13.75            | 1/1/2020         | \$15.00                  | 1/1/2021         |                  |                  |                               |                  | yes                          | S.F. CPI-W not to exceed 3.5% | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| El Cerrito, CA (2015)                                                                | \$10.00                                            | \$11.60          | 7/1/2016         | \$12.25            | 1/1/2017         | \$13.60                  | 1/1/2018         | \$15.00          | 1/1/2019         |                               |                  | yes                          | S.F. CPI-W                    | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| Emeryville, CA (2015)<br><i>large businesses (56 or more employees)</i>              | \$9.00                                             | \$14.44          | 7/1/2015         |                    |                  |                          |                  |                  |                  |                               |                  | yes                          | S.F. CPI-U                    | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| Emeryville, CA (2015)<br><i>small businesses (55 or fewer employees)</i>             | \$9.00                                             | \$12.25          | 7/1/2015         | \$13.00            | 7/1/2016         | \$14.00                  | 7/1/2017         | \$15.00          | 7/1/2018         | Same rate as large businesses | 7/1/2019         |                              |                               |                                                  |                                                 |                                                           |                                                                                                              |                                                      |
| Freemont, CA (2019) <sup>3</sup><br><i>large businesses (26 or more employees)</i>   |                                                    | \$13.50          | 7/1/2019         | \$15.00            | 7/1/2020         |                          |                  |                  |                  |                               |                  | yes                          | S.F. CPI-W capped at 5%       | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| Freemont, CA (2019) <sup>3</sup><br><i>small businesses (25 or fewer employees)</i>  |                                                    | \$13.50          | 7/1/2020         | \$15.00            | 7/1/2021         | same as large businesses | 7/1/2022         |                  |                  |                               |                  |                              |                               |                                                  |                                                 |                                                           |                                                                                                              |                                                      |
| Los Altos, CA (2016) <sup>4</sup>                                                    | \$10.00                                            | \$12.00          | 1/1/2017         | \$13.50            | 1/1/2018         | \$15.00                  | 1/1/2019         |                  |                  |                               |                  | yes                          | S.F. CPI-W capped at 5%       | no                                               | n/a                                             | yes                                                       | commissions or guaranteed gratuities, not including discretionary tips                                       | <a href="#">website</a>                              |
| Milpitas, CA (2017) <sup>6</sup>                                                     | \$10.50 (26+ employees)<br>\$10.00 (<26 employees) | \$11.00          | 7/1/2017         | \$12.00            | 1/1/2018         | \$13.50                  | 7/1/2018         | \$15.00          | 7/1/2019         |                               |                  | yes                          | S.F. CPI-W capped at 5%       | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| Mountain View, CA (2015)                                                             | \$10.30                                            | \$11.00          | 1/1/2016         | \$13.00            | 1/1/2017         | \$15.00                  | 1/1/2018         |                  |                  |                               |                  | yes                          | S.F. CPI-W                    | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| Oakland, CA (2014)                                                                   | \$9.00                                             | \$12.25          | 3/1/2015         |                    |                  |                          |                  |                  |                  |                               |                  | yes                          | S.F. CPI-W                    | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">code</a><br><a href="#">website</a>      |
| Palo Alto, CA (2015) <sup>13</sup>                                                   | \$9.00                                             | \$11.00          | 1/1/2016         | \$12.00            | 1/1/2017         | \$13.50                  | 1/1/2018         | \$15.00          | 1/1/2019         |                               |                  | yes                          | S.F. CPI-W capped at 5%       | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">code</a><br><a href="#">website</a>      |
| Petaluma, CA (2019) <sup>16</sup><br><i>large businesses (26 or more employees)</i>  | \$13.00                                            | \$15.00          | 1/1/2020         |                    |                  |                          |                  |                  |                  |                               |                  | yes (starting 1/1/2021)      | S.F. CPI-W                    | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">ordinance</a>                            |
| Petaluma, CA (2019) <sup>16</sup><br><i>small businesses (25 or fewer employees)</i> | \$12.00                                            | \$14.00          | 1/1/2020         | \$15.00            | 1/1/2021         |                          |                  |                  |                  |                               |                  |                              |                               |                                                  |                                                 |                                                           |                                                                                                              |                                                      |
| Redwood City, CA (2018)                                                              | \$11.00 (26+ employees)<br>\$10.50 (<26 employees) | \$13.50          | 1/1/2019         | \$15.00 + 2019 CPI | 1/1/2020         |                          |                  |                  |                  |                               |                  | yes                          | S.F. CPI-W                    | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| Richmond, CA (2014; 2017 update)                                                     | \$9.00                                             | \$9.60           | 1/1/2015         | \$11.52            | 1/1/2016         | \$12.30                  | 1/1/2017         | \$13.41          | 1/1/2018         | \$15.00                       | 1/1/2021         | yes                          | S.F. CPI-W                    | no                                               | n/a                                             | yes                                                       | MW is \$1.50 less for employers who pay at least \$1.50/hr per employee for employer-compensated health care | <a href="#">website</a>                              |
| San Diego, CA (2014)                                                                 | \$9.00                                             | \$9.75           | 1/1/2015         | \$10.50            | 1/1/2016         | \$11.50                  | 1/1/2017         |                  |                  |                               |                  | yes (starting 1/1/2019)      | U.S. CPI-W                    | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| San Francisco, CA (2014) <sup>18</sup>                                               | \$11.05                                            | \$12.25          | 5/1/2015         | \$13.00            | 7/1/2016         | \$14.00                  | 7/1/2017         | \$15.00          | 7/1/2018         |                               |                  | yes                          | S.F. CPI-W                    | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |
| San Jose, CA (2016) <sup>19</sup>                                                    | \$10.50 (26+ employees)<br>\$10.00 (<26 employees) | \$12.00          | 7/1/2017         | \$13.50            | 1/1/2018         | \$15.00                  | 1/1/2019         |                  |                  |                               |                  | yes                          | S.F. CPI-W capped at 5%       | no                                               | n/a                                             | no                                                        | n/a                                                                                                          | <a href="#">website</a>                              |

|                                                               |                                                    |         |          |                                           |          |         |          |                             |           |  |                               |                            |    |     |     |                                                            |                                       |
|---------------------------------------------------------------|----------------------------------------------------|---------|----------|-------------------------------------------|----------|---------|----------|-----------------------------|-----------|--|-------------------------------|----------------------------|----|-----|-----|------------------------------------------------------------|---------------------------------------|
| San Leandro, CA (2016) <sup>20</sup>                          | \$10.50 (26+ employees)<br>\$10.00 (<26 employees) | \$12.00 | 7/1/2017 | \$13.00                                   | 7/1/2018 | \$14.00 | 7/1/2019 | \$15.00                     | 7/1/2020  |  | no                            | n/a                        | no | n/a | no  | n/a                                                        | <a href="#">website</a>               |
| San Mateo, CA (2016)                                          | \$10.50 (26+ employees)<br>\$10.00 (<26 employees) | \$12.00 | 1/1/2017 | \$13.50                                   | 1/1/2018 | \$15.00 | 1/1/2019 |                             |           |  | yes<br>(starting<br>1/1/2020) | S.F. CPI-W                 | no | n/a | no  | n/a                                                        | <a href="#">website</a>               |
| San Mateo, CA (2016)<br>nonprofits                            |                                                    | \$10.50 | 1/1/2017 | \$12.00                                   | 1/1/2018 | \$13.50 | 1/1/2019 | same as other<br>businesses | 1/1/20020 |  |                               |                            |    |     |     |                                                            |                                       |
| Santa Clara, CA (2015; 2017 update) <sup>21</sup>             | \$10.00                                            | \$11.00 | 1/1/2016 | \$11.10<br>(CPI increase per<br>2015 law) | 1/1/2017 | \$13.00 | 1/1/2018 | \$15.00                     | 1/1/2019  |  | yes                           | S.F. CPI-W<br>capped at 5% | no | n/a | no  | n/a                                                        | <a href="#">website</a>               |
| Sonoma, CA (2019)<br>large businesses (26 or more employees)  | \$13.00                                            | \$13.50 | 1/1/2020 | \$15.00                                   | 1/1/2021 | \$16.00 | 1/1/2022 | \$17.00                     | 1/1/2023  |  | yes                           | CPI index TBA              | no | n/a | yes | \$1.50 health benefit credit to go into<br>effect 1/1/2021 | <a href="#">ordinance<br/>website</a> |
| Sonoma, CA (2019)<br>small businesses (25 or fewer employees) | \$12.00                                            | \$12.50 | 1/1/2020 | \$14.00                                   | 1/1/2021 | \$15.00 | 1/1/2022 | \$16.00                     | 1/1/2023  |  |                               |                            |    |     |     |                                                            |                                       |
| Sunnyvale, CA (2014; amended 2016)                            | \$9.00                                             | \$10.30 | 1/1/2015 | 11.00                                     | 7/1/2016 | \$13.00 | 1/1/2017 | \$15.00                     | 1/1/2018  |  | yes                           | S.F. CPI-W                 | no | n/a | no  | n/a                                                        | <a href="#">website</a>               |

Under Berkeley's minimum wage law, for the Employer Youth Works and for job training participants up to 25 years of age in youth job training programs operated by nonprofit corporations or government entities, the minimum wage schedule is: \$12.00 on 10/1/2017, and \$13.25 on 10/1/2018.

\* This table does not summarize all provisions of the laws; see law text for additional details.

Freemont's minimum wage ordinance exempts employees of nonprofit organizations, and employees who are standing by or on-call. See the ordinance for more information.

Until the minimum wage reaches \$15.00, the Milpitas City Council will annually assess if economic conditions can support a minimum wage increase. See the ordinance for details on required conditions which, if not met, will permit the City Council to temporarily suspend the next

The Palo Alto ordinance was amended in 2016 to add steps 2, 3, and 4.

In Petaluma, learners between the ages of 14 and 17 can be paid 85 percent of the minimum wage during their first 160 hours of employment.

A small number of "government supported employees" in San Francisco are subject to a lower minimum wage rate; see <http://sfgov.org/olse/minimum-wage-ordinance-mwo> for details.

Until the San Jose minimum wage reaches \$15.00, each increase may be postponed for one year if certain economic conditions are not met; see ordinance for details.

Employees in San Leandro up to age 25 who are employed by a nonprofit or governmental entity for after school or summer employment, or as a student intern, or as a volunteer, or as a trainee are exempted from the minimum wage for up to 120 days.

Until the minimum wage reaches \$15.00, the Santa Clara City Council will annually assess if economic conditions can support a minimum wage increase. See the ordinance for details on required conditions which, if not met, will permit the City Council to temporarily suspend the



# CITY OF HAYWARD

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

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**File #:** WS 19-052

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**DATE:** October 15, 2019

**TO:** Mayor and City Council

**FROM:** Development Services Director

**SUBJECT**

Feasibility Analysis for Residential Fees and Park Impact Fee Nexus Study

**RECOMMENDATION**

That the Council reviews and provides feedback related to staff's recommendations on the park impact fee calculations based on additional analysis related to fees for residential development.

**SUMMARY**

The attached park impact fee calculations (Attachment II), prepared by Community Attributes, Inc. (CAI), show the maximum allowable park in-lieu fees that could be assessed on different development types. Based on Council inquiry about more data on fees from neighboring jurisdictions and the impact of fees on the feasibility of development in Hayward, the City's consultant, Community Attributes, Inc. (CAI), conducted a sensitivity analysis related to the feasibility of development prototypes, including multi-family residential, townhomes, and single family detached. The resulting data revealed that multi-family residential, due to high costs of construction and inability to garner high enough rents, is a marginally feasible product type even under the current park fee schedule. On the other hand, both townhomes and single-family detached prototypes are more feasible and can sustain an increase in fees and still be feasible. This is also best evidenced by the types of developments that are currently in the City's development pipeline being processing toward approval. Staff also compared the total fees of doing business in Hayward as compared with other comparable and neighboring cities including San Leandro, Dublin, and Fremont. Finally understanding that the City is also working on preparing a transportation impact fee nexus study, which would increase the overall fee burden once the new fee is adopted, has informed the recommendations outlined in this report.

**ATTACHMENTS**

|                |                                             |
|----------------|---------------------------------------------|
| Attachment I   | Staff Report                                |
| Attachment II  | Fee Calculations                            |
| Attachment III | Comparison of Development Fees by Prototype |
| Attachment IV  | Impact Fee Comparison                       |

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## SUMMARY

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## BACKGROUND

In May 2018, the City entered into a contract with CAI to conduct a comprehensive nexus-study for park dedication and in-lieu impact fees to align with current economic and development activities within Hayward. The last nexus study and fee schedule update occurred in 2003. Subsequently, park dedication and in-lieu fees have not kept pace with inflation and land values. Had a Consumer Price Index adjustment been made annually, Table 1 illustrates how the fees adopted in 2003 would have changed over time.

Table 1: Hypothetical Park In-Lieu Fees if Annual CPI Adjustment Had Been Made

| Year | CPI     | % Change | Park In-Lieu Fee       |                        |              |
|------|---------|----------|------------------------|------------------------|--------------|
|      |         |          | Single-Family Detached | Single-Family Attached | Multi-Family |
| 2003 | 196.4   |          | \$11,953               | \$11,395               | \$9,653      |
| 2004 | 198.8   | 1.2%     | \$12,099               | \$11,534               | \$9,771      |
| 2005 | 202.7   | 2.0%     | \$12,336               | \$11,761               | \$9,963      |
| 2006 | 209.2   | 3.2%     | \$12,732               | \$12,138               | \$10,282     |
| 2007 | 216.048 | 3.3%     | \$13,149               | \$12,535               | \$10,619     |
| 2008 | 222.767 | 3.1%     | \$13,558               | \$12,925               | \$10,949     |
| 2009 | 224.395 | 0.7%     | \$13,657               | \$13,019               | \$11,029     |
| 2010 | 227.469 | 1.4%     | \$13,844               | \$13,198               | \$11,180     |
| 2011 | 233.390 | 2.6%     | \$14,204               | \$13,541               | \$11,471     |
| 2012 | 239.650 | 2.7%     | \$14,585               | \$13,904               | \$11,779     |
| 2013 | 245.023 | 2.2%     | \$14,912               | \$14,216               | \$12,043     |
| 2014 | 251.985 | 2.8%     | \$15,336               | \$14,620               | \$12,385     |
| 2015 | 258.572 | 2.6%     | \$15,737               | \$15,002               | \$12,709     |
| 2016 | 266.344 | 3.0%     | \$16,210               | \$15,453               | \$13,091     |
| 2017 | 274.924 | 3.2%     | \$16,732               | \$15,951               | \$13,512     |
| 2018 | 285.550 | 3.9%     | \$17,379               | \$16,567               | \$14,035     |

Source: Community Attributes, Inc.

A project kick-off meeting was held in October 2018. Participants included City staff from Development Services, the City Manager's Office, and the Finance Department; HARD staff; and CAI. Based on the discussion at the kickoff meeting, CAI developed recommendations regarding the methodology for the nexus study and followed up with City and HARD staff during a conference call in December 2018 for additional guidance and input. CAI then developed park impact fee calculations, which calculate the maximum fees for different development types that would be legally defensible based on land acquisition and development costs.

On May 6, 2019, the park fee calculations were presented to the Council Economic Development Committee (CEDC)<sup>1</sup>. From their discussion, the CEDC had general consensus around the following recommendations:

- Minimal or no park fees should be assessed on non-residential development, particularly commercial development, which the City has a hard time attracting;
- Residential park fees should be assessed per bedroom rather than by development type (single-family, multifamily, etc.);
- Accessory dwelling units (ADUs) should be assessed the same rate as studios, regardless of the number of bedrooms that they include; and
- While park fees should be increased, the increase must be reasonable.

<sup>1</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=3937516&GUID=6C808068-7305-42DC-B7ED-510C04E2BB0A&Options=&Search=>



On June 18, 2019, the park fee calculations were presented to a joint City Council/HARD Board work session<sup>2</sup>. Unfortunately, there was not sufficient time to allow for feedback and Council requested some additional data related to total costs of all City fees, especially in comparison to neighboring jurisdictions, to assist with a recommendation regarding park fees in light of the potential for additional development impact fees in the future.

On August 15, 2019, staff held a stakeholder meeting with active developers in Hayward to solicit their feedback on the park fee calculations. The stakeholders in attendance had mixed feedback that included the following:

- Concerns about any additional fees the City may add on top of an increased park fee
- Wanted the City to consider median home values in determining the increase in park fees
- Noted that assessing fees by bedroom count will promote smaller units and penalize larger units, which has an impact on family size units
- Residential developers liked the idea of sharing the fee burden with commercial development, but to keep those fees low
- Industrial developers felt since the new industrial regulations require employee amenities and open space that assessing park fees would be a form of double charging
- Some concern was expressed regarding timing of implementation and the hope that existing projects in the pipeline could be grandfathered; they supported a phased in approach to any fee increase
- Fees should remain payable at occupancy instead of permit issuance

## DISCUSSION

To address the questions Council raised regarding the total cost of permitting and impact fees in the City of Hayward versus in other jurisdictions, staff conducted additional research. To more easily compare permit and impact fees across jurisdictions, staff utilized three prototypes: a mixed use development consisting of 200 studio, one and two bedroom apartments and approximately 32,000 sq. ft. of retail; a mixed use development consisting of 100 three and four bedroom townhomes with 15,000 sq. ft. of retail; and a residential development of 100 three and four bedroom detached single family homes. The following summary tables show fees for each prototype project, comparing the City of Hayward's current fees with staff's recommendation for an increased park fee, and with the fees for the neighboring Cities of San Leandro, Dublin and Fremont. Please note that staff has included a subtotal without the Affordable Housing Fee and a Total with the Affordable Housing Fee since this requirement varies significantly amongst jurisdictions. For instance, the City of San Leandro requires developments of more than six units to provide the required affordable units on site and the City of Dublin allows developers to pay an in lieu fee for up to 40% of the required affordable units, while the remaining units must be provided on site. A full

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<sup>2</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=3985845&GUID=8BB7EBC6-CE27-45AD-9E05-FC8CA953C375&Options=&Search=>

comparison and breakdown of fees for each prototype is included as Attachment III to this report.

### Impact Fee Comparisons with Neighboring Jurisdictions

Attachment IV compares Hayward's current, recommended, and maximum allowable park impact fees to comparable impact fees in other nearby jurisdictions, including Oakland, San Leandro, Union City, Fremont, Dublin, Pleasanton, Livermore, San Mateo, and Alameda County.

For residential development, Hayward's existing fees are among the lowest for all jurisdictions, especially given that most other jurisdictions also assess fees for capital facilities, traffic, and/or fire, which Hayward does not. The maximum allowable park fees that Hayward could assess are generally average to below average compared to the other jurisdictions for multi-family product types; but would be the highest for single family detached products. Additionally, as mentioned above, the City is also working on preparing a transportation impact fee nexus study, which will increase the overall fee burden once the new fee is adopted. Setting the park fee at 50% of the maximum or even 35% of the maximum allowable fees, still provides room to add other impact fees, such as a Traffic Impact Fee (roughly estimated to be \$7,000-8,000 per unit), while still allowing Hayward to remain competitive. The comparative data analysis presented below on total fees and impact fees by various product serves as the basis for staff's recommendations described below.

### Fee Comparisons with Neighboring Jurisdictions

Table 2: Prototype 1 – Detached Single Family Subdivision (100 3-bedroom and 4-bedroom detached homes)

| Permit and Impact Fees                | Hayward<br>(Existing Park<br>Fees) | Hayward<br>(Proposed Park<br>Fees: 50%<br>Below Max.) | San Leandro | Dublin       | Fremont      |
|---------------------------------------|------------------------------------|-------------------------------------------------------|-------------|--------------|--------------|
| Subtotal                              | \$5,182,655                        | \$5,993,926                                           | \$7,291,826 | \$11,538,157 | \$9,715,298  |
| Affordable Housing Fee <sup>1,2</sup> | \$4,960,648                        | \$4,960,648                                           | N/A         | \$2,465,663  | \$7,036,380  |
| Total                                 | \$10,143,303                       | \$10,954,574                                          | \$7,291,826 | \$14,003,819 | \$16,751,678 |

Notes:

1. San Leandro requires developments of more than 6 units to provide the required affordable units on site.
2. Dublin allows affordable housing in-lieu fees to be paid for up to 40% of the required affordable units. The remaining units must be provided on site.

Table 3: Prototype 2 - Townhomes & Retail (100 3-bedroom and 4-bedroom townhomes; 15,000 s.f. retail)

| Permit and Impact Fees                | Hayward<br>(Existing<br>Park Fees) | Hayward<br>(Proposed Park<br>Fees: 50%<br>Below Max.) | San Leandro | Dublin       | Fremont      |
|---------------------------------------|------------------------------------|-------------------------------------------------------|-------------|--------------|--------------|
| Subtotal                              | \$5,072,817                        | \$5,783,917                                           | \$7,152,041 | \$10,569,299 | \$9,505,890  |
| Affordable Housing Fee <sup>1,2</sup> | \$3,391,050                        | \$3,391,050                                           | N/A         | \$1,003,965  | \$5,085,000  |
| Total                                 | \$8,463,867                        | \$9,174,967                                           | \$7,152,041 | \$11,573,264 | \$14,590,890 |

Notes:

1. San Leandro requires developments of more than 6 units to provide the required affordable units on site.
2. Dublin allows affordable housing in-lieu fees to be paid for up to 40% of the required affordable units. The remaining units must be provided on site.

As shown in Tables 2 and 3 for Prototypes 1 and 2, the City's current fees are 30% lower than San Leandro and around 50% lower than both Dublin and Fremont. Once you factor in the Affordable Housing Fees, the City of Hayward is slightly higher than San Leandro, but again, San Leandro requires affordable units be provided on site, which will increase developer costs. The City of Hayward is still between 30-40% lower than Dublin and Fremont. While the recommended park fees result in higher total fees for these prototypes than the existing fees, the townhome and single family detached product types can absorb an increase in fees as it is more feasible to construct these product types in Hayward than other product types such as high density multi-family (Prototype 3).

Table 4: Prototype 3 - Mixed Use Multifamily & Retail (200 studio, 1-bedroom, and 2-bedroom apartments; 32,971 s.f. retail)

| Permit and Impact Fees                | Hayward<br>(Existing<br>Park Fees) | Hayward<br>(Proposed Park<br>Fees: 50%<br>Below Max.) | San Leandro | Dublin       | Fremont      |
|---------------------------------------|------------------------------------|-------------------------------------------------------|-------------|--------------|--------------|
| Subtotal                              | \$6,950,821                        | \$6,310,371                                           | \$9,281,222 | \$15,491,476 | \$9,715,298  |
| Affordable Housing Fee <sup>1,2</sup> | \$2,568,400                        | \$2,568,400                                           | N/A         | \$2,013,196  | \$7,036,380  |
| Total                                 | \$9,519,221                        | \$8,878,771                                           | \$9,281,222 | \$17,504,672 | \$16,751,678 |

Notes:

1. San Leandro requires developments of more than 6 units to provide the required affordable units on site.
2. Dublin allows affordable housing in-lieu fees to be paid for up to 40% of the required affordable units. The remaining units must be provided on site.

As presented in Table 4 for the third prototype, the fees, inclusive of park impact fees, for the City of Hayward are about 30% lower than San Leandro and Fremont and 60% lower than Dublin. Once you include the Affordable Housing Fee, the City of Hayward's fees are nearly 50% lower than Dublin and Fremont. While Hayward's total fees appear comparable to San Leandro's once Hayward's Affordable Housing Fee is added in, San Leandro requires those affordable units be provided on site, which will increase the developers costs significantly. It

is important to note that for this particular prototype, based on staff's recommendation for the proposed park fee, the overall fees would actually decrease, which is consistent with trying to encourage multi-family development given its current limited feasibility in Hayward.

### Staff Recommendations

Based on feedback from CEDC, the HARD Board, City Council, stakeholders, and additional comparative research, staff makes the following recommendations regarding increasing the park impact fees. Staff is seeking any additional feedback regarding these recommendations and confirmation that staff is moving in the right direction before coming back before the end of the year with a revised impact fee ordinance.

#### 1. Park Impact Fees Assessed on Residential Only

At their meeting on May 6, the CEDC recommended that minimal or no park impact fees should be applied to non-residential development, particularly commercial development, which the City is proactively working to attract in order to increase jobs and tax revenue in the City. Staff received similar input from the stakeholders at the August 15 meeting.

Assessing park impact fees on both residential and non-residential development would result in reduced fees for residential development and would help ensure that non-residential development shares some of the cost of parkland development. However, given the policy benefits of incentivizing commercial development and the challenges the City experiences in attracting certain types of non-residential development, staff would recommend continuing to assess park fees on residential development only.

#### 2. Fee Calculations by Bedroom Count Versus Product Type

The CEDC expressed a preference for assessing park impact fees for residential development based on bedroom count. At the joint work session, staff received similar feedback from the HARD Board and Council. Stakeholders were also in favor of this approach, although they also noted that calculating by bedroom count would encourage the development of smaller units and penalize larger family size units. Based on this feedback, staff would recommend assessing fees by bedroom count.

#### 3. Recommended Options for Reduction in Park Impact Fees Below Maximum

The CEDC and stakeholder feedback stated that while residential fees should be increased from their current levels, the increase should also be reasonable, and not necessarily to the maximum allowable. HARD Board feedback included setting the park fees at the maximum allowable so as to maintain the current levels of service as the City reaches buildout identified in the 2040 General Plan.

If it is decided that park impact fees should be reduced below the maximum allowable, staff recommends that consistent reductions be made across residential types with the exception of any development types that the City may want to incentivize that are already cost prohibitive to construct such as high density multi-family and Accessory

Dwelling Units (ADUs). However, it should be noted that any reduction from the maximum fees allowable would mean a reduction in the level of service (measured in acres of parkland per thousand residents) from the current level provided.

Table 5: Recommended Options for Reductions in Park Impact Fees, Calculated for Residential Development Only

| Residential Unit<br>Bedroom Count                      | Maximum<br>Allowable Fee | 35% Reduction | 50% Reduction |
|--------------------------------------------------------|--------------------------|---------------|---------------|
| 0 Bedrooms/ADUs                                        | \$6,277                  | \$4,080       | \$3,138       |
| 1 Bedroom                                              | \$9,828                  | \$6,388       | \$4,914       |
| 2 Bedrooms                                             | \$17,728                 | \$11,523      | \$8,864       |
| 3 Bedrooms                                             | \$30,959                 | \$20,123      | \$15,480      |
| 4+ Bedrooms                                            | \$43,065                 | \$27,992      | \$21,532      |
| Equivalent LOS for growth<br>in acres/1,000 population | 6.5                      | 5.1           | 4.5           |

Source: Community Attributes, Inc.

Table 5 above shows some options for potential fee reductions, and the resulting impact that this would have on the level of park service provided by new growth. If Council supports staff's recommendation of calculating residential impact fees by bedroom, staff recommends a 50% reduction in fees. This maintains an almost 5-acre per 1,000 population service level for new development, consistent with the district-wide parkland policy established in the General Plan and allows for a modest increase in impact fees for parks. However, as stated previously, this may incentivize the construction of smaller units (0-2 bedrooms), since the impact fees will be lower and reduce the number of larger or family size units (3-4 bedrooms). In addition, as shown in Tables 2-4 above, a recommendation of 50% of the maximum fees results in an increase in total fees for townhome and single family development, which are feasible product types to construct in Hayward and can support higher fees, and a reduced park fee for multi-family development with smaller units, a product type challenging to build right now in Hayward due to high costs of construction. Table 5 also includes the park impact fees with only a 35% reduction from the maximum allowable, which maintains the 5-acre per 1,000 population service level for new development as an alternative to staff's recommended 50% reduction.

In addition, as shown on the impact fee comparison charts, Attachment IV, setting the park fee at 50% of the maximum or even 35% of the maximum allowable fees, still provides room to add other impact fees, such as a Traffic Impact Fee (roughly estimated to be \$7,000-8,000 per unit), while still allowing Hayward to remain competitive. Regardless of the level that park fees are set at now, staff recommends that the adopted park fees be adjusted annually by a home price or construction cost index, such as the Engineering News Record as the Affordable Housing Fees are adjusted. Staff would also note that as any other impact fees are considered, such as a Traffic Impact Fee in 2020, the Council could also revisit the Park Impact Fee at that time and consider adjustments based on the results of the traffic impact fee nexus study and the resulting recommendations.

#### 4. Exemptions from Park Fees

Per Section 10-16.11 of the Hayward Municipal Code<sup>3</sup>, the following types of development are currently exempt from park impact fees:

- Housing for the elderly or disabled, when the development is either owned by a public agency or leased to a public agency for a period of at least twenty (20) years, and when the development complies with the definition of housing for the elderly or disabled as defined by the U. S. Department of Housing and Urban Development;
- Rental housing owned by a private non-profit corporation with rents which on the average remain affordable, for a period of at least thirty (30) years, to households with incomes of no more than sixty (60) percent of area median income, adjusted for household size, as defined by the State of California Department of Housing and Community Development. Developers of such rental housing shall enter into a regulatory agreement with the City to be approved by the City Council, which shall guarantee the term of affordability;
- Ownership housing developed by a public agency or private non-profit housing developer which is affordable to first-time homebuyers with incomes of no more than ninety-five (95) percent of area median income, adjusted for household size, as defined by the State of California Department of Housing and Community Development. Owners within such ownership developments shall be required to provide a right of first refusal to the City or its designee to purchase the units upon resale; and
- Commercial and industrial subdivisions.

At the August stakeholder meeting, feedback included that the City consider exempting a wider range of affordable projects (HCD Moderate income levels, instead of Low) and perhaps even exempting any affordable housing projects not just those developed by non-profit corporations. In an effort to encourage the development of housing of all types and in an effort to encourage more on-site production of affordable housing, staff recommends the following additional exemptions:

- All 100% affordable housing projects by non-profit developers instead of only those households with incomes of 60% or less;
- A 50% reduction in fees for 100% affordable projects developed by a for-profit developer; and
- A 50% reduction in fees for any affordable units that are constructed on-site within a mixed income development.

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<sup>3</sup> HMC Chapter 10, Article 16, Property Developers – Obligations for Parks and Recreation:  
[https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PL\\_ZOSU\\_ART16PRDEBLPARE](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PL_ZOSU_ART16PRDEBLPARE)

## 5. Credits toward Park Fee Requirements

Among the comparison cities, all allow for credits toward the impact fee. Most often credits are allowed when the developer has dedicated land or built improvements as a condition of development approval or agreement. Many require that the land dedication or improvements contribute toward projects identified in City planning documents. As one example, the City of San Mateo has very specific requirements for what types of improvements could qualify for credits.<sup>4</sup>

Stakeholder feedback included considering credits toward park fee requirements for any open space or amenity space provided in a development that is above and beyond code requirements even if not publicly accessible. Staff recommends that some additional credits be explored beyond those included in the current Ordinance, but that those credits be given for parks/trails, or open space requirements that are publicly accessible and are above and beyond any established code requirements in consultation with HARD staff.

## ECONOMIC IMPACT

It is conceivable that increasing park in-lieu fees would result in disincentives to developing in Hayward. However, as noted above, the recommended fees are generally in line with or in some cases, less than similar fees being assessed in surrounding jurisdictions. As a result, staff does not anticipate a significant decline in development as a result of increased fees. Further, adequately funding the development of new parks to serve growth could serve to attract additional new development, which would lead to positive economic impacts.

## FISCAL IMPACT

The Park Nexus Study, of which this report is a part, was included in the Planning Division Fiscal Year 2018 operating budget. The City is responsible for 50 percent of the total contract fees, while HARD is responsible for the other 50 percent.

Recalibrating the park in-lieu fee schedule will provide increased revenues to directly meet the needs of the growing community by adequately funding fiscal projects managed by HARD.

## 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. This item supports the following goal:

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

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<sup>4</sup> City of San Mateo Municipal Code, Section 26.64.030, Dedication of Land for Community Purposes: [https://qcode.us/codes/sanmateo/view.php?topic=26-26\\_64-26\\_64\\_030&frames=on](https://qcode.us/codes/sanmateo/view.php?topic=26-26_64-26_64_030&frames=on)

## NEXT STEPS

Based on feedback from the City Council, staff will work with CAI to refine the analysis and recommendations as well as prepare revisions to the Municipal Code. Staff plans to return to both City Council and the HARD Board later this calendar year to present recommended park impact fees and related draft revisions to the Municipal Code.

Prepared by:           Sara Buizer, AICP, Planning Manager  
                              Elizabeth Blanton, AICP, Associate Planner

Recommended by:    Laura Simpson, AICP, Development Services Director

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', is positioned above a horizontal line.

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Kelly McAdoo, City Manager



# City of Hayward

## Park Impact Fee Calculations

### DISCUSSION DRAFT

April 12, 2019

## GROWTH ESTIMATES

Impact fees are meant to have “growth pay for growth” so the first step in developing an impact fee is to quantify future growth in the City of Hayward. Growth estimates have been prepared for population and employment through the year 2040 in order to match the horizon year of the City’s General Plan.

Exhibit 1 lists Hayward’s population and growth rates from 2010 to 2018 and projections to the year 2040.

| <b>Exhibit 1. Population</b> |                   |                           |
|------------------------------|-------------------|---------------------------|
|                              | <b>Population</b> | <b>CAGR<sup>(1)</sup></b> |
| 2010                         | 144,186           |                           |
| 2011                         | 146,357           | 1.5%                      |
| 2012                         | 149,965           | 2.5%                      |
| 2013                         | 152,491           | 1.7%                      |
| 2014                         | 154,641           | 1.4%                      |
| 2015                         | 157,409           | 1.8%                      |
| 2016                         | 159,465           | 1.3%                      |
| 2017                         | 161,455           | 1.2%                      |
| 2018                         | 162,030           | 0.4%                      |
| 2040                         | 183,533           | 0.6%                      |
| <b>Growth<sup>(2)</sup></b>  | <b>22,078</b>     | <b>0.6%</b>               |

(1) CAGR = Compound Annual Growth Rate.

(2) Growth = 2040 Population – 2018 Population.

Source for population:

- for years 2010 to 2018: California Department of Finance Population Estimates for Cities, Counties, and State; and
- for 2040: City of Hayward General Plan.

In addition to residential population growth, Hayward expects businesses to grow. Business development is included in this methodology because Hayward’s parks and recreation system serves both its residential population and employees. City parks provide places for employees and customers to take breaks from work and shopping, including restful breaks and/or active exercise to promote healthy living.

Exhibit 2 shows employment in Hayward from 2010 to 2018 and projected growth for the year 2040.

| <b>Exhibit 2. Employment</b> |                                      |             |
|------------------------------|--------------------------------------|-------------|
|                              | <b>Employment CAGR<sup>(1)</sup></b> |             |
| 2010                         | 64,134                               |             |
| 2011                         | 65,249                               | 1.7%        |
| 2012                         | 67,372                               | 3.3%        |
| 2013                         | 68,752                               | 2.0%        |
| 2014                         | 70,407                               | 2.4%        |
| 2015                         | 72,864                               | 3.5%        |
| 2016                         | 74,369                               | 2.1%        |
| 2017                         | 75,821                               | 2.0%        |
| 2018                         | 76,845                               | 1.4%        |
| 2040                         | 89,900                               | 0.7%        |
| <b>Growth<sup>(2)</sup></b>  | <b>13,055</b>                        | <b>0.7%</b> |

(1) CAGR = Compound Annual Growth Rate.

(2) Growth = 2040 Employment – 2018 Employment.

Sources for employment:

- for years 2010 to 2017: Bureau of Labor Statistics, Local Area Unemployment Statistics, annual average employment;
- for 2018: Bureau of Labor Statistics, Local Area Unemployment Statistics, average of employment through November 2018 and preliminary employment estimates for December 2018; and
- for 2040: City of Hayward General Plan Background Report.

Exhibit 3 lists employment by industry in Hayward for 2018 and projections for the year 2040.

### Exhibit 3. Employment by Industry

|                               | 2018          | 2040          | CAGR <sup>(1)</sup> |
|-------------------------------|---------------|---------------|---------------------|
| Services                      | 13,576        | 17,012        | 1.0%                |
| Manufacturing                 | 10,717        | 11,180        | 0.2%                |
| Government                    | 9,757         | 8,799         | -0.5%               |
| Healthcare                    | 9,151         | 13,400        | 1.7%                |
| Retail Trade                  | 7,727         | 7,326         | -0.2%               |
| Wholesale Trade               | 7,456         | 7,861         | 0.2%                |
| Construction & Resources      | 6,117         | 9,594         | 2.1%                |
| Accommodations & Food Service | 4,425         | 6,050         | 1.4%                |
| TCU                           | 4,369         | 4,806         | 0.4%                |
| FIRE                          | 2,653         | 2,558         | -0.2%               |
| Education                     | 899           | 1,313         | 1.7%                |
| <b>Total</b>                  | <b>76,845</b> | <b>89,900</b> | <b>0.7%</b>         |

(1) CAGR = Compound Annual Growth Rate.

Sources for employment:

- for 2018: employment by industry is estimated by allocating 2018 total employment from Exhibit 2 by the share of employment by industry from the Hayward General Plan; and
- for 2040: employment by industry is estimated by using growth rates by industry for the Oakland-Hayward-Berkeley MD from the California Employment Development Department and adjusted to projected total 2040 employment from Exhibit 2.

It is clear from Exhibits 1, 2 and 3 that Hayward expects growth of population and businesses in the future, so there is a rational basis for park impact fees that would have future growth pay for parks that are needed to provide appropriate levels of service to new development.

Population and employment are both expected to grow, but they should not be counted equally because employees and visitors spend less time in Hayward than residents, therefore they have less benefit from Hayward's parks. There is a well-established and widely-used technique for accounting for these differences in impact fees, and it involves "equivalency." Appendix A describes equivalency and explains how the "equivalent population coefficients" were developed for this study of park impact fees for the City of Hayward. The results allow business to pay its proportionate share of parks for growth based on the "equivalent population" that nonresidential development generates.

Exhibit 4 multiplies the equivalent population coefficients (from Appendix A) by the actual population and employment data from Exhibits 1 and 3 to calculate the "equivalent" population for the base year (2018), the horizon year (2040) and the growth between 2018 and 2040.

#### Exhibit 4. Growth of Equivalent Population

| Land-Use Category                | Equivalent<br>Population<br>Coefficient <sup>(1)</sup> | 2018 Base Year<br>Full Population<br><sup>(2)</sup> | 2018 Base Year<br>Equivalent<br>Population <sup>(3)</sup> | 2040 Base<br>Year Full<br>Population<br><sup>(2)</sup> | 2040 Horizon<br>Year<br>Equivalent<br>Population <sup>(3)</sup> | 2018-2040<br>Growth Full<br>Population <sup>(4)</sup> | 2018-2040<br>Growth<br>Equivalent<br>Population <sup>(5)</sup> |
|----------------------------------|--------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------|----------------------------------------------------------------|
| Residential                      | 0.94                                                   | 162,030                                             | 151,903                                                   | 183,533                                                | 172,062                                                         | 21,503                                                | 20,159                                                         |
| Nonresidential                   |                                                        |                                                     |                                                           |                                                        |                                                                 |                                                       |                                                                |
| Services                         | 0.51                                                   | 13,576                                              | 6,864                                                     | 17,012                                                 | 8,602                                                           | 3,437                                                 | 1,738                                                          |
| Manufacturing                    | 0.58                                                   | 10,717                                              | 6,223                                                     | 11,180                                                 | 6,493                                                           | 464                                                   | 269                                                            |
| Government                       | 0.71                                                   | 9,757                                               | 6,888                                                     | 8,799                                                  | 6,212                                                           | (958)                                                 | (676)                                                          |
| Healthcare                       | 0.98                                                   | 9,151                                               | 8,933                                                     | 13,400                                                 | 13,081                                                          | 4,249                                                 | 4,148                                                          |
| Retail Trade                     | 2.00                                                   | 7,727                                               | 15,481                                                    | 7,326                                                  | 14,677                                                          | (401)                                                 | (804)                                                          |
| Wholesale Trade                  | 0.62                                                   | 7,456                                               | 4,616                                                     | 7,861                                                  | 4,867                                                           | 406                                                   | 251                                                            |
| Construction & Resources         | 0.20                                                   | 6,117                                               | 1,215                                                     | 9,594                                                  | 1,906                                                           | 3,477                                                 | 691                                                            |
| Accommodations & Food<br>Service | 1.04                                                   | 4,425                                               | 4,601                                                     | 6,050                                                  | 6,292                                                           | 1,626                                                 | 1,690                                                          |
| TCU                              | 0.60                                                   | 4,369                                               | 2,623                                                     | 4,806                                                  | 2,886                                                           | 437                                                   | 263                                                            |
| FIRE                             | 0.51                                                   | 2,653                                               | 1,341                                                     | 2,558                                                  | 1,293                                                           | (95)                                                  | (48)                                                           |
| Education                        | 0.54                                                   | 899                                                 | 482                                                       | 1,313                                                  | 703                                                             | 413                                                   | 221                                                            |
| <b>Total</b>                     | <b>N/A</b>                                             | <b>N/A</b>                                          | <b>211,172</b>                                            | <b>N/A</b>                                             | <b>239,074</b>                                                  | <b>N/A</b>                                            | <b>27,902</b>                                                  |

(1) From Appendix A Equivalent Population Coefficients.

(2) From Exhibits 1 and 3.

(3)  $\text{Equivalent Population} = \text{Equivalent Population Coefficient} \times \text{Full Population}$ .

(4)  $2018\text{-}2040 \text{ Growth Full Population} = 2040 \text{ Full Population} - 2018 \text{ Full Population}$ .

(5)  $2018\text{-}2040 \text{ Growth Equivalent Population} = 2040 \text{ Equivalent Population} - 2018 \text{ Equivalent Population}$ .

The totals in Exhibit 4 provide the equivalent population for the purpose of development of park impact fees for Hayward. The total equivalent population for the base year (2018) is 211,172 and the horizon year (2040), is 239,074, therefore equivalent population growth between 2018 and 2040 is 27,902.

## PARK IMPACT FEES

### Overview

Impact fees for Hayward's parks use an inventory of the City's existing acreage and current equivalent population to determine the current level of service ratio for parks. The current level of service ratio is multiplied by the projected equivalent population growth to estimate the acres of parks needed to serve growth at the current level of service. The cost of park acquisition and development per acre is multiplied by the number of acres needed to serve growth at the current level of service to arrive at the investment in parks needed to serve growth. The investment needed for growth is then adjusted by the value of the remaining park in-lieu fee fund balance and estimated program administration costs to arrive at the investment to be paid by growth. The investment to be paid by growth is divided by the growth in equivalent population to arrive at the growth cost per equivalent population. The amount of the maximum allowable park impact fee is

determined by multiplying the growth cost per equivalent population by the equivalent population per unit for each type of development.

These steps are described below in the formulas, descriptions of variables, exhibits and explanations of calculations for parks impact fees. Throughout the chapter the term “person” is used as the short name that means equivalent population or equivalent person.

## Formula 1: Parks Level of Service Ratio

The current level of service ratio is calculated by dividing the existing acreage of Hayward Area Recreation and Park District (HARD) parks in Hayward by the total current equivalent population in Hayward.

$$(1) \frac{\text{Existing Acres of Parks}}{\text{Current Equivalent Population}} = \text{Current Level of Service Ratio}$$

Equivalent population was described above and is explained in Appendix A. There is one new variable that requires explanation: (A) Existing Acres of Parks.

### Variable (A): Existing Acres of Parks

The acreage of each park in Hayward, managed by HARD, is listed in Appendix B. The total existing parks acreage includes all existing parks and facilities in the following categories: Local Parks; Community Parks; Special Use Facilities; School Recreation Sites; and Linear Parks, Greenways and Trails. Appendix B additionally includes the total acreage in Hayward and the subtotal by category from the HARD Parks and Recreation Master Plan.

The total existing inventory of parks in the City of Hayward is 1,052.6 acres of parks. Exhibit 5 lists the total existing inventory of parks by category.

#### Exhibit 5. HARD Park Inventory in Hayward by Park Type, Acres, 2018

| Type                               | Inventory      |
|------------------------------------|----------------|
| Local Parks                        | 133.2          |
| Community Parks                    | 63.6           |
| Special Use Facilities             | 232.4          |
| School Recreation Sites            | 20.0           |
| Linear Parks, Greenways and Trails | 603.4          |
| <b>Total</b>                       | <b>1,052.6</b> |

Exhibit 6 lists the total existing inventory of parks and divides it by the current equivalent population of 211,172 (from Exhibit 4), divided by 1,000 to calculate the current level of service ratio of 4.98 acres of parks per 1,000 equivalent population.

#### Exhibit 6. Level of Service Ratio

| Inventory       | Current<br>Equivalent<br>Population | Level of Service Ratio     |
|-----------------|-------------------------------------|----------------------------|
| 1,052.6 acres ÷ | 211,172                             | = 4.98 acres per 1,000 pop |

### Formula 2: Total Park Acres to Serve Growth

Impact fees must be related to the needs of growth. The first step in determining growth's needs is to calculate the total number of acres needed to serve growth with the same level of service ratio that benefits the current population. The acres of parks needed for growth are calculated by multiplying the level of service ratio by the equivalent population growth from 2018 to 2040 (divided by 1,000).

$$(2) \frac{\text{Current Level of Service Ratio}}{\text{Service Ratio}} \times \frac{\text{Growth of Equivalent Population}}{\text{Population}} = \frac{\text{Park Acres to Serve Growth}}{\text{to Serve Growth}}$$

There are no new variables used in Formula 2. Both variables were developed in previous formulas and exhibits.

Exhibit 7 shows the calculation of the total acres of parks needed for growth. The current level of service ratio is calculated in Exhibit 6. The growth in equivalent population is calculated in Exhibit 4. The result is that Hayward needs to add 139.1 acres of parks in order to serve the growth of 27,902 additional people who are expected to be added to the City's existing equivalent population.

#### Exhibit 7. Total Park Acres Needed for Growth

| Level of Service Ratio     | 2018-2040<br>Growth | Total Park<br>Acres Needed<br>for Growth |
|----------------------------|---------------------|------------------------------------------|
| 4.98 acres per 1,000 pop x | 27,902              | = 139.1                                  |

### Formula 3: Park Acres Needed for Growth

The park acres needed for growth is calculated by subtracting any existing reserve capacity from the total park acres needed to serve growth.

$$(3) \frac{\text{Total Park Acres Needed for Growth}}{\text{Needed for Growth}} - \frac{\text{Reserve Capacity}}{\text{Capacity}} = \frac{\text{Park Acres Needed for Growth}}{\text{for Growth}}$$

Total Park Acres Needed for Growth was described in Formula 2. There is one new variable that requires explanation: (B) Reserve Capacity.

#### Variable (B): Reserve Capacity

Existing reserve capacity includes any park acres that HARD has acquired in the City of Hayward and is holding in reserve to serve the needs of growth.

HARD and the City of Hayward have acquired 54.9 acres for the future La Vista Park, which will serve the needs of growth through 2040.

Exhibit 8 shows the calculation of the acres of parks that are needed for growth. The total acres of parks needed for growth (from Exhibit 7) is reduced by the value of existing reserve capacity, 54.9 acres, and the result shows that 84.2 acres of additional parks are needed to serve future growth.

**Exhibit 8. Park Acres Needed for Growth**

| <b>Total Park Acres Needed for Growth</b> |   | <b>Reserve Capacity</b> |   | <b>Park Acres Needed for Growth</b> |
|-------------------------------------------|---|-------------------------|---|-------------------------------------|
| 139.1                                     | - | 54.9                    | = | 84.2                                |

### Formula 4: Investment Needed for Growth

The second step in determining growth's needs is to calculate the total investment in parks needed for growth, or the total cost of parks land acquisition and development to serve growth with the same level of service ratio that benefits the current population. The investment needed for growth is calculated by multiplying the park cost per acre by the number of acres needed to serve growth.

$$(4) \frac{\text{Park Cost per Acre}}{\text{per Acre}} \times \frac{\text{Park Acres Needed for Growth}}{\text{Needed for Growth}} = \frac{\text{Investment Needed for Growth}}{\text{for Growth}}$$

There is one new variable used in Formula 4 that requires explanation: (C) Park Cost per Acre.

#### Variable (C): Park Cost per Acre

The park impact fees are based on costs per acre for land acquisition and development that will be provided by the Hayward Area Parks and Recreation District. The calculations for the weighted average cost per acre for land acquisition and development are shown in Appendix C. Park acquisition costs are based on recent purchases for property appropriate for park development by category in the HARD service area. Park development costs are based on recent cost estimates for park development by category provided by HARD. Exhibit 9 details the weighted average cost per acre for park land acquisition and development.

**Exhibit 9. Park Acquisition and Development Cost per Acre**

|                  | <b>Cost per Acre</b> |
|------------------|----------------------|
| Land Acquisition | \$690,098            |
| Park Development | \$1,370,832          |
| <b>Total</b>     | <b>\$2,060,930</b>   |

Exhibit 10 shows the calculations for the investment needed for growth. The total park cost per acre for land acquisition and development (from Exhibit 9) is multiplied by the additional acres of parks needed for growth (from Exhibit 8) resulting in the investment needed for growth. The result is that the City, in coordination with the Hayward Area Recreation and Park District, will need to invest nearly \$173.5. million in impact fee eligible parks acquisition and development to serve growth through 2040.

#### Exhibit 10. Investment Needed for Growth

| Park Cost per Acre |   | Park Acres Needed for Growth |   | Investment Needed for Growth |
|--------------------|---|------------------------------|---|------------------------------|
| \$2,060,930        | x | 84.2                         | = | \$173,492,446                |

#### Formula 5: Investment to be Paid by Growth

The future investment in parks that needs to be paid by growth may be reduced if the City has other revenues that it can invest in its parks and may include an adjustment for the administration costs of the park impact fee program. Additionally, the investment in parks that needs to be paid by growth must be reduced by the current park in-lieu fee fund balance that will be used to pay for the capital costs of parks facilities to serve growth.

The City of Hayward and the Hayward Area Recreation and Parks District have indicated that there are no other sources of funding available to pay for the eligible costs for park acquisition and development to serve growth. The investment to be paid by growth is calculated by adding the investment needed for growth, the total park in-lieu fee fund balance and program administration costs together to arrive at the investment to be paid by growth.

$$\begin{array}{rclcl}
 \text{Investment} & & \text{Park In} - \text{Lieu} & & \text{Park Impact} & & \text{Investment} \\
 (5) \text{ Needed} & + & \text{Fee Fund} & + & \text{Fee Program} & = & \text{to by Paid} \\
 \text{for Growth} & & \text{Balance} & & \text{Administration} & & \text{by Growth}
 \end{array}$$

There are two new variables in Formula 5 that require explanation: (D) Park In-Lieu Fee Fund Balance and (E) Park Impact Fee Program Administration.

#### Variable (D): Park In-Lieu Fee Fund Balance

The City of Hayward has a remaining fund balance in each of their five existing park in-lieu fee accounts. These existing funds will be used to pay for the park capital facilities to serve new development in Hayward. The total balance across all funds as reported by the City of Hayward is \$8,664,918. The investment needed for growth must be reduced by the available park in-lieu fee fund balance.



## Variable (E): Park Impact Fee Program Administration

Park impact fee program administration costs are estimated at 2% of total park costs for the administration of the park impact fee program, consistent with administration cost estimates used in many other California jurisdictions. Program administration costs are estimated by multiplying the investment needed for growth from Exhibit 10 by the 2% estimated for program administration, resulting in estimated program administration costs of nearly \$3.5 million.

Exhibit 11 shows the calculation for the investment to be paid by growth. The investment needed for growth (from Exhibit 10), existing park in-lieu fee fund balance and program administration costs are summed together to arrive at the investment to be paid by growth of \$168,297,377.

| <b>Exhibit 11. Investment to be Paid by Growth</b> |                        |
|----------------------------------------------------|------------------------|
|                                                    | <b>Park Investment</b> |
| Investment Needed for Growth                       | \$173,492,446          |
| Park In-Lieu Fee Fund Balance                      |                        |
| Zone A                                             | (\$2,064,920)          |
| Zone B                                             | (\$2,335,758)          |
| Zone C                                             | (\$2,681,902)          |
| Zone D                                             | (\$1,229,738)          |
| Zone E                                             | (\$352,599)            |
| Total Available Park In-Lieu Fee Funds             | (\$8,664,918)          |
| Park Impact Fee Program Administration             | \$3,469,849            |
| <b>Investment to be Paid by Growth</b>             | <b>\$168,297,377</b>   |

## Formula 6: Growth Cost per Equivalent Person

The growth cost per equivalent person is calculated by dividing the investment in parks that is to be paid by growth by the amount of equivalent population growth.

$$(6) \frac{\text{Investment to be Paid by Growth}}{\text{Growth of Equivalent Population}} = \text{Growth Cost per Equivalent Population}$$

There are no new variables used in Formula 6. Both variables were developed in previous formulas.

Exhibit 12 shows the calculation of the cost per equivalent person for parks that needs to be paid by growth. The investment in parks to be paid by growth (from Exhibit 11) is divided by the growth in equivalent population (from Exhibit 4). The result shows the cost for parks to be paid by growth is \$6,031.64 per equivalent person.

**Exhibit 12. Growth Cost per Equivalent Person**

| Investment to be Paid by Growth | 2018-2040 Growth | Growth Cost per Equivalent Population |
|---------------------------------|------------------|---------------------------------------|
| \$168,297,377                   | ÷ 27,902         | = \$6,031.64                          |

**Formula 7: Maximum Allowable Impact Fee per Unit of Development**

The maximum allowable amount to be paid by each new development unit depends on the equivalent population coefficient and the population density by development type. The cost per unit of development is calculated by multiplying the growth cost per equivalent person by the equivalent population per unit for each type of development.

There is one new variable used in Formula 7 that requires explanation: (F) equivalent population per unit.

**Variable (F): Equivalent Population per Unit**

The equivalent population per unit is calculated by multiplying the equivalent population coefficient by the number of persons per unit of development, as shown in Appendix A. For residential development this is the number of persons per dwelling unit estimated from the U.S. Census American Community Survey 5-Year Estimates 2013-2017 for the City of Hayward. For nonresidential development, this is employees per square foot from the U.S. Energy Information Administration's Commercial Buildings Energy Consumption Survey.

Exhibit 13 shows the calculation of the maximum allowable parks impact fee per unit of development. The growth cost per equivalent person of \$6,031.64 from Exhibit 12 is multiplied by the equivalent population per unit (from Exhibit A8) to calculate the impact fee per unit of development for parks.

**Exhibit 13. Maximum Allowable Park Impact Fee per Unit of Development**

| Type of Development     | Growth Cost<br>per Equivalent<br>Population | Equivalent<br>Population per Unit | Park Impact<br>Fee per Unit |
|-------------------------|---------------------------------------------|-----------------------------------|-----------------------------|
| Residential             |                                             |                                   |                             |
| Single-Family           | \$6,031.64 x 3.33                           | dwelling unit =                   | \$20,056.11                 |
| Multifamily             | \$6,031.64 x 2.72                           | dwelling unit =                   | \$16,414.66                 |
| Mobile Home and Other   | \$6,031.64 x 2.20                           | dwelling unit =                   | \$13,280.05                 |
| Nonresidential          |                                             |                                   |                             |
| Office/Other Commercial | \$6,031.64 x 0.0013                         | square foot =                     | \$7.88                      |
| Retail                  | \$6,031.64 x 0.0016                         | square foot =                     | \$9.72                      |
| Industrial              | \$6,031.64 x 0.0001                         | square foot =                     | \$0.78                      |
| Government              | \$6,031.64 x 0.0015                         | square foot =                     | \$9.00                      |
| Education               | \$6,031.64 x 0.0005                         | square foot =                     | \$2.87                      |

## APPENDIX A. EQUIVALENT POPULATION COEFFICIENTS AND EQUIVALENT POPULATION PER UNIT

### What is “Equivalency”

When governments analyze things that are different from each other, but which have something in common, they sometimes use “equivalency” as the basis for their analysis.

For example, many water and sewer utilities calculate fees based on an average residential unit, then they calculate fees for business users on the basis of how many residential units would be equivalent to the water or sewer service used by the business. This well-established and widely practiced method uses “equivalent residential unit” (ERUs) as the multiplier that uses the rate for one residence to calculate rates for businesses. If a business needs a water connection that is double the size of an average house, that business is 2.0 ERUs, and would pay fees that are 2.0 times the fee for an average residential unit.

Another use of “equivalency” that is used in public sector organizations is “full time equivalent” (FTE) employees. One employee who works full-time is 1.0 FTE. A half-time employee is 0.5 FTE. By adding up the FTE coefficients of all part-time employees, the total is the FTE (full-time equivalent) of all the full and part-time employees.

### Equivalency and Park Impact Fees

Equivalency can be used to develop park impact fees that apply to new nonresidential development as well as residential development. Equivalent population coefficients for park impact fees use the same principles as ERUs or FTEs to measure differences among residential population and different kinds of businesses in their availability to benefit from Hayward’s parks. They document the nexus between parks and development by quantifying the differences among different categories of park users.

The analysis that calculates the equivalent population coefficients takes into account several factors and reports the result as a statistic that allows each category of business to include its share of growth based on the “equivalent population” that it generates. The “equivalency” calculation recognizes that employees and visitors have less time in Hayward to benefit from Hayward’s parks (in the same way that part-time employees spend less time on the job than full-time employees).

The equivalent population coefficients are used in two ways. First, they are multiplied by the number of employees in different types of businesses in Hayward to count employees and visitors to businesses as “equivalent

population” in Hayward. This provides a total population of residents, employees and visitors that will be used to calculate the park value per equivalent population. Second, the adjusted park cost per equivalent population is multiplied by the equivalent population coefficients for each business type and the number of persons per dwelling unit to calculate the impact fee for each type of development.

## **Calculation of Equivalent Population Coefficients for Park Impact Fees**

There are two parts to the equivalent population coefficient: (1) employees and residents and (2) visitors.

Exhibit A1<sup>1</sup> presents the data for the following factors used in analyzing employees and residents: the number of days per week and hours per day that different types of locations are typically in use, the percent of hours that the populations are typically at the location and the resulting number of hours per week that each employee or resident is in their residential or business location in Hayward and therefore proximate to Hayward’s parks.

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<sup>1</sup> The original version of Exhibits A1 through A3 were developed by Dr. Arthur C. Nelson, a leading scholar and researcher in the field of impact fees. The table appeared in Nelson’s 2004 *Planner’s Estimating Guide*. The underlying employee data has been updated to the 2008 edition of *Trip Generation* by the Institute of Transportation Engineers.

### Exhibit A1. Resident and Employee Hours in Location

| Land-Use Category             | Residents and Employees                  |                                          |                                            |                                             |
|-------------------------------|------------------------------------------|------------------------------------------|--------------------------------------------|---------------------------------------------|
|                               | Days per Week at Location <sup>(1)</sup> | Hours per Day at Location <sup>(1)</sup> | Percent of Time at Location <sup>(1)</sup> | Hours in Location per Person <sup>(2)</sup> |
| Residential Population        | 7                                        | 15.00                                    | 75%                                        | 78.75                                       |
| Employee Population           |                                          |                                          |                                            |                                             |
| Services                      | 5                                        | 9.00                                     | 80%                                        | 36.00                                       |
| Manufacturing                 | 5                                        | 9.00                                     | 100%                                       | 45.00                                       |
| Government                    | 5                                        | 9.00                                     | 80%                                        | 36.00                                       |
| Healthcare                    | 7                                        | 9.00                                     | 100%                                       | 63.00                                       |
| Retail Trade                  | 7                                        | 9.00                                     | 100%                                       | 63.00                                       |
| Wholesale Trade               | 5                                        | 9.00                                     | 100%                                       | 45.00                                       |
| Construction & Resources      | 5                                        | 9.00                                     | 25%                                        | 11.25                                       |
| Accommodations & Food Service | 7                                        | 9.00                                     | 100%                                       | 63.00                                       |
| TCU <sup>(3)</sup>            | 5                                        | 9.00                                     | 100%                                       | 45.00                                       |
| FIRE <sup>(4)</sup>           | 5                                        | 9.00                                     | 80%                                        | 36.00                                       |
| Education                     | 5                                        | 9.00                                     | 100%                                       | 45.00                                       |

*(1) Assumptions from Planner's Estimating Guide.*

*(2) Hours in Location per Person = (# days per week x # hours per day x % of time at location)*

*(3) FIRE = Finance, Insurance and Real Estate*

*(4) TCU = Transportation, Communication and Utilities*

Exhibit A2 presents the data for the following factors used in analyzing visitors: the number of days per week that different types of businesses are typically open, the number of hours that visitors are typically at the business location, the number of visitors per employee at different types of businesses and the resulting number of visitor hours per employee that visitors are in the business location in Hayward and therefore proximate to Hayward's parks.

### Exhibit A2. Visitor Hours in Location (per Employee)

| Land-Use Category             | Visitors                                 |                                      |                                                       |
|-------------------------------|------------------------------------------|--------------------------------------|-------------------------------------------------------|
|                               | Hours per Day at Location <sup>(1)</sup> | Visitors per Employee <sup>(2)</sup> | Visitor Hours in Location per Employee <sup>(3)</sup> |
| Residential Population        | na                                       | na                                   | na                                                    |
| Employee Population           |                                          |                                      |                                                       |
| Services                      | 1                                        | 1.2948                               | 6.4740                                                |
| Manufacturing                 | 1                                        | 0.7560                               | 3.7800                                                |
| Government                    | 1                                        | 4.6605                               | 23.3025                                               |
| Healthcare                    | 2                                        | 1.3572                               | 19.0008                                               |
| Retail Trade                  | 1                                        | 15.0424                              | 105.2968                                              |
| Wholesale Trade               | 1                                        | 1.4004                               | 7.0020                                                |
| Construction & Resources      | 1                                        | 1.0872                               | 5.4360                                                |
| Accommodations & Food Service | 1                                        | 3.4788                               | 24.3516                                               |
| TCU                           | 1                                        | 1.0872                               | 5.4360                                                |
| FIRE                          | 1                                        | 1.2948                               | 6.4740                                                |
| Education                     | na                                       | na                                   | na                                                    |

(1) Assumptions from Planner's Estimating Guide.

(2) Visitors per Employee from Planner's Estimating Guide. This does not include tourists for which no data is available that measures tourists per employee by type of business.

(3) Visitor Hours in Location per Employee = (# days per week x # hours per day x # visitors per employee).

Exhibit A3 presents the last step in calculating the equivalent population coefficient for different types of businesses and residential populations. Employee hours are added to visitor hours per employee for each type of business. The total is divided by 84 hours per week. Parks are considered a "daytime" public facility that is assumed to be available 12 hours per day, 7 days per week for a total of 84 hours<sup>2</sup>. The result of this calculation is the daytime equivalent population coefficient for each type of business and resident. The daytime equivalent population per unit is used in Exhibit 4 to calculate the current and forecasted and growth in equivalent population.

<sup>2</sup> By way of comparison, police and fire facilities are considered to be "24-hour" public facilities, therefore 24 x 7= 168 hours for their equivalent population coefficient calculations.

### Exhibit A3. Equivalent Population Coefficients

| Land-Use Category             | Total                                  |                              |                                                          |
|-------------------------------|----------------------------------------|------------------------------|----------------------------------------------------------|
|                               | Total Hours in Location <sup>(1)</sup> | Daytime Hours <sup>(2)</sup> | Daytime Equivalent Population Coefficient <sup>(3)</sup> |
| Residential Population        | 78.7500                                | 84                           | 0.9375                                                   |
| Employee Population           |                                        |                              |                                                          |
| Services                      | 42.4740                                | 84                           | 0.5056                                                   |
| Manufacturing                 | 48.7800                                | 84                           | 0.5807                                                   |
| Government                    | 59.3025                                | 84                           | 0.7060                                                   |
| Healthcare                    | 82.0008                                | 84                           | 0.9762                                                   |
| Retail Trade                  | 168.2968                               | 84                           | 2.0035                                                   |
| Wholesale Trade               | 52.0020                                | 84                           | 0.6191                                                   |
| Construction & Resources      | 16.6860                                | 84                           | 0.1986                                                   |
| Accommodations & Food Service | 87.3516                                | 84                           | 1.0399                                                   |
| TCU                           | 50.4360                                | 84                           | 0.6004                                                   |
| FIRE                          | 42.4740                                | 84                           | 0.5056                                                   |
| Education                     | 45.0000                                | 84                           | 0.5357                                                   |

(1) *Total Hours in Location = Hours in Location per Person (from Exhibit A1) + Visitor Hours in Location per Employee (from Exhibit A2).*

(2) *Daytime Equivalent Population Coefficient = Total Hours in Location per Employee ÷ Daytime Hours (84).*

As noted previously, the equivalent population coefficient is multiplied by the employment and population in Hayward to calculate the total equivalent population in Hayward as shown in Exhibit 4.

### Calculation of Equivalent Population per Unit

In order to convert the growth cost per equivalent person to the maximum allowable impact fee rate per unit of development, it is necessary to calculate a measure of equivalent population per unit of development. Exhibit A8 shows the calculation of the equivalent population per unit.

For the first step in the equivalent population per unit, the equivalent population coefficients for nonresidential development are combined into five more general weighted average land use categories. Exhibit A4 presents the calculation of the weighted coefficients for each land use category.



#### Exhibit A4. Weighted Average Equivalent Population Coefficients

| Land-Use Category              | Growth of Equivalent Population (1) | % Total (2)   | Coefficient (3) | Weighted Coefficient (4) |
|--------------------------------|-------------------------------------|---------------|-----------------|--------------------------|
| Services                       | 1,738                               | 23.1%         | 0.5056          | 0.1167                   |
| Healthcare                     | 4,148                               | 55.1%         | 0.9762          | 0.5379                   |
| Accommodations & Food Service  | 1,690                               | 22.5%         | 1.0399          | 0.2335                   |
| FIRE                           | (48)                                | -0.6%         | 0.5056          | -0.0032                  |
| <b>Office/Other Commercial</b> | <b>7,529</b>                        | <b>100.0%</b> |                 | <b>0.8849</b>            |
| <b>Retail (5)</b>              |                                     |               |                 | <b>2.0035</b>            |
| Manufacturing                  | 269                                 | 3.6%          | 0.5807          | 0.0208                   |
| Wholesale Trade                | 251                                 | 3.3%          | 0.6191          | 0.0207                   |
| Construction & Resources       | 691                                 | 9.2%          | 0.1986          | 0.0182                   |
| TCU                            | 263                                 | 3.5%          | 0.6004          | 0.0209                   |
| <b>Industrial</b>              | <b>1,474</b>                        | <b>19.6%</b>  |                 | <b>0.0806</b>            |
| <b>Government (5)</b>          |                                     |               |                 | <b>0.7060</b>            |
| <b>Education (5)</b>           |                                     |               |                 | <b>0.5357</b>            |

(1) From Exhibit 4.

(2) Percent Total = Growth of Equivalent Population ÷ Total Growth of Equivalent Population by Land Use Category.

(3) From Exhibit A3.

(4) Weighted Coefficient = % Total x Coefficient. The weighted coefficient by Land Use Category is the sum of individual subcategory weighted coefficients.

(5) Coefficients for Retail, Government and Education are from Exhibit A3.

The weighted average equivalent population coefficients by land use category from Exhibit A4 and the residential population coefficient from Exhibit A3 are multiplied by a measure of population per unit.

The measure of population per unit for residential development types is the number of persons per dwelling unit, calculated for single family, multifamily and mobile home dwelling units using the number of occupied dwelling units by unit type and estimated population by unit type from the 2013-2017 American Community Survey 5-Year Estimates for Hayward, California, shown in Exhibit A5. Tables from the American Community Survey used in the analysis include Selected Housing Characteristics and Tenure by Household Size by Units in Structure.

#### Exhibit A5. Persons per Dwelling Unit

| Persons per Dwelling Unit |             |
|---------------------------|-------------|
| Single-family             | 3.55        |
| Multifamily               | 2.90        |
| Mobile Home and Other     | 2.35        |
| <b>Total</b>              | <b>3.27</b> |

The measure of population per unit for nonresidential development is the square feet per employee for each type of development based on the U.S. Energy Information Administration's Commercial Buildings Energy Consumption Survey<sup>3</sup>, converted to square feet per employee by industry, shown in Exhibit A6.

**Exhibit A6. Square Feet per Employee and Employees per Square Foot**

|                                              | <b>Square Feet<br/>per<br/>Employee</b> | <b>Employees<br/>per Square<br/>Foot <sup>(1)</sup></b> |
|----------------------------------------------|-----------------------------------------|---------------------------------------------------------|
| Services <sup>(2)</sup>                      | 780                                     | 0.0013                                                  |
| Manufacturing <sup>(3)</sup>                 | 1,193                                   | 0.0008                                                  |
| Government <sup>(4)</sup>                    | 473                                     | 0.0021                                                  |
| Healthcare <sup>(5)</sup>                    | 546                                     | 0.0018                                                  |
| Retail Trade <sup>(6)</sup>                  | 1,243                                   | 0.0008                                                  |
| Wholesale Trade <sup>(7)</sup>               | 1,843                                   | 0.0005                                                  |
| Construction & Resources <sup>(4)</sup>      | 473                                     | 0.0021                                                  |
| Accommodations & Food Service <sup>(8)</sup> | 1,212                                   | 0.0008                                                  |
| TCU <sup>(4)</sup>                           | 473                                     | 0.0021                                                  |
| FIRE <sup>(4)</sup>                          | 473                                     | 0.0021                                                  |
| Education <sup>(9)</sup>                     | 1,124                                   | 0.0009                                                  |
| <b>Weighted Average <sup>(10)</sup></b>      | <b>900</b>                              | <b>0.0011</b>                                           |

*(1) Employees per square foot = 1 ÷ square feet per employee.*

*(2) Services is the average square feet per employee from the Services and Office activity categories.*

*(3) Manufacturing is matched to the square feet per employee from the Other category.*

*(4) Government, Construction & Resources, TCU and FIRE were matched to the Office activity category.*

*(5) Healthcare is matched to the Health Care activity category.*

*(6) Retail Trade is matched with the Mercantile category.*

*(7) Wholesale Trade is matched with the Warehouse and Storage activity category.*

*(8) Accommodations & Food Service is the average of the Lodging and Food Service activity categories.*

*(9) Education is matched to the Education category.*

*(10) The weighted average square feet per employee is weighted by current employment by industry from Exhibit 3.*

The square feet per employee are combined into give more general land use categories, following the desired structure for the impact fee rates as shown in Exhibit A7. The employees per square feet (from Exhibit A6) are combined into a weighted average square feet per employee, weighted on equivalent population growth by category from Exhibit 4.

<sup>3</sup> Sourced from the U.S. Energy Information Administration Commercial Buildings Energy Consumption Survey,  
<https://www.eia.gov/consumption/commercial/data/2012/bc/cfm/b1.php>.

### Exhibit A7. Weighted Average Employees per Square Foot

|                                | Growth of<br>Equivalent<br>Population<br>(1) | % Total (2)   | Employees<br>per Square<br>Foot (3) | Weighted<br>Employees<br>per Square<br>Foot (4) |
|--------------------------------|----------------------------------------------|---------------|-------------------------------------|-------------------------------------------------|
| Services                       | 1,738                                        | 23.1%         | 0.0013                              | 0.0003                                          |
| Healthcare                     | 4,148                                        | 55.1%         | 0.0018                              | 0.0010                                          |
| Accommodations & Food Service  | 1,690                                        | 22.5%         | 0.0008                              | 0.0002                                          |
| FIRE                           | (48)                                         | -0.6%         | 0.0021                              | 0.0000                                          |
| <b>Office/Other Commercial</b> | <b>7,529</b>                                 | <b>100.0%</b> |                                     | <b>0.0015</b>                                   |
| <b>Retail (5)</b>              |                                              |               |                                     | <b>0.0008</b>                                   |
| Manufacturing                  | 269                                          | 18.3%         | 0.0008                              | 0.0002                                          |
| Wholesale Trade                | 251                                          | 17.0%         | 0.0005                              | 0.0001                                          |
| Construction & Resources       | 691                                          | 46.9%         | 0.0021                              | 0.0010                                          |
| TCU                            | 263                                          | 17.8%         | 0.0021                              | 0.0004                                          |
| <b>Industrial</b>              | <b>1,474</b>                                 | <b>100.0%</b> |                                     | <b>0.0016</b>                                   |
| <b>Government (5)</b>          |                                              |               |                                     | <b>0.0021</b>                                   |
| <b>Education (5)</b>           |                                              |               |                                     | <b>0.0009</b>                                   |

(1) From Exhibit 4.

(2) Percent Total = Growth of Equivalent Population ÷ Total Growth of Equivalent Population by Land Use Category

(3) From Exhibit A6.

(4) Weighted Employees per Square Foot = % Total x Employees per Square Foot. Weighted employees per square foot by Land Use Category is the sum of individual subcategory weighted employees per square foot.

(5) Employees per Square Foot for Retail, Government and Education are from Exhibit A6.

Exhibit A8 shows the calculation for the equivalent population per unit. The equivalent population coefficient, from Exhibit A4 is multiplied by the population per unit from Exhibits A5 and A7, resulting in the equivalent population per unit.

### Exhibit A8. Equivalent Population per Unit

| Type of Development     | Equivalent<br>Population<br>Coefficient <sup>(1)</sup> | Population<br>per Unit <sup>(2)</sup> | Unit          | Equivalent<br>Population<br>per Unit <sup>(3)</sup> |
|-------------------------|--------------------------------------------------------|---------------------------------------|---------------|-----------------------------------------------------|
| Residential             |                                                        |                                       |               |                                                     |
| Single-Family           | 0.9375                                                 | 3.55                                  | dwelling unit | 3.33                                                |
| Multifamily             | 0.9375                                                 | 2.90                                  | dwelling unit | 2.72                                                |
| Mobile Home and Other   | 0.9375                                                 | 2.35                                  | dwelling unit | 2.20                                                |
| Nonresidential          |                                                        |                                       |               |                                                     |
| Office/Other Commercial | 0.8849                                                 | 0.0015                                | square foot   | 0.0013                                              |
| Retail                  | 2.0035                                                 | 0.0008                                | square foot   | 0.0016                                              |
| Industrial              | 0.0806                                                 | 0.0016                                | square foot   | 0.0001                                              |
| Government              | 0.7060                                                 | 0.0021                                | square foot   | 0.0015                                              |
| Education               | 0.5357                                                 | 0.0009                                | square foot   | 0.0005                                              |

*(1) Equivalent Population Coefficient from Exhibit A4.*

*(2) Population per unit from Exhibits A5 and A7.*

*(3) Equivalent Population per Unit = Equivalent Population Coefficient x Population per Unit.*

The equivalent population per unit is multiplied by the growth cost per equivalent person in Exhibit 12 to calculate the maximum allowable park impact fee rates for residential and nonresidential development in Hayward.

## APPENDIX B. INVENTORY OF EXISTING PARKS

The 2019 Hayward Area Recreation and Park District Parks Master Plan provides a detailed inventory of existing acres throughout the HARD service area, including a detailed inventory of parks in the City of Hayward as of 2018. The parks system in Hayward currently consists of 1,052.6 acres of parks in total. This includes 133.2 acres of Local Parks, 63.6 acres of Community Parks, 232.4 acres of Special Use Facilities, 20.0 acres of School Recreation Sites and 603.4 acres of Linear Parks, Greenways and Trails.

### Exhibit B1. HARD Local Parks Inventory in the City of Hayward, 2018

| Park Name                         | Acres        |
|-----------------------------------|--------------|
| Sorensdale Park                   | 12.7         |
| J.A. Lewis Park                   | 12.6         |
| Centennial Park                   | 11.6         |
| Bidwell Park                      | 10.5         |
| Cannery Park                      | 8.9          |
| Birchfield Park                   | 5.8          |
| Gordon E. Oliver Eden Shores Park | 5.6          |
| Old Highlands Park                | 5.6          |
| Canyon View Park                  | 5.4          |
| Rancho Arroyo Park                | 4.8          |
| Palma Ceia Park                   | 4.5          |
| Christian Penke Park              | 4.2          |
| Ruus Park                         | 4.1          |
| College Heights Park              | 3.9          |
| Greenwood Park                    | 3.5          |
| Eldridge Park                     | 3.4          |
| Silver Star Veterans Park         | 3.3          |
| Jalquin Vista Park                | 3.2          |
| Gansberger Park                   | 2.9          |
| Longwood Park                     | 2.9          |
| Fairway Greens Park               | 2.5          |
| Spring Grove Park                 | 2.3          |
| Stonybrook Park                   | 2.3          |
| Twin Bridges Park                 | 2.1          |
| Stratford Village Park            | 1.9          |
| Schafer Park                      | 1.3          |
| Bechtel Mini Park                 | 0.8          |
| Haymont Mini Park                 | 0.4          |
| La Placita Park                   | 0.2          |
| <b>Subtotal Local Parks</b>       | <b>133.2</b> |

*Detailed parks inventory from Table 3-1 of the Draft HARD Parks and Recreation Master Plan.*

**Exhibit B2. HARD Community Parks, Special Use Facilities, School  
Recreation Sites and Linear Parks, Greenways and Trails Inventory in the  
City of Hayward, 2018**

| <b>Park Name</b>                                   | <b>Acres</b>   |
|----------------------------------------------------|----------------|
| Kennedy Park                                       | 14.5           |
| Memorial Park                                      | 2.9            |
| Mt. Eden Park                                      | 14.1           |
| Southgate Park                                     | 8.8            |
| Tennyson Park                                      | 9.6            |
| Weekes Park                                        | 13.7           |
| <b>Subtotal Community Parks</b>                    | <b>63.6</b>    |
| Alden E. Oliver Sports Park                        | 25.6           |
| Children's Park at Giuliana Plaza                  | 0.2            |
| Douglas Morrison Theater                           | 0.5            |
| HARD District Office                               | 3.6            |
| Hayward Area Senior Center                         | 0.2            |
| Hayward Community Gardens                          | 4.8            |
| Hayward Plunge                                     | 1.2            |
| Japanese Gardens                                   | 3.6            |
| Mission Hills of Hayward Golf Course               | 57.8           |
| Shoreline Interpretive Center                      | 0.4            |
| Skywest Golf Course                                | 126.5          |
| Southgate Community Center                         | 0.3            |
| Sunset Park/Swim Center                            | 6.7            |
| Weekes Park Community Center                       | 1.0            |
| <b>Subtotal Special Use Facilities</b>             | <b>232.4</b>   |
| Stonebrae Elementary School                        | 9.1            |
| Bret Harte Play Field                              | 5.0            |
| El Rancho Verde Park                               | 3.3            |
| Brenkwitz High School                              | 2.6            |
| <b>Subtotal School Recreation Sites</b>            | <b>20.0</b>    |
| Eden Greenway                                      | 36.1           |
| Greenbelt Riding & Hiking Trail                    | 148.0          |
| Hayward Plunge Greenway Trail                      | 30.4           |
| Hayward Shoreline Open Space and Trails            | 349.0          |
| Nuestro Parquecito                                 | 2.3            |
| Taper Park                                         | 37.6           |
| <b>Subtotal Linear Parks, Greenways and Trails</b> | <b>603.4</b>   |
| <b>Total</b>                                       | <b>1,052.6</b> |

*Detailed parks inventory from Table 3-1 of the Draft HARD Parks and Recreation Master Plan.*

## APPENDIX C. PARKS LAND ACQUISITION AND DEVELOPMENT COST PER ACRE

Park impact fees are based on a total cost of parks that are needed to serve growth with the same level of service ratio that benefits the current population. In order to provide a defensible and accurate estimate for the cost of park land acquisition and park development cost per acre, the Hayward Area Recreation and Park District provided information on recent land purchases, as well as recent cost estimates for park development, by park category, detailed in Exhibits C1 and C2. All acquisition and development costs for previous years are adjusted to reflect 2019 dollars using a 3% inflation rate, as provided by HARD staff.

Local Parks, Community Parks, Special use Facilities and School Recreation Sites are combined into a single category for the costs of land acquisition. HARD staff provided feedback that the types of land required for these three categories are of parks are similar. Linear Parks, Greenways and Trails have very different acquisition costs, as demonstrated by the acquisition cost for the Valley View property.

**Exhibit C1. Parks Land Acquisition Cost per Acre**

| Property                                                                                | City          | Acquisition Cost <sup>(1)</sup> | Acreage | Cost per Acre <sup>(2)</sup> |
|-----------------------------------------------------------------------------------------|---------------|---------------------------------|---------|------------------------------|
| <b>Local Parks, Community Parks, Special Use Facilities and School Recreation Sites</b> |               |                                 |         |                              |
| Bidwell School Property                                                                 | Hayward       | \$6,300,000                     | 5.3     | \$1,188,679                  |
| Mateo Properties                                                                        | San Leandro   | \$2,700,000                     | 1.4     | \$1,888,112                  |
| Via Toledo                                                                              | San Lorenzo   | \$2,262,271                     | 2.0     | \$1,148,361                  |
| Boston Road Property                                                                    | Hayward       | \$788,075                       | 1.0     | \$788,075                    |
| <b>Average Cost per Acre</b>                                                            |               |                                 |         | <b>\$1,253,307</b>           |
| <b>Linear Parks, Greenways and Trails</b>                                               |               |                                 |         |                              |
| Valley View (EMBUD property)                                                            | Castro Valley | \$6,499,632                     | 24.0    | \$270,818                    |

(1) Data on purchase price provided by HARD staff. This reflects the purchase price for each property inflated to 2019 dollars based on a 3% inflation rate provided by HARD staff.

(2) Cost per acre = Acquisition Cost ÷ Acreage.

## Exhibit C2. Parks Development Cost per Acre

| Park                                      | City          | Acreage | Cost per Acre<br>(1) |
|-------------------------------------------|---------------|---------|----------------------|
| <b>Local Parks</b>                        |               |         |                      |
| Via Toledo Park (2)                       | San Lorenzo   | 2.0     | \$2,100,000          |
| West Evergreen (3)                        | San Jose      | 1.0     | \$1,223,000          |
| Stojanovich Family Park (3)               | Campbell      | 1.1     | \$1,033,094          |
| Commodor (3)                              | San Jose      | 2.5     | \$1,012,186          |
| N Rengstorff (3)                          | Mountain View | 1.0     | \$1,008,000          |
| 31 St & Alum Rock (3)                     | San Jose      | 1.7     | \$834,300            |
| Porto Park (3)                            | Elk Grove     | 1.3     | \$546,364            |
| <b>Average Cost per Acre</b>              |               |         | <b>\$1,108,135</b>   |
| <b>Community Parks</b>                    |               |         |                      |
| Memorial Park (Design & Construction) (4) | Hayward       | 2.9     | \$1,738,943          |
| Del Monte (3)                             | San Jose      | 4.2     | \$1,123,323          |
| San Lorenzo Community Park Renovation (5) | San Lorenzo   | 30.9    | \$1,118,719          |
| Weekes Community Park Renovation (6)      | Hayward       | 13.7    | \$990,633            |
| Creeside Sports Park (3)                  | Los Gatos     | 3.0     | \$785,686            |
| McClatchy Park (3)                        | Sacramento    | 3.8     | \$732,661            |
| Vista Montana (3)                         | San Jose      | 5.0     | \$668,669            |
| Springlake N3 (3)                         | Santa Rosa    | 7.0     | \$484,078            |
| La Vista Park (6)                         | Hayward       | 54.9    | \$390,715            |
| Cordelia Park - Phase 3 (3)               | Fairfield     | 8.5     | \$398,845            |
| Corderos Park (3)                         | Vacaville     | 7.2     | \$227,287            |
| Valley Oak Park (3)                       | Sacramento    | 9.3     | \$232,319            |
| <b>Average Cost per Acre</b>              |               |         | <b>\$740,990</b>     |
| <b>Special Use Facilities</b>             |               |         |                      |
| Hayward Area Senior Center Renovation (7) | Hayward       | 0.26    | \$15,480,845         |
| Hayward Community Gardens - Phase 1 (2)   | Hayward       | 2.0     | \$619,756            |
| Kennedy Park (2)                          | Hayward       | 13.3    | \$1,353,383          |
| <b>Average Cost per Acre</b>              |               |         | <b>\$5,817,995</b>   |
| <b>School Recreation Site</b>             |               |         |                      |
| Canyon Middle School Sports Complex (8)   | Castro Valley |         | \$764,909            |
| Creeside Middle School Sports Complex (8) | Castro Valley |         | \$764,909            |
| El Rancho Verde Park (6)                  | Hayward       | 3.3     | \$1,655,647          |
| <b>Average Cost per Acre</b>              |               |         | <b>\$1,061,822</b>   |
| <b>Trails (9)</b>                         |               |         |                      |
| Pen Creek - Reach 1 (3)                   |               | 0.3     | \$3,132,899          |
| Iron Horse Trail (3)                      |               | 0.4     | \$3,928,709          |
| San Tomas Spur (3)                        |               | 1.1     | \$3,388,770          |
| Cross Alameda Trail (10)                  |               | 0.5     | \$6,490,440          |
| Wavecrest Trail (10)                      |               | 0.3     | \$1,615,935          |
| <b>Average Cost per Acre</b>              |               |         | <b>\$3,711,351</b>   |

(1) Cost per Acre provided by HARD staff. Details for each specific project are noted below. All development costs are converted to 2019 dollars from the year of development assuming a



- 3% inflation rate provided by HARD staff.
- (2) Data provided by HARD staff.
  - (3) Data provided by HARD staff, sourced from Callander Associates Landscape Architecture.
  - (4) Data sourced from the adopted 2017-2020 CIP, inflated to 2019 dollars. This includes only the portion of the project focused on design and construction of new improvements and does not include the costs for a renovation master plan.
  - (5) Data sourced from the adopted 2017-2020 CIP, inflated to 2019 dollars. This includes only the portion of the project focused on design and construction of new improvements as outlined in Phase 1 and Phase 2.
  - (6) Data sourced from the adopted 2017-2020 CIP, inflated to 2019 dollars. This includes only the portion of the project focused on design and construction of new improvements.
  - (7) Data provided by HARD staff. Costs were provided per square foot, which were converted to acres for consistency.
  - (8) Cost per acre estimates provided by HARD staff. The costs provided were used to develop the overall cost estimates in the 2017-2020 adopted CIP, inflated to 2019 dollars using an assumed 3% inflation rate provided by HARD staff.
  - (9) Cost for trails provided in cost per linear foot. Linear feet were converted to acres assuming an average trail width of six feet.
  - (10) Data provided by HARD staff, sourced from PlaceWorks Inc.

The average cost per acre for parks acquisition and development by category are weighted by current acres by type in order to arrive at a development cost reflective of the cost for parks acquisition and development to serve growth at the same level of service as the existing population. Exhibits C3 and C4 demonstrate the calculations to arrive at a weighted average cost per acre for parks acquisition and development.

### Exhibit C3. Weighted Average Park Acquisition Cost per Acre

| Park Type                                                                              | Current Acres<br>(1) | % Total (2)   | Average Acquisition<br>Cost per Acre<br>(3) | Weighted<br>Average<br>Acquisition<br>Cost per Acre<br>(4) |
|----------------------------------------------------------------------------------------|----------------------|---------------|---------------------------------------------|------------------------------------------------------------|
| Local Parks, Community Parks,<br>Special use Facilities and School<br>Recreation Sites | 449.2                | 42.7%         | \$1,253,307                                 | \$534,852                                                  |
| Linear Parks, Greenways and Trails                                                     | 603.4                | 57.3%         | \$270,818                                   | \$155,246                                                  |
| <b>Total</b>                                                                           | <b>1,052.6</b>       | <b>100.0%</b> |                                             | <b>\$690,098</b>                                           |

- (1) Current Acres are from Exhibit 6.
- (2) Percent Total = Current Acres by Category ÷ Total Acres.
- (3) Average Acquisition Cost per Acre from Exhibit C1.
- (4) Weighted Average Acquisition Cost per Acre = % Total x Average Acquisition Cost per Acre.  
Total Weighted Average Acquisition Cost per Acre is the sum of Weighted Average Cost per Acre by category.

#### Exhibit C4. Weighted Average Park Development Cost per Acre

| Park Type               | Current Acres<br>(1) | % Total (2)   | Average<br>Development<br>Cost per Acre<br>(3) | Weighted<br>Average<br>Development<br>Cost per Acre<br>(4) |
|-------------------------|----------------------|---------------|------------------------------------------------|------------------------------------------------------------|
| Local Parks             | 133.2                | 12.7%         | \$1,108,135                                    | \$140,228                                                  |
| Community Parks         | 63.6                 | 6.0%          | \$740,990                                      | \$44,772                                                   |
| Special Use Facilities  | 232.4                | 22.1%         | \$5,817,995                                    | \$1,284,535                                                |
| School Recreation Sites | 20.0                 | 1.9%          | \$1,061,822                                    | \$20,175                                                   |
| Trails (5)              | 6.1                  | 0.6%          | \$3,711,351                                    | \$21,350                                                   |
| Open Space (6)          | 597.3                | 56.7%         | \$0                                            | \$0                                                        |
| <b>Total</b>            | <b>1,052.6</b>       | <b>100.0%</b> |                                                | <b>\$1,370,832</b>                                         |

(1) Current Acres from Exhibit 6.

(2) Percent Total = Current Acres by Category ÷ Total Acres.

(3) Average Development Cost per Acre from Exhibit C2.

(4) Weighted Average Development Cost per Acre = % Total x Average Development Cost per Acre. Total Weighted Average Acquisition Cost per Acre is the sum of Weighted Average Cost per Acre by category.

(5) Trails represent the portion of the Linear Parks, Greenways and Trails category that are developed as trails. Estimates are based on the miles of trails for each park within the category, converted to acres based on an assumed average trail width of six feet.

(6) Open Space represents the remaining undeveloped portion of the Linear Parks, Greenways and Trails category. Development costs are assumed at \$0 per acre.

Prototype 1: Detached Single Family Subdivision

|                                     |               |            |          |                    |         |
|-------------------------------------|---------------|------------|----------|--------------------|---------|
| Project Valuation:                  | \$ 35,283,600 |            |          |                    |         |
| Site Size (acres)                   | 15.50         |            |          |                    |         |
| Gross SF                            | 270,630       |            |          |                    |         |
| Construction Type                   | Type VB       |            |          |                    |         |
| Retail (IBC Occupancy Group M)      | 0             |            |          |                    |         |
| Est. Retail Employees               | 0             |            |          |                    |         |
| Residential Units                   | 100           |            |          |                    |         |
| Multifamily                         | 0             |            |          |                    |         |
| Single Family Attached              | 0             |            |          |                    |         |
| Single Family Detached              | 100           |            |          |                    |         |
| Units by Type (IBC Occupancy Group) | Count         | % of Total | Gross SF | Net SF Saleable SF |         |
| Studio (R3)                         | 0             | 0%         | 0        | 0                  | 0       |
| 1 BR (R3)                           | 0             | 0%         | 0        | 0                  | 0       |
| 2 BR (R3)                           | 0             | 0%         | 0        | 0                  | 0       |
| 3 BR (R3)                           | 25            | 25%        | 2,100    | 2,100              | 52,623  |
| 4 BR (R3)                           | 75            | 75%        | 2,900    | 2,900              | 218,008 |
| All (Total Habitable)               | 100           |            |          |                    | 270,630 |
| Parking Type                        | In Unit       |            |          |                    |         |
| Parking SF                          | N/A           |            |          |                    |         |
| FAR                                 | 0.40          |            |          |                    |         |

Estimated City of Hayward Fees

| Based on Existing Park Fee   |              |
|------------------------------|--------------|
| Type                         | Fee          |
| Utility Connection Fees      | \$2,525,441  |
| Parks In-Lieu Fee            | \$1,195,300  |
| School Impact Fee            | \$803,771    |
| Plot Inspection Fee          | \$305,292    |
| Supplemental Bldg Cons - Sfr | \$120,000    |
| Plot Plan Review Fee         | \$49,100     |
| Building Plot Plan Fee       | \$29,400     |
| General Plan Update Fee      | \$25,571     |
| Fire Inspection Fee          | \$22,100     |
| Address Assignment Single    | \$22,050     |
| Landscape Fee Single Family  | \$21,200     |
| Technology Fee               | \$18,748     |
| Admin Fee Building Permit    | \$14,994     |
| Fire Tract Building Plot     | \$11,000     |
| Master Plan Review Fee       | \$7,173      |
| SMIP Residential             | \$4,672      |
| Fire Plan Check 35%          | \$2,510      |
| Planning Review Fee          | \$2,510      |
| State Building Standards Fee | \$1,502      |
| Solid Waste - Tract          | \$320        |
| Total                        | \$5,182,655  |
| AHO In-Lieu Fee              | \$4,960,648  |
| Total                        | \$10,143,303 |

Estimated City of Hayward Fees

| Based on Proposed Park Fee - 50% of Max. Allowable |              |
|----------------------------------------------------|--------------|
| Type                                               | Fee          |
| Utility Connection Fees                            | \$2,525,441  |
| Parks In-Lieu Fee                                  | \$2,006,571  |
| School Impact Fee                                  | \$803,771    |
| Plot Inspection Fee                                | \$305,292    |
| Supplemental Bldg Cons - Sfr                       | \$120,000    |
| Plot Plan Review Fee                               | \$49,100     |
| Building Plot Plan Fee                             | \$29,400     |
| General Plan Update Fee                            | \$25,571     |
| Fire Inspection Fee                                | \$22,100     |
| Address Assignment Single                          | \$22,050     |
| Landscape Fee Single Family                        | \$21,200     |
| Technology Fee                                     | \$18,748     |
| Admin Fee Building Permit                          | \$14,994     |
| Fire Tract Building Plot                           | \$11,000     |
| Master Plan Review Fee                             | \$7,173      |
| SMIP Residential                                   | \$4,672      |
| Fire Plan Check 35%                                | \$2,510      |
| Planning Review Fee                                | \$2,510      |
| State Building Standards Fee                       | \$1,502      |
| Solid Waste - Tract                                | \$320        |
| Total                                              | \$5,993,926  |
| AHO In-Lieu Fee                                    | \$4,960,648  |
| Total                                              | \$10,954,574 |

Estimated City of San Leandro Fees

| Type                                       | Total Fee   |
|--------------------------------------------|-------------|
| Planning Plan Check for Building Permit    | \$624       |
| Community Planning Fee                     | \$105,851   |
| Building Permit Fee                        | \$158,292   |
| Plan Check Fee                             | \$158,292   |
| Technology Fee                             | \$9,497     |
| State Building Standards Fee               | \$1,502     |
| Certificate of Occupancy                   | \$191       |
| Certificate of Compliance                  | \$191       |
| Park Development Impact Fee                | \$1,946,600 |
| Dev. Fees for Street Improvements - Res.   | \$144,991   |
| Overhead Utility Conversion Fees           | \$158,333   |
| Sanitary Sewer Connection Fees - Res.      | \$455,885   |
| San Leandro Unified School District - Res. | \$1,025,688 |
| EBMUD System Capacity Fee                  | \$3,023,000 |
| Fire Department Fees                       | \$102,890   |
| Subtotal                                   | \$7,291,826 |
| Affordable Housing In-Lieu Fee             | N/A         |
| Total                                      | \$7,291,826 |

Notes:  
1) EBMUD System Capacity Fee - Assumes Region 1.  
2) Developments of more than 6 units must provide the required affordable units on site.

Estimated City of Dublin Fees

| Type                                           | Total Fee    |
|------------------------------------------------|--------------|
| Public Facilities Impact Fee - Res.            | \$2,631,100  |
| Fire Impact Fee - Res.                         | \$33,900     |
| Eastern Dublin Traffic Impact Fee - Res.       | \$1,180,200  |
| Eastern Dublin Freeway Interchange Fee - Res.  | \$35,045     |
| Eastern Dublin Noise Mitigation Fee - Res.     | \$474        |
| Fire Plan Review and Inspection                | \$1,635      |
| Fire Alarm Systems                             | \$1,061      |
| Automatic Fire Sprinkler Systems, Residential  | \$4,244      |
| Building Permit                                | \$429,337    |
| Address Request                                | \$11,700     |
| Strong Motion Instrumentation Fee              | \$4,672      |
| State Building Standards Fee                   | \$1,502      |
| Dublin San Ramon SD Water Capacity Reserve Fee | \$3,336,100  |
| DSRSD Wastewater Capacity Reserve Fee - Res.   | \$1,553,300  |
| School District Fees - Dublin Unified          | \$2,313.887  |
| Subtotal                                       | \$11,538,157 |
| Affordable Housing In Lieu Fee - Res.          | \$2,465,663  |
| Total                                          | \$14,003,819 |

Notes:  
1) Traffic Impact Fee assumes project is outside Transit Center.  
2) Building Permit Fee is calculated based on overall valuation, rather than by master plan, for all three prototypes.  
3) Address requests based on single address price per unit, as subdivisions are billed on a time & materials basis.  
4) Affordable Housng in-lieu fees may only be paid for up to 40% of the required units (12.5% of total number of units). The remaining required units must be provided on site.

Estimated City of Fremont Fees

| Type                                                 | Total Fee    |
|------------------------------------------------------|--------------|
| Building Permit Application Fee                      | \$50         |
| Plan Check Fee                                       | \$107,092    |
| CPF - Plan Check Fee                                 | \$16,064     |
| Building Permit Inspection Fee                       | \$107,092    |
| Mechanical, Electrical, Plumbing, Green Building     | \$200        |
| State Building Standards Fee                         | \$1,412      |
| SMIP Fee                                             | \$4,587      |
| Electrical Permit Fee                                | \$90         |
| Mechanical Permit Fee                                | \$11,040     |
| Plumbing Permit Fee                                  | \$11,040     |
| Construction Tax                                     | \$247,600    |
| CPF - Green Building Permit Fee                      | \$1,035      |
| CPF - Electrical Permit Fee                          | \$14         |
| CPF - Mechanical Permit Fee                          | \$1,656      |
| CPF - Plumbing Permit Fee                            | \$1,656      |
| CPF - Building Permit Inspection Fee                 | \$16,064     |
| Fremont Unified School District Fee                  | \$1,840,284  |
| Capital Facilities                                   | \$334,053    |
| Fire Facilities                                      | \$48,237     |
| Traffic                                              | \$346,557    |
| Parkland                                             | \$1,467,416  |
| Park Facilities                                      | \$1,648,387  |
| Alameda County Water District - Installation Charges | \$1,100,000  |
| Alameda County Water District - Capacity Charges     | \$702,000    |
| Union Sanitary District - Capacity Fee               | \$691,903    |
| Union Sanitary District - TM Improvement Plan Permit | \$1,009,771  |
| Subtotal                                             | \$9,715,298  |
| Affordable Housing Fee                               | \$7,036,380  |
| Total                                                | \$16,751,678 |

Prototype 2: Townhome with Standalone Retail

|                                     |                   |            |          |                       |         |
|-------------------------------------|-------------------|------------|----------|-----------------------|---------|
| Project Valuation:                  | 27,296,350        |            |          |                       |         |
| Site Size (acres)                   | 4.80              |            |          |                       |         |
| Gross SF                            | 200,000           |            |          |                       |         |
| Construction Type                   | Type VA           |            |          |                       |         |
| Retail (IBC Occupancy Group M)      | 15,000            |            |          |                       |         |
| Est. Retail Employees               | 16                |            |          |                       |         |
| Residential Units                   | 100               |            |          |                       |         |
| <i>Multifamily</i>                  | 0                 |            |          |                       |         |
| <i>Single Family Attached</i>       | 100               |            |          |                       |         |
| <i>Single Family Detached</i>       | 0                 |            |          |                       |         |
| Units by Type (IBC Occupancy Group) | Count             | % of Total | Gross SF | Net SF -. Saleable SF |         |
| <i>Studio (R3)</i>                  | 0                 | 0%         | 0        | 0                     | 0       |
| <i>1 BR (R3)</i>                    | 0                 | 0%         | 0        | 0                     | 0       |
| <i>2 BR (R3)</i>                    | 0                 | 0%         | 0        | 0                     | 0       |
| <i>3 BR (R3)</i>                    | 50                | 50%        | 1,600    | 1,600                 | 80,000  |
| <i>4 BR (R3)</i>                    | 50                | 50%        | 2,100    | 2,100                 | 105,000 |
| <i>All (Total Habitable)</i>        | 100               |            |          |                       | 185,000 |
| Parking Type                        | In Unit & Surface |            |          |                       |         |
| Parking SF                          | TBD               |            |          |                       |         |
| FAR                                 | 0.96              |            |          |                       |         |

*Note: Parcels to be subdivided so that each residential unit is located on its own lot. Retail assumed as wood-frame construction (Type V) in addition to residential structures, unless precluded by local building code.*

Estimated City of Hayward Fees

*Based on Existing Park Fee*

| Type                           | Fee w Retail       |
|--------------------------------|--------------------|
| Utility Connection Fees        | \$2,598,701        |
| Parks In-Lieu Fee              | \$1,139,500        |
| School Impact Fee              | \$594,000          |
| Plot Inspection Fee            | \$237,583          |
| Supplemental Bldg Cons - Sfr   | \$120,000          |
| Construction Improvement Tax   | \$75,000           |
| Supplemental Fee Commercial    | \$59,400           |
| Plot Plan Review Fee           | \$49,100           |
| Building Plot Plan Fee         | \$29,400           |
| Fire Inspection Fee            | \$22,321           |
| Address Assignment Single      | \$22,271           |
| General Plan Update Fee        | \$21,461           |
| Landscape Fee Single Family    | \$21,200           |
| Technology Fee                 | \$15,176           |
| Admin Fee Building Permit      | \$15,141           |
| Fire Tract Building Plot       | \$11,000           |
| Plan Check Fee                 | \$9,517            |
| Building Permit Fee            | \$9,517            |
| Master Plan Review Fee         | \$5,826            |
| Fire Plan Check 35%            | \$5,370            |
| Planning Review Fee            | \$5,370            |
| SMIP Residential               | \$3,407            |
| State Building Standards Fee   | \$1,136            |
| SMIP Non-Residential           | \$448              |
| Solid Waste - Tract            | \$320              |
| Landscape Fee-Com/Ind          | \$319              |
| Planning/Landscape Inspect Fee | \$212              |
| Solid Waste Trash Enclosure    | \$120              |
| <b>Total</b>                   | <b>\$5,072,817</b> |
| AHO In-Lieu Fee                | \$3,391,050        |
| <b>Total</b>                   | <b>\$8,463,867</b> |

Estimated City of Hayward Fees

*Based on Proposed Park Fee - 50% of Max. Allowable*

| Type                           | Fee w Retail       |
|--------------------------------|--------------------|
| Utility Connection Fees        | \$2,598,701        |
| Parks In-Lieu Fee              | \$1,850,600        |
| School Impact Fee              | \$594,000          |
| Plot Inspection Fee            | \$237,583          |
| Supplemental Bldg Cons - Sfr   | \$120,000          |
| Construction Improvement Tax   | \$75,000           |
| Supplemental Fee Commercial    | \$59,400           |
| Plot Plan Review Fee           | \$49,100           |
| Building Plot Plan Fee         | \$29,400           |
| Fire Inspection Fee            | \$22,321           |
| Address Assignment Single      | \$22,271           |
| General Plan Update Fee        | \$21,461           |
| Landscape Fee Single Family    | \$21,200           |
| Technology Fee                 | \$15,176           |
| Admin Fee Building Permit      | \$15,141           |
| Fire Tract Building Plot       | \$11,000           |
| Plan Check Fee                 | \$9,517            |
| Building Permit Fee            | \$9,517            |
| Master Plan Review Fee         | \$5,826            |
| Fire Plan Check 35%            | \$5,370            |
| Planning Review Fee            | \$5,370            |
| SMIP Residential               | \$3,407            |
| State Building Standards Fee   | \$1,136            |
| SMIP Non-Residential           | \$448              |
| Solid Waste - Tract            | \$320              |
| Landscape Fee-Com/Ind          | \$319              |
| Planning/Landscape Inspect Fee | \$212              |
| Solid Waste Trash Enclosure    | \$120              |
| <b>Total</b>                   | <b>\$5,783,917</b> |
| AHO In-Lieu Fee                | \$3,391,050        |
| <b>Total</b>                   | <b>\$9,174,967</b> |

Estimated City of San Leandro Fees

| Type                                           | Total Fee          |
|------------------------------------------------|--------------------|
| Planning Plan Check for Building Permit        | \$624              |
| Community Planning Fee                         | \$81,889           |
| Building Permit Fee                            | \$123,547          |
| Plan Check Fee                                 | \$123,547          |
| Technology Fee                                 | \$7,413            |
| Strong Motion Instrumentation Fee - Res.       | \$3,856            |
| State Building Standards Fee                   | \$1,136            |
| Certificate of Occupancy                       | \$191              |
| Certificate of Compliance                      | \$191              |
| Park Development Impact Fee                    | \$1,946,600        |
| Dev. Fees for Street Improvements - Res.       | \$144,991          |
| Dev. Fees for Street Improvements - Non- Res.  | \$67,500           |
| Overhead Utility Conversion Fees               | \$158,333          |
| Sanitary Sewer Connection Fees - Res.          | \$455,885          |
| Sanitary Sewer Connection Fees - Non-Res.      | \$28,452           |
| San Leandro Unified School District - Res.     | \$701,150          |
| San Leandro Unified School District - Non-Res. | \$9,150            |
| EBMUD System Capacity Fee                      | \$3,217,280        |
| Fire Department Fees                           | \$80,306           |
| <b>Subtotal</b>                                | <b>\$7,152,041</b> |
| Affordable Housing In-Lieu Fee                 | N/A                |
| <b>Total</b>                                   | <b>\$7,152,041</b> |

*Notes:*  
1) *Overhead Utility Conversion Fee only takes into account residential units. Have reached out to San Leandro about how to calculate for mixed use projects, and have not heard back.*  
2) *EBMUD System Capacity Fee - Assumes Region 1.*  
3) *Developments of more than 6 units must provide the required affordable units on site.*

Estimated City of Dublin Fees

| Type                                              | Total Fee           |
|---------------------------------------------------|---------------------|
| Public Facilities Impact Fee - Res.               | \$2,631,100         |
| Public Facilities Impact Fee - Non-Res.           | \$44,085            |
| Fire Impact Fee - Res.                            | \$33,900            |
| Fire Impact Fee - Non-Res.                        | \$1,200             |
| Eastern Dublin Traffic Impact Fee - Res.          | \$826,500           |
| Eastern Dublin Traffic Impact Fee - Non-Res.      | \$15,960            |
| Eastern Dublin Freeway Interchange Fee - Res.     | \$24,532            |
| Eastern Dublin Freeway Interchange Fee - Non-Res. | \$525               |
| Eastern Dublin Noise Mitigation Fee - Res.        | \$332               |
| Eastern Dublin Noise Mitigation Fee - Non-Res.    | \$356               |
| Fire Plan Review and Inspection                   | \$1,635             |
| Fire Alarm Systems                                | \$1,061             |
| Automatic Fire Sprinkler Systems, Residential     | \$4,244             |
| Building Permit                                   | \$333,493           |
| Address Request                                   | \$12,051            |
| Strong Motion Instrumentation Fee                 | \$3,856             |
| State Building Standards Fee                      | \$1,136             |
| Dublin San Ramon SD Water Capacity Reserve Fee    | \$3,436,183         |
| DSRSD Wastewater Capacity Reserve Fee - Res.      | \$1,553,300         |
| DSRSD Wastewater Capacity Reserve Fee - Non-Res.  | \$52,950            |
| School District Fees - Dublin Unified             | \$1,590,900         |
| <b>Subtotal</b>                                   | <b>\$10,569,299</b> |
| Affordable Housing In Lieu Fee - Res.             | \$986,265           |
| Affordable Housing In Lieu Fee - Non-Res.         | \$17,700            |
| <b>Total</b>                                      | <b>\$11,573,264</b> |

*Notes:*  
1) *Traffic Impact Fee assumes project is outside Transit Center.*  
2) *Building Permit Fee is calculated based on overall valuation, rather than by master plan, for all three prototypes.*  
3) *Address requests based on single address price per unit, as subdivisions are billed on a time & materials basis.*  
4) *Fire Service Line connection fees not listed on DSRSD fee schedule, so not included here.*  
5) *Affordable Housing in-lieu fees may only be paid for up to 40% of the required units (12.5% of total number of units). The remaining required units must be provided on site.*

Estimated City of Fremont Fees

| Type                                                 | Total Fee           |
|------------------------------------------------------|---------------------|
| Building Permit Application Fee                      | \$50                |
| Plan Check Fee                                       | \$107,092           |
| CPF - Plan Check Fee                                 | \$16,064            |
| Building Permit Inspection Fee                       | \$107,092           |
| Mechanical, Electrical, Plumbing, Green Building     | \$200               |
| Green Building Permit Fee                            | \$6,900             |
| State Building Standards Fee                         | \$1,092             |
| SMIP Fee                                             | \$3,549             |
| Electrical Permit Fee                                | \$90                |
| Mechanical Permit Fee                                | \$11,040            |
| Plumbing Permit Fee                                  | \$11,040            |
| Construction Tax                                     | \$247,600           |
| CPF - Green Building Permit Fee                      | \$1,035             |
| CPF - Electrical Permit Fee                          | \$14                |
| CPF - Mechanical Permit Fee                          | \$1,656             |
| CPF - Plumbing Permit Fee                            | \$1,656             |
| CPF - Building Permit Inspection Fee                 | \$16,064            |
| Fremont Unified School District Fee                  | \$1,258,000         |
| Capital Facilities                                   | \$325,880           |
| Fire Facilities                                      | \$48,780            |
| Traffic                                              | \$426,760           |
| Parkland                                             | \$1,392,000         |
| Park Facilities                                      | \$1,563,700         |
| Art Fee                                              | \$112,000           |
| Alameda County Water District - Installation Charges | \$1,133,000         |
| Alameda County Water District - Capacity Charges     | \$754,647           |
| Union Sanitary District - Capacity Fee               | \$949,120           |
| Union Sanitary District - TM Improvement Plan Permit | \$1,009,771         |
| <b>Subtotal</b>                                      | <b>\$9,505,890</b>  |
| Affordable Housing Fee                               | \$5,085,000         |
| <b>Total</b>                                         | <b>\$14,590,890</b> |

*Notes:*  
1) *Art Fee assumed to apply, as it applies to several districts, including Downtown and City Center.*

Prototype 3: Mixed-Use Multifamily & Retail

|                                     |            |            |          |        |             |
|-------------------------------------|------------|------------|----------|--------|-------------|
| Project Valuation:                  | 27,614,791 |            |          |        |             |
| Site Size (acres)                   | 4.58       |            |          |        |             |
| Gross SF                            | 197,823    |            |          |        |             |
| Construction Type                   | Type IIIA  |            |          |        |             |
| Retail (IBC Occupancy Group M)      | 32,971     |            |          |        |             |
| Est. Retail Employees               | 35         |            |          |        |             |
| Residential Units                   | 200        |            |          |        |             |
| Multifamily                         | 200        |            |          |        |             |
| Single Family Attached              | 0          |            |          |        |             |
| Single Family Detached              | 0          |            |          |        |             |
| Units by Type (IBC Occupancy Group) | Count      | % of Total | Gross SF | Net SF | Rentable SF |
| Studio                              | 50         | 25%        | 559      | 475    | 23,779      |
| 1 BR                                | 50         | 25%        | 735      | 625    | 31,265      |
| 2 BR                                | 100        | 50%        | 1000     | 850    | 85,076      |
| 3 BR                                | 0          | 0%         | 0        | 0      | 0           |
| 4 BR                                | 0          | 0%         | 0        | 0      | 0           |
| All (Total Habitable)               | 200        |            |          |        | 140,120     |
| Parking Type                        | Structured |            |          |        |             |
| Parking SF                          | TBD        |            |          |        |             |
| FAR                                 | 0.99       |            |          |        |             |

Note: Gross SF includes each unit's proportional share of all common areas. Net SF is the total in-unit (rentable) SF.

Estimated City of Hayward Fees

| Based on Existing Park Fee     |             |
|--------------------------------|-------------|
| Type                           | Total Fee   |
| Utility Connection Fees        | \$3,653,504 |
| Parks In-Lieu Fee              | \$1,930,600 |
| School Impact Fee              | \$587,536   |
| Supplemental Bldg Cons - Sfr   | \$322,565   |
| Plan Check Fee                 | \$113,569   |
| Building Permit Fee            | \$113,569   |
| Construction Improvement Tax   | \$75,000    |
| Address Assignment Multiple    | \$44,321    |
| Fire Plan Check 35%            | \$39,749    |
| Planning Review Fee            | \$39,749    |
| General Plan Update Fee        | \$18,171    |
| Technology Fee                 | \$6,814     |
| SMIP Residential               | \$3,590     |
| State Building Standards Fee   | \$1,105     |
| Landscape Fee Multi-Family     | \$319       |
| Fire Inspection Fee            | \$221       |
| Planning/Landscape Inspect Fee | \$212       |
| Admin Fee Building Permit      | \$147       |
| Solid Waste Fee                | \$80        |
| Subtotal                       | \$6,950,821 |
| Affordable Housing In-Lieu Fee | \$2,568,400 |
| Total                          | \$9,519,221 |

Estimated City of Hayward Fees

| Based on Proposed Park Fee - 50% of Max. Allowable |             |
|----------------------------------------------------|-------------|
| Type                                               | Total Fee   |
| Utility Connection Fees                            | \$3,653,504 |
| Parks In-Lieu Fee                                  | \$1,290,150 |
| School Impact Fee                                  | \$587,536   |
| Supplemental Bldg Cons - Sfr                       | \$322,565   |
| Plan Check Fee                                     | \$113,569   |
| Building Permit Fee                                | \$113,569   |
| Construction Improvement Tax                       | \$75,000    |
| Address Assignment Multiple                        | \$44,321    |
| Fire Plan Check 35%                                | \$39,749    |
| Planning Review Fee                                | \$39,749    |
| General Plan Update Fee                            | \$18,171    |
| Technology Fee                                     | \$6,814     |
| SMIP Residential                                   | \$3,590     |
| State Building Standards Fee                       | \$1,105     |
| Landscape Fee Multi-Family                         | \$319       |
| Fire Inspection Fee                                | \$221       |
| Planning/Landscape Inspect Fee                     | \$212       |
| Admin Fee Building Permit                          | \$147       |
| Solid Waste Fee                                    | \$80        |
| Subtotal                                           | \$6,310,371 |
| Affordable Housing In-Lieu Fee                     | \$2,568,400 |
| Total                                              | \$8,878,771 |

Estimated City of San Leandro Fees

| Type                                           | Total Fee   |
|------------------------------------------------|-------------|
| Planning Plan Check for Building Permit        | \$624       |
| Community Planning Fee                         | \$82,844    |
| Building Permit Fee                            | \$124,932   |
| Plan Check Fee                                 | \$124,932   |
| Technology Fee                                 | \$7,496     |
| Strong Motion Instrumentation Fee - Res.       | \$3,590     |
| State Building Standards Fee                   | \$1,105     |
| Certificate of Occupancy                       | \$191       |
| Certificate of Compliance                      | \$191       |
| Park Development Impact Fee                    | \$3,405,837 |
| Dev. Fees for Street Improvements - Res.       | \$290,241   |
| Dev. Fees for Street Improvements - Non- Res.  | \$148,368   |
| Overhead Utility Conversion Fees               | \$316,949   |
| Sanitary Sewer Connection Fees - Res.          | \$761,839   |
| Sanitary Sewer Connection Fees - Non-Res.      | \$62,539    |
| San Leandro Unified School District - Res.     | \$531,055   |
| San Leandro Unified School District - Non-Res. | \$20,112    |
| EBMUD System Capacity Fee                      | \$3,317,171 |
| Fire Department Fees                           | \$81,206    |
| Subtotal                                       | \$9,281,222 |
| Affordable Housing In-Lieu Fee                 | N/A         |
| Total                                          | \$9,281,222 |

Notes:  
1) Overhead Utility Conversion Fee only takes into account residential units. Have reached out to San Leandro about how to calculate for mixed use projects, and have not heard back.  
2) EBMUD System Capacity Fee - Assumes Region 1.  
3) Developments of more than 6 units must provide the required affordable units on site.

Estimated City of Dublin Fees

| Type                                              | Total Fee    |
|---------------------------------------------------|--------------|
| Public Facilities Impact Fee - Res.               | \$3,215,267  |
| Public Facilities Impact Fee - Non-Res.           | \$96,901     |
| Fire Impact Fee - Res.                            | \$41,437     |
| Fire Impact Fee - Non-Res.                        | \$2,638      |
| Eastern Dublin Traffic Impact Fee - Res.          | \$1,417,664  |
| Eastern Dublin Traffic Impact Fee - Non-Res.      | \$35,081     |
| Eastern Dublin Freeway Interchange Fee - Res.     | \$42,090     |
| Eastern Dublin Freeway Interchange Fee - Non-Res. | \$1,155      |
| Eastern Dublin Noise Mitigation Fee - Res.        | \$571        |
| Eastern Dublin Noise Mitigation Fee - Non-Res.    | \$782        |
| Fire Plan Review and Inspection                   | \$1,635      |
| Fire Alarm Systems                                | \$1,061      |
| Automatic Fire Sprinkler Systems, Residential     | \$4,244      |
| Building Permit                                   | \$337,309    |
| Address Request                                   | \$24,123     |
| SMIP Residential                                  | \$3,590      |
| State Building Standards Fee                      | \$1,105      |
| Dublin San Ramon SD Water Capacity Reserve Fee    | \$6,878,321  |
| DSRSD Wastewater Capacity Reserve Fee - Res.      | \$2,052,030  |
| DSRSD Wastewater Capacity Reserve Fee - Non-Res.  | \$116,338    |
| School District Fees - Dublin Unified             | \$1,218,138  |
| Subtotal                                          | \$15,491,476 |
| Affordable Housing In Lieu Fee - Res.             | \$1,974,290  |
| Affordable Housing In Lieu Fee - Non-Res.         | \$38,905     |
| Total                                             | \$17,504,672 |

Notes:  
1) Traffic Impact Fee assumes project is outside Transit Center.  
2) Building Permit Fee is calculated based on overall valuation, rather than by master plan, for all three prototypes.  
3) Address requests based on single address price per unit, as subdivisions are billed on a time & materials basis.  
4) Fire Service Line connection fees not listed on DSRSD fee schedule, so not included here.  
5) Affordable Housng in-lieu fees may only be paid for up to 40% of the required units (12.5% of total number of units). The remaining required units must be provided on site.

Estimated City of Fremont Fees

| Type                                                 | Total Fee    |
|------------------------------------------------------|--------------|
| Building Permit Application Fee                      | \$50         |
| Plan Check Fee                                       | \$84,391     |
| CPF - Plan Check Fee                                 | \$12,659     |
| Building Permit Inspection Fee                       | \$84,391     |
| Mechanical, Electrical, Plumbing, Green Building     | \$200        |
| Green Building Permit Fee                            | \$4,140      |
| State Building Standard Fee                          | \$1,105      |
| SMIP Fee                                             | \$3,590      |
| Electrical Permit Fee                                | \$7,006      |
| Mechanical Permit Fee                                | \$11,040     |
| Plumbing Permit Fee                                  | \$11,040     |
| Construction Tax                                     | \$361,400    |
| CPF - Green Building Permit Fee                      | \$621        |
| CPF - Electrical Permit Fee                          | \$1,051      |
| CPF - Mechanical Permit Fee                          | \$1,656      |
| CPF - Plumbing Permit Fee                            | \$1,656      |
| CPF - Building Permit Inspection Fee                 | \$12,659     |
| Fremont Unified School District Fee                  | \$952,816    |
| Affordable Housing Fee                               | \$2,168,287  |
| Capital Facilities                                   | \$386,225    |
| Fire Facilities                                      | \$59,657     |
| Traffic                                              | \$720,610    |
| Parkland                                             | \$1,609,585  |
| Park Facilities                                      | \$1,807,962  |
| Art Fee                                              | \$110,781    |
| Alameda County Water District - Installation Charges | \$2,317,963  |
| Alameda County Water District - Capacity Charges     | \$1,241,707  |
| Union Sanitary District - Capacity Fee               | \$1,696,943  |
| Subtotal                                             | \$13,671,191 |
| Affordable Housing Fee                               | \$2,168,287  |
| Total                                                | \$15,839,478 |

Notes:  
1) Art Fee assumed to apply, as it applies to several districts, including Downtown and City Center.

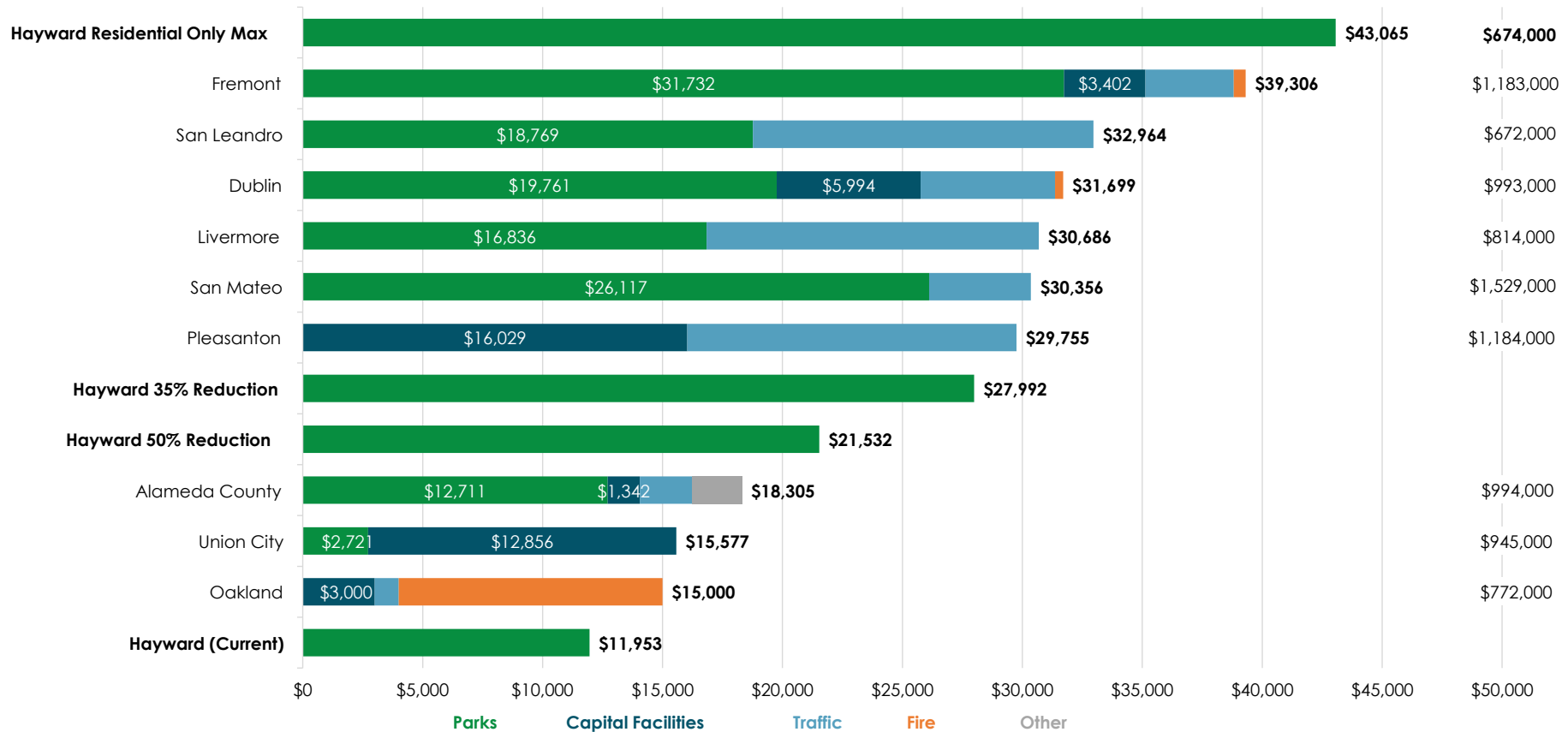


## City of Hayward

### Impact Fee Comparisons by Selected Cities

Residential - Four Bedroom Single Family Dwelling Unit (2,200 square feet)

Median Home Value



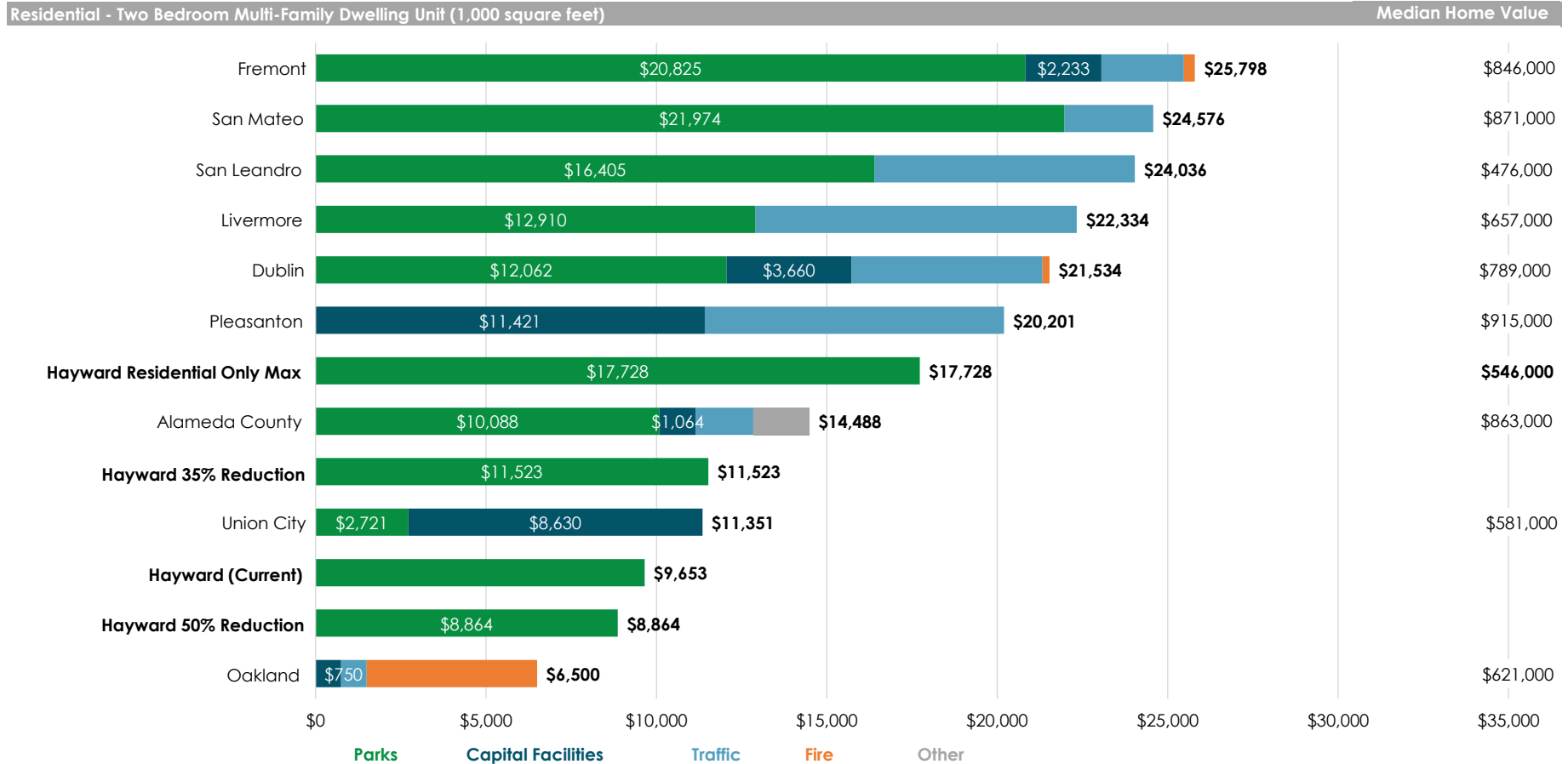
#### Notes:

- The Cities of Dublin and Oakland each have more than one zone throughout the city, with different impact fee rates depending on the Zone. The data presented here represent impact fees for Western Dublin and Oakland Zone 2, each representing the middle range of applicable impact fee rates for the Cities.
- Staff Recommended Rates represent a 35% or a 50% reduction to the maximum rates based on the number of bedrooms.
- Affordable Housing Impact or In-Lieu Fees are not included in this comparison as the fees vary greatly in application by jurisdiction. Additionally, all water and sewer impact or connection fees are excluded.
- Union City also has a park land dedication requirement of 3 acres per 1,000 persons, but the in-lieu fees are calculated individually.
- The fee classified as Other in Alameda County is a public safety impact fee.
- Oakland and San Leandro each have on residential impact fee calculated per square foot, in these cases the fee is calculated based on a 2,200 square foot residence.



## City of Hayward

### Impact Fee Comparisons by Selected Cities



#### Notes:

- The Cities of Dublin and Oakland each have more than one zone throughout the city, with different impact fee rates depending on the Zone. The data presented here represent impact fees for Western Dublin and Oakland Zone 2, each representing the middle range of applicable impact fee rates for the Cities.
- Staff Recommended Rates represent a 50% reduction to the maximum for rates based on unit type and a 50% reduction to the maximum for rates based on the number of bedrooms.
- connection fees are excluded.
- Union City also has a park land dedication requirement of 3 acres per 1,000 persons, but the in-lieu fees are calculated individually.
- The fee classified as Other in Alameda County is a public safety impact fee.
- Oakland and San Leandro each have on residential impact fee calculated per square foot, in these cases the fee is calculated based on a 1,000 square foot residence.



# CITY OF HAYWARD

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

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**File #:** LB 19-042

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**DATE:** October 15, 2019

**TO:** Mayor and City Council

**FROM:** Development Services Director

**SUBJECT**

Introduction of an Ordinance Adding Article 29 to Chapter 10 of the Hayward Municipal Code Related to Vacant Properties and Adoption of a Resolution Amending the Master Fee Schedule to Include Fees Related to the Vacant Property Ordinance

**RECOMMENDATION**

That the Council introduces the Vacant Property Ordinance (Attachment II) adding Article 29 to Chapter 10 of the Hayward Municipal Code and adopts a resolution amending the Master Fee Schedule (Attachment III) to include fees related to the Vacant Property Ordinance.

**SUMMARY**

The City recognizes that attention and response to maintaining minimum maintenance and security standards for vacant or abandoned properties can contribute to a reduction of neighborhood blight, criminal activity, and hazards. The proposed vacant property ordinance establishes minimum standards for vacant or abandoned residential and non-residential buildings, structures and properties thereon.

**ATTACHMENTS**

|                |                                     |
|----------------|-------------------------------------|
| Attachment I   | Staff Report                        |
| Attachment II  | Vacant Properties Ordinance         |
| Attachment III | Master Fee Schedule Resolution      |
| Attachment IV  | Government Relations Council Letter |





DATE: October 15, 2019

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT: Introduction of an Ordinance Adding Article 29 to Chapter 10 of the Hayward Municipal Code Related to Vacant Properties and Adoption of a Resolution Amending the Master Fee Schedule to Include Fees Related to the Vacant Property Ordinance

#### RECOMMENDATION

That the Council introduces the Vacant Property Ordinance (Attachment II) adding Article 29 to Chapter 10 of the Hayward Municipal Code and adopts a resolution amending the Master Fee Schedule (Attachment III) to include fees related to the Vacant Property Ordinance.

#### SUMMARY

The City recognizes that attention and response to maintaining minimum maintenance and security standards for vacant or abandoned properties can contribute to a reduction of neighborhood blight, criminal activity, and hazards. The proposed vacant property ordinance establishes minimum standards for vacant or abandoned residential and non-residential buildings, structures and properties thereon.

#### BACKGROUND

Vacant and abandoned buildings that are not maintained may contribute to the deterioration of neighborhoods, increase crime, diminish property values and pose health and safety risk to residents and businesses in the City.

Council has expressed deep concern about finding a way to deal more productively with this growing issue and the negative impacts it has, and will continue to have, on our community. As a result, staff have been in discussion with other jurisdictions seeking various ideas on a positive and effective way to manage the situation given our available resources.

While the City has a long history of identifying what constitutes a public nuisance, and the process by which the City can follow for pursuing abatement of public nuisances, the complexities of addressing vacant properties present an unusual difficulty due to the lack of clear and minimum standards available in the Hayward Municipal Code. Additionally, it is

extremely difficult to identify, locate, and communicate with the "owner" (i.e., the financial institution holding the title to the property). Often the original mortgage has been sold in whole or in parts many times over as part of the flow of real estate mortgages in our financial and investment systems. Any connection that once existed between the original lender and the property owner has long since ceased to exist, thereby breaking any direct or personal-interest ties that might have once existed between the title holder and the physical property or the community in which it is located.

In reviewing various Ordinances, staff selected Ordinances from the City of San Jose, Richmond, Fairfield, San Francisco, and Sacramento as strong models for a Hayward approach. However, as a unique City centered in the heart of the bay area, staff have taken best practices from many of the above-mentioned cities in an effort to craft an ordinance suited for the City of Hayward. Staff presented to the Council Economic Development Committee in June 2019 and received direction to bring forward an ordinance to the City Council.

## DISCUSSION

There are three key elements affecting staff's ability to conduct enforcement on abandoned residential properties: (1) knowing when a property has been vacated; (2) knowing who the current owner or authorized representative might be and how to effectively and timely communicate with him or her; and (3) determining the minimum standards for maintenance, security, boarding and site conditions that apply. The primary purpose of this draft Ordinance is to establish a vacant and abandoned property registration and monitoring program, which will allow the City to identify, track, and maintain vacant and abandoned buildings prior to the development of significant health and safety concerns which pose a risk to our business community and residents.

### Monitoring and Initial Steps

Not all vacant buildings will be part of the monitoring program. The ordinance is specifically designed to address those vacant properties which are not maintained in accordance with minimum maintenance standards set forth by the city.

The process to identify properties subject to enrollment into the monitoring program will consist initially of field identification, owner notification and program enrollment by Code Enforcement Staff. Staff will develop a vacant building database and tracking system for ongoing monitoring and enrollment utilizing GIS Technologies and Code Enforcement case management software.

### Registration & Inspection

The ordinance requires that each owner of property located within the city shall perform an inspection of the property prior to recording a notice of default or similar instrument with the Alameda County clerk-recorder's office. If the property is found to be vacant or shows evidence of vacancy it will be deemed to be vacant or unoccupied and must be registered with the Code Enforcement Division's monitoring program.

The owner or responsible agent of the vacant, unoccupied building, lot, or structure which is required to be registered in the vacant property monitoring program will be required to inspect the vacant, unoccupied building, lot, structure once every thirty (30) days, to identify and respond to any emerging concerns.

### Maintenance

The proposed draft ordinance requires maintenance of the property according to minimum standards established in the ordinance as well as compliance with adopted codes, such as the Community Preservation Ordinance or California Building Code. It provides clear minimum standards for such things as: exterior site and landscaping, interior and exterior building maintenance, fire and safety standards for first responders, requiring vacant buildings to be “move-in-ready”.

### Security and Boarding

The proposed ordinance establishes security standards, including: “continuous physical monitoring” and standardized “No Trespassing” signage to prevent unauthorized building access and vandalism. Additionally, in the event of vandalism or destruction, the ordinance establishes boarding standards utilizing vandalism resistant materials such as clear polycarbonate panels to reduce the visual impact of wood boarding. Newer materials, such as polycarbonate panels, provide more resistant structural security for vacant buildings experiencing repetitive vandalism and break-ins.

The proposed ordinance exempts vacant buildings that are maintained in compliance with the maintenance standards established in the ordinance in addition to allowing the City flexibility in providing exemptions to those properties that have entered into a development-related agreement with the city.

### Monitoring

As part of vacant property monitoring, each property required to register under the program will be subject to a minimum of one inspection compliance check per inspection year, starting in 2020. Compliance checks will cover local, state and federal regulations, as well as specific compliance with the proposed vacant property regulations.

### Fees, Fines, and Penalties

Staff recommends registration fees as well as fines and penalties for non-compliance. An annual registration and monitoring fee of \$2,550 has been identified for all vacant properties registered as part of the program. This fee provides full cost recovery for the average time (15 hours) spent on a typical vacant building case (which consists of inspections, investigations and administrative enforcement of the vacant building regulations) at the average hourly cost (\$170 per hour) for staff.

Penalties for non-compliance with proposed standards will be consistent with the City's "Egregious Case" fee structure, placing penalty fees for non-compliance in the range of \$1,500 to \$5,000, on a daily, weekly or monthly basis as needed for compliance. Additionally, secondary measures for continued non-compliance may include Alameda County property tax assessments, title liens, and/or court appointed receivership.

### Staffing

Staff anticipates that this ordinance will require one additional full-time staff person at the Code Enforcement Inspector II level (estimated full burden rate per year \$141,050) to perform the responsibilities of program registration, monitoring, and regulatory compliance. Additional staff duties outside of general code enforcement will include the following: 1. Field observations to establish initial and ongoing program enrollment; 2. Property owner notification of program enrollment; 3. Public outreach and education for program needs. Fees assessed for vacant properties under the registration program will cover the cost of the additional FTE.

Staff will be requesting a two-year limited duration Code Enforcement Inspector II position during the FY 2020 mid-year budget process. After completion of the two-year limited term, the position will be evaluated to determine the need to eliminate or extend the position. Staff estimates that there are in the range of 50 to 200 vacant buildings and properties throughout the city. Initially, there will be a proactive focus on registering vacant properties located along major corridors and gateways in the city. Properties identified will be provided courtesy education materials with references for additional program information to be located on the City's web site.

### ECONOMIC IMPACT

The adoption of the Vacant Properties regulations would provide improved enforcement authority on the local level for blighted, dangerous, and problematic properties and structures in the City. It will provide the ability to keep such properties and structures maintained in a manner not detrimental to the City's neighborhoods, businesses or residents. It is anticipated that property owners whose properties are not in compliance with proposed regulations may face some negative financial impacts in the way of penalties, fees and/or other administrative cost due to the compliance and monitoring process. However, these impacts can be avoided or mitigated through responsible stewardship and care of vacant properties by the property owner. Overall, the program is anticipated to have a positive impact on property values throughout the city.

### STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities Strategic Initiative is to 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 and objectives:

Goal 1: Improves the 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 4: Create resilient and sustainable neighborhoods

Goal 2: Provide a mix of housing stock for all Hayward residents and community members, including the expansion of affordable housing

Objective 3: Conserve and improve the existing housing stock

Objective 4: Increase supply of affordable, safe and resilient housing in Hayward

Goal 3: Develop a Regulatory Toolkit for Policy Makers

Objective 1: Update, streamline, and modernize zoning and codes

Objective 3: Develop and refine other regulatory tools

## FISCAL IMPACT

Based on the fiscal impact analysis conducted by Development Services Department staff, an annual Vacant Property Monitoring fee of \$2,550 per property has been proposed to allow the City to recover its reasonable regulatory costs associated with administering and enforcing the Vacant Property Ordinance.

Staff anticipates that the Vacant Property Monitoring Program will generate approximately \$127,500 in program registration fees and approximately \$279,000 from fines, and/or penalties annually during the initial three (3) years of the program. The work will require one additional full time Code Enforcement Inspector II for a limited term of two years. The estimated annual impact of the limited term position is \$141,050. The additional workload associated with the program may also have some impact on current Code Enforcement staffing levels due to currently existing programs within the Code Enforcement Division.

## PUBLIC CONTACT

On June 3, 2019, staff presented the proposed draft to the public and Council Economic Development Committee (CEDC), for feedback and comments on the proposed Ordinance. On July 12, 2019 and July 16, 2019, work sessions open to the public were held with the Chamber of Commerce Government Relations Council (GRC) and Downtown Hayward Improvement Association (DHIA).

At all three sessions, members of the public spoke in favor of the proposed vacant properties regulations. Speakers included many downtown business and property owners as well as staff from the Rental Housing Association (RHA). Additionally, a letter of support was received in favor of the proposed regulations from the GRC. Overall, the CEDC, DHIA and its attendees expressed support for the establishment of vacant property regulations.

On September 30, 2019 a copy of the proposed Ordinance was published for public review in

the Hayward Daily Review. Notice of hearing on this item was published on October 4 and October 11 in the Daily Review, in compliance with the requirements of the Government Code.

#### NEXT STEPS

If Council introduces the Ordinance this evening and subsequently adopts the Ordinance, staff will begin preparing any necessary informative materials for the public to be mailed by December 1, 2019. Additionally, staff will move to identify properties subject to compliance and begin implementation of the monitoring and compliance program starting January 1, 2020.

Prepared by: Phillip Nichols, Code Enforcement Manager

Recommended by: Laura Simpson, Director of Development Services

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', is written over a horizontal line.

---

Kelly McAdoo, City Manager

ORDINANCE NO. 19-

AN ORDINANCE OF THE CITY OF HAYWARD, CALIFORNIA ADDING ARTICLE 29 TO CHAPTER 10 OF THE HAYWARD MUNICIPAL CODE RELATING TO VACANT PROPERTIES

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

Section 1. Article 29 is added to Chapter 10 of the Hayward Municipal Code and is hereby enacted to read as follows:

ARTICLE 29

VACANT PROPERTY ORDINANCE

PART 1 – GENERAL PROVISIONS

SEC. 10-29.010 - FINDINGS AND PURPOSE. The City Council finds and declares as follows:

- a. Neglected vacant or abandoned properties are a major source of blight in the City of Hayward and pose serious threats to public health, safety and welfare. They attract children, vagrants, gang members, and criminal activities. They are also vulnerable to fire set by transients or others using the property illegally. The presence of neglected vacant or abandoned buildings and storefronts can lead to neighborhood decline, create nuisance conditions, lower property values, and discourage economic development in the area. Furthermore, the presence of vacant, neglected, or abandoned buildings and storefronts acutely affects the vitality and economic development of the downtown area.
- b. It is the responsibility of property owners, lenders, trustees, or others with possessory, equitable, or legal interests in the neglected vacant or abandoned lots, buildings, including without limitation, historic buildings or structures, to maintain, secure, and prevent these buildings and lots from becoming a burden to the neighborhood and community or a threat to public health, safety and welfare.
- c. The purpose of this Article is to provide standards for maintaining vacant and abandoned properties and to establish a monitoring program for those that are determined to be neglected or not in compliance with the provision of this Article or established laws and regulations adopted by the City of Hayward.

SEC. 10-29.020 – DEFINITIONS. For the purposes of this Article, certain words and phrases are defined, and provisions shall be construed as herein set out, unless it shall be apparent from their content that a different meaning is intended.

- a. "Abandoned" means a property, including a residence, building, structure, or any structural improvement on real property, that is vacant and is (i) under a current notice of default and/or notice of trustee's sale; (ii) subject to foreclosure sale where title was retained by the beneficiary of a deed of trust; or (iii) transferred under a deed in-lieu of foreclosure/sale.
- b. "Boarded" means the covering of all entry points, including doors and windows.
- c. "Director" means the Director of Development Services or designee, or such other director designated by the City Manager to administer this Chapter.
- d. "Foreclosed" shall mean property for which the foreclosure process has begun with the filing of a notice of default.
- e. "Neglected vacant property" means any vacant lot, building or structure that is not maintained in accordance with this chapter or has been occupied by unauthorized persons for any length of time.
- f. "Notice of Default" means a recorded notice that a Default has occurred under a Deed of Trust and the Beneficiary intends to proceed with a Trustee's sale of the real property or asserts any of its rights under the Deed of Trust.
- g. "Property" means any real property interest or estate which may be granted or devised by deed. The word "property" includes tracts, lots, easements, or parcels of land and any and all improvements, buildings or structures thereon.
- h. "Property owner" shall mean the owner or owners of record of real property as shown on the latest equalized assessment roll of Alameda County and any person, partnership, co-partnership, association, corporation, beneficiary in a deed of trust, fiduciary, including a trustee or substitute trustee, or any other legal entity having a legal or equitable interest in the subject property as otherwise known to the Code Enforcement Manager or other City Official by virtue of more recent and reliable information, including any beneficiary that is pursuing foreclosure of a property subject to this ordinance secured by a mortgage, deed of trust or similar instrument or a property that has been acquired by the beneficial interest at a trustee's sale.
- i. "Un-Improved Vacant Lot": means any undeveloped property without an approved or permitted structure.
- j. "Vacant" means any building or structure which has remained unoccupied for a period of more than thirty (30) days. A building or structure is not deemed to be



Vacant for purposes of this Chapter if construction, alteration, improvements, rehabilitation, or repair is in progress pursuant to a valid, unexpired building permit with inspections occurring at least every six (6) months.

SEC. 10-29.030 - APPLICATION

- a. The provisions of this Article apply to all real property throughout the City of Hayward where any of the conditions specified in this Article are found to exist, including but not limited to vacant, unsecured, neglected, distressed and unoccupied lots, buildings, structures or parts thereof.
- b. Provisions of this Article are to be supplementary, complementary and cumulative to all of the provisions of the Hayward Municipal Code, state law, and any law cognizable at common law or in equity, and nothing in this Article shall be read, interpreted, or construed in any manner so as to limit any right or power of the City of Hayward to abate or prosecute any and all violations and nuisances.
- c. When the requirements of this Chapter conflict with any other part of the California Building Standards Code, Title 24, any provision contained elsewhere in the Hayward Municipal Code, or any regulation or requirement adopted by the City, the more restrictive requirement shall prevail.

SEC. 10-29.040 - EXEMPTION

- a. In the event that the City enters into a development-related agreement with the owner and/or developer of a vacant lot, or property incorporating the partial or total demolition, repair, reconstruction, and/or preservation of one or more unoccupied building, structure or parts thereof located at the property, the unoccupied building or vacant building in question shall be exempt from application of this Article.
- b. In the instance of any abandoned building or structure, or vacant building exempt from application of this Chapter pursuant to Section 10-29.040(a), the property and each building or structure located at the property shall be owned, managed, and maintained in strict accord with the terms and conditions of the applicable development-related agreement.
- c. In the event that the City Manager or designee determines, in an exercise of his/her sole discretion that an owner is in default with respect to any term or condition of a development-related agreement through which any abandoned building or structure, or vacant building is exempt from application of this Article, City shall issue written notice to the owner, if the default in question is not cured in its entirety within a time as prescribed by the City Manager or designee of the issuance of said notice, the exemption provided by Subsection 10-29.040(a), shall be revoked, and that this Article shall immediately become fully applicable to the abandoned building(s) or structure(s), or vacant property(s) in question.

SEC. 10-29.050 – PUBLIC NUISANCE

Any property in violation of this Article shall constitute a public nuisance.

PART 2 – MAINTENANCE AND SECURITY STANDARDS

The City recognizes that attention and response to maintaining minimum maintenance and security standards for vacant or abandoned properties and buildings can contribute to a reduction of neighborhood blight, criminal activity and hazards in vacant or abandoned buildings. This section establishes minimum maintenance and security standards for vacant lots, r abandoned residential and non-residential buildings, structures and properties thereon.

All vacant properties and improvements thereon shall be maintained in a manner which minimizes the appearance of vacancy and meets the minimum standards set forth herein:

SEC. 10-29.060 - EXTERIOR SITE AND LANDSCAPING

- a. Landscaping: All site landscaping materials, including but not limited to plants, trees, irrigation systems, lighting fixtures and pathways shall be maintained in good condition. Commercial and industrial properties with previously approved landscape plans must maintain landscaping in accordance with the originally approved plans or Conditions of Approval unless otherwise determined by the Director or designee.
- b. Fencing on vacant properties shall be provided in accordance with Section 10-1.2735 (k).
- c. Parking lots: All parking areas must be maintained free of deterioration and in accordance with the applicable zoning district standards and off-street parking requirements and/or conditions of approval, including but not limited to lighting, stall markings, art installations, signage, bollards, fire lane markings, and permitted mechanical equipment.
- d. Accessory Pools: Swimming pools, spas and other body collection of water shall be kept clear and free of pollutants and debris or drained and kept dry and shall be secured with fencing in accordance with HMC CHAPTER 3, Sections 3-5.50, 3-5.51, 3-5.52, Swimming Pools and applicable County and State regulations.
- e. Accessory Structures: All accessory structures, including detached garages, fences and walls, shall be maintained in structurally sound and good repair. Fencing installed pursuant to Section 10-1.2725 - Special Yard Requirements shall comply with standards as set forth in Section 10-1.2725(k) of the Hayward Municipal Code.

- f. Exterior Site Grounds: The exterior of vacant properties shall be kept free of weeds, dry brush, dead or dying vegetation, accumulation of newspapers, circulars, flyers, papers, building materials, discarded items, junk, trash, debris, and other public nuisance conditions as identified in Section 5-7.20 of the Hayward Municipal Code.
- g. Graffiti: The property shall be maintained free of graffiti, tagging, or similar markings by removal or painting over within twenty-four hours with similar exterior grade paint to match the color of the exterior of the building or structure.
- h. Un-Improved Vacant Lots: All unimproved vacant lots shall be maintained in accordance with the following standards;
  - a. A landscape area must be provided and maintained along the perimeter of the lot adjacent to streets, alleys, or public rights-of-ways.
  - b. Landscape areas must be planted with natural and drought tolerant vegetation.
  - c. An operable automatic irrigation system for the groundcover must be installed and maintained.
  - d. Fencing shall be located behind all required perimeter landscaping and provided in accordance with Section 10-1.2735 (k).
  - e. The lot must be adequately secured to prevent illegal dumping, criminal activity, vandalism, graffiti, trespassing, & all other attractive nuisance.

**SEC. 10-29.070 - BUILDING STANDARDS.**

- a. Each vacant building shall be maintained in conformance with all adopted state and local city codes including, but not limited to Section 17920.3 of the California Health and Safety Code when identified as residential structure.
- b. Stairways, decks, porches, and balconies: Every stairway, deck, porch, balcony, and all appurtenances attached thereto, including, but not limited to handrails and guards shall be maintained as structurally sound, in good repair, with proper anchorage, capable of supporting the imposed loads, and free of dry rot or other deteriorating conditions.
- c. Walls and Structural members: All interior and exterior wall systems, structural members and roofs shall be kept in good condition and shall be free from holes, breaks, loose or rotting materials, and partial or un-permitted repair. Exterior walls shall be maintained as weatherproofed and properly surface coated where necessary to prevent deterioration.

- d. Utility Systems: All electrical, plumbing and mechanical systems shall be maintained in conformance with the provisions of the California Building Standards Code so as not to create a hazard to public health or safety, as determined by the Building Official or designee.
- e. Protective treatment: All exterior protective treatment, including but not limited to exterior paint, siding materials, roofing tiles, wood treatment or other weather proofing or protective coatings or any surfaces shall be maintained uniformly without any signs of defect or deterioration.
- f. All windows and doors, must be maintained in good and functional condition consistent with intended use and free from any deterioration, damage or neglect, including but not limited to all associated locks, components, glass panes or other hardware.

#### SEC. 10-29.080 – FIRE SAFETY STANDARDS

- a. All vacant buildings shall be maintained in a manner where all existing fire protection systems are kept in operating condition in accordance with applicable codes and ordinances, unless written authorization for removal of those systems has been granted by the City of Hayward Fire Marshal
- b. The vacant building shall be maintained clear of combustible materials, flammable or combustible waste or rubbish, waste, or hazardous materials. Doors, windows and other openings shall be locked or otherwise secured to prevent entry by unauthorized persons in accordance with all applicable codes.
- c. All vacant or abandoned buildings shall be maintained in a manner whereby the heating facilities or heating equipment are either removed pursuant to a valid permit or maintained in accordance with applicable codes and ordinances. If heating equipment is removed, any fuel supply shall be removed or terminated in accordance with applicable permits, codes and ordinances.
- d. All vacant or abandoned buildings or accessory structures shall be maintained in a manner in which all emergency access areas, egress points, stairways, roof-access ladders and exit signage are in functioning condition and free from deterioration.
- e. The intentional design or alteration of buildings to disable, injure, maim or kill intruders is prohibited. A person shall not install and use firearms, sharp or pointed objects, razor wire, explosives, flammable or combustible liquid containers, or dispensers containing highly toxic, toxic, irritant or other hazardous materials in a manner that could passively or actively disable, injure, maim or kill a fire fighter who forcibly enters a building for the purpose of controlling or extinguish a fire, rescuing trapped occupants or rendering other emergency assistance.

- f. Shaftway markings. Vertical shafts shall be identified as required by this section.
  - 1. Exterior access to shaftways. Outside openings accessible to the fire department and that open directly on a hoistway or shaftway communicating between two or more floors in a building shall be plainly marked with the word SHAFTWAY in red letters not less than 6 inches high on a white background. Such warning signs shall be placed so as to be readily discernible from outside the building.
  - 2. Interior access to shaftways. Door or window openings to a hoistway or shaftway from the interior of the building shall be plainly marked with the word SHAFTWAY in red letters not less than 6 inches high on a white background. Such warning signs shall be placed as to be readily discernible.

#### SEC. 10-29.090 – SECURITY AND BOARDING STANDARDS

The property owner or responsible party of a vacant property that has experienced an unauthorized entry or ongoing vandalism must provide security in accordance with this section at the direction of the Director or designee:

- a. Materials such as plywood, particle board, wafer-board, Masonite-board, plexi-board or other similar material shall not be used for boarding unsecured windows, doors, or openings unless completed under an emergency board up as identified in Section 10-29.100.
- b. Vacant buildings identified with broken windows or other broken transparent or semi-transparent openings must be secured by boarding with sheeting material in accordance with this section.
  - 1. All windows and transparent or semi-transparent openings shall use impact resistant, transparent or semi-clear sheeting material.
  - 2. As used herein, “sheeting material” or “sheeting” means a minimum of .177-inch thick clear or semi-clear shatter-proof polycarbonate material with a strength capable of sustaining impact without breaking or shattering, absent excess force. For example, such polycarbonate material shall be capable of sustaining a human propelled brick without breaking or shattering. Examples of such sheeting strength yields would include strength yields equal or greater than American Society for Testing and Materials (ASTM) D638 Tensile Strength, Yield value 8000 psi. Sheeting shall be installed in a manner intended to provide an appearance approximating glass in the window casings, and consistent in appearance with the surrounding surface in the case of all other openings that require securing.
- c. The owner or party responsible for a vacant or unoccupied building shall obtain the appropriate building permits

- d. The Director or designee may approve and require, as deemed necessary, other minimum-security standards or boarding standards to adequately secure and prevent unauthorized entry or vandalism.
- e. The owner or party responsible for a vacant or unoccupied building required to register under this Article must file a statement letter with the Hayward Police Department for trespassing at the discretion of the Director.
- f. A vacant property with an active demolition permit on file with the City of Hayward Building Division, must have security fencing around the property perimeter and construction site until the demolition process has been completed or as otherwise determined by the Director or designee. All fencing must be maintained free of graffiti, deterioration, and disrepair at all times.
- g. Continuous physical monitoring by means of an onsite patrol shall be provided as determined by the Director or designee.
- h. All vacant buildings, appurtenances or parts thereof must be secured in a manner so as not to be accessible to unauthorized persons, including, but not limited to, the replacement of broken windows and the closing and locking of windows, doors (walk-through, sliding and garage), gates and any other opening that may allow access to the interior of the property.
- i. There shall be a sign no less than 18" x 24" posted on the front of the exterior building or structure so it is legible from the public-right-of-way with the following information: (i) name and twenty-four hour contact telephone number and address of the owner, responsible party, or property management company; and (ii) the statement that "THIS PROPERTY MANAGED BY" with the appropriate name inserted and "TO REPORT PROBLEMS OR CONCERNS CALL" with the twenty-four hour telephone number listed. The sign shall be constructed and printed with weather resistant materials.
- j. A minimum of one "No Trespassing" sign in accordance with the Hayward Police Department sign and size requirements must be displayed along property frontage and visible to the public.

#### SEC. 10-29.100 – EMERGENCY BOARD-UP AND SECURING

Property owners or responsible parties of vacant buildings and structures damaged as part of a fire incident or other emergency incident are required to complete the following mitigations to secure and prevent unauthorized access:

- a. Within 48 hours of an emergency, unless otherwise directed by the City Manager or designee, secure all windows, doors, or openings with a minimum of 5/8" in thickness plywood material and 3-inch screws or nails. The emergency boarding will be effective for a maximum of 30 days or as determined by the Director or designee.

- b. All utility services shall be terminated by notifying the utility service providers of the emergency incident, unless otherwise determined by the Director or designee.
- c. If a vacant or abandoned building is damaged by fire, the owner has 90 days from the date of the fire to submit an application for restoration and obtain a building permit to start construction or demolition. The Director or designee may grant additional extensions, provided the owner can demonstrate substantial progress towards completing repairs.

### PART 3 –MONITORING AND REGISTRATION

#### SEC. 10-29.110 – VACANT PROPERTY MONITORING PROGRAM

- a. The Director shall be responsible for administering a program for identifying and monitoring the maintenance of all vacant properties in the City. The program shall be documented and regularly updated.
- b. If the subject property meets the neglected vacant property criteria established herein, the Director or designee shall send notice to require the owner of any vacant lot, vacant or unoccupied building, structure or parts thereof to register the property with the vacant property monitoring program within 10 calendar days of the date of notice to register.
- c. The owner of a neglected vacant property may appeal the Director or designee's decision to place the property, building or structure into the vacant property monitoring program within 10 days of the date of the notice.
- d. If the Director finds that a vacant property, which has been placed in the monitoring program, has not been in further violation of the provisions of this chapter for more than six consecutive months, the director shall have the discretion to remove the property from the monitoring program.
- e. Property owner shall file a written statement of intent - Propose rehabilitation plan with timeline to return properties to productive use.
- f. Any change in the information provided pursuant to this section, including but not limited to a change in ownership, shall be filed with the director or designee within fifteen days of the change.

#### SEC. 10-29.120 - REGISTRATION

- a. Within ten (10) calendar days of City's identification of any neglected vacant property, issuance of written notice, or owner's actual knowledge of any neglected vacant building or abandoned building, the owner of record shall file a

completed Vacant Property Registration form, as provided by the Director, to the City of Hayward Code Enforcement Division.

- b. The registration form shall include information including but not limited to:
  - 1. The address of the vacant or property.
  - 2. The assessor parcel number of the real property where the vacant property, or structures thereon is located.
  - 3. The name, address, and telephone number of the owner. If a notice of default has been issued, the name, address, and phone number of the beneficiary or trustee on the deed of trust shall be included. In the case of a corporation or out of area beneficiary or trustee, as defined below, the local property management company or agent responsible for the security, maintenance, and monitoring of the property shall be included.
  - 4. The date the property, building or structure became vacant.
- c. Any change in the information provided pursuant to this section, including but not limited to; a change in ownership, partnership, association, corporation, fiduciary or other legal entity that has registered a property under this article shall file a written statement with the Code Enforcement Division within 15 calendar days of the change.
- d. Properties subject to this article shall remain subject to the annual registration requirement, security and maintenance standards of this article as long as they remain vacant or unoccupied, unless removed from the monitoring program pursuant to Section 10-29.110(d).

#### SEC. 10-29.125 - INSPECTIONS

- a. Each property owner, beneficiary and trustee, who holds a deed of trust on a property located within the city, shall perform an inspection of the property in question prior to recording a notice of default or similar instrument with the Alameda County clerk-recorder's office. If the property is found to be a neglected vacant property, as defined by the article, it is hereby deemed to be a neglected vacant property and must be registered pursuant to Section 10-29.120.
- b. The owner or responsible agent of the vacant property or any part thereof which is required to be registered in the vacant property monitoring program shall inspect or cause the inspection of such vacant , unoccupied building, structure or part thereof no less than once every thirty (30) days, unless otherwise determined by the Code Enforcement Division.
- c. Such owner or responsible agent shall keep or cause to be kept a written log of all inspections. The log shall contain the following information:



1. The date and time of the inspection;
  2. The name and signature of the person performing the inspection;
  3. A notation of any problems or violation of this chapter or Municipal Code identified;
  4. A detailed description of any corrective action performed to address any violation of this chapter or Municipal Code. A copy of the log shall be provided to the city upon request of the director.
- d. The duties/obligations specified in this section shall be joint and several among and between all property owners, trustees and beneficiaries and their respective agents.

SEC. 10-29.130 – ANNUAL REGISTRATION FEE

The Annual Registration and Monitoring Fee pursuant to the City of Hayward Master Fee Schedule shall be set, from time to time, by resolution of the City Council. The amount of the fee shall not exceed the reasonable estimated cost of administering the provisions of this Chapter. The fee and registration shall be valid the calendar year and registration fee shall not be prorated.

PART 4 – ADMINISTRATIVE

SEC. 10-29.140 - AUTHORITY AND ENFORCEMENT

- a. Compliance with these regulations shall be enforced by the Director or designee. The designated Code Enforcement Official is authorized and directed to use the provisions of this Article and the Hayward Municipal Code for abating violations of the conditions defined by this Article as a public nuisance or abating the unlawful conditions defined in this Article.
- b. Whenever the City designee or Enforcement Inspector determines that a property is in violation of the provisions of this Article or the Hayward Municipal Code, a Notice of Violation will be issued and mailed via 1st class mail with proof of service to the property owner and responsible party, unless otherwise authorized under Summary Abatement, Section 5-7.65 or any other manner provided by law. The Notice of Violation will include the following information:
  1. All violations and necessary corrective actions to be completed by the specified date of no less than three (3) and not more than ten (10) calendar days from the date of Notice of Violation.

2. Notification that non-compliance may result in a City abatement in accordance with the provisions set forth in this Article and Hayward Municipal Code.
3. Notification that all inspection/abatement costs, penalties, and any other applicable fees will be assessed upon the property, and if not paid, will constitute a lien or special assessment.
4. Right to appeal through an administrative hearing requires submission of an Administrative Hearing form within ten (10) calendar days of the initial notice of violation and payment of a required hearing fee as adopted in the City's Master Fee Schedule.

SEC. 10-29.150 - SUMMARY ABATEMENT BY CITY.

If the Enforcement Officer finds that a violation constitutes an imminent danger to public health or safety, he or she shall have the authority to abate the condition or cause the condition to be abated summarily and without notice. The expenses of such abatement shall be billed to the property owner(s) and if unpaid will become a lien or special assessment collected on the property.

SEC. 10-29.160 - CUMULATIVE REMEDIES

- a. Failure to comply as ordered will result in the issuance of penalty fees in accordance with the City of Hayward Master Fee Schedule. In addition, the Enforcement Officer may take all steps necessary to cause the same to be abated by such City employees or City authorized private contractor(s) to enter upon subject property. All City abatement expenses, including but not limited to, administrative costs and nuisance condition abatement costs shall be billed to the owner and shall become due and payable thirty (30) days thereafter. Failure to pay may result in a lien or special assessment being placed on the property after a hearing on the matter if requested as provided in Chapter 5, Article 7 of this Code.
- b. Any persons in violation of any provision of the Vacant Property Ordinance regulations is chargeable of a separate offense for each day or part of a day during which the violation is committed, continued, or permitted. The remedies provided in these regulations shall be cumulative and may include administrative citation pursuant to Chapter 1, Article 7 of this Code and/or abatement pursuant to Chapter 5, Article 7 of this Code, in addition to any other procedures provided in the Hayward Municipal Code or by state law. Administrative action hereunder shall not prejudice or affect any other action, civil or criminal, for the maintenance of any such violation. All inspection, fines and penalties fees for violation of the Vacant Property Ordinance shall be as established by resolution of the City Council in the Master Fee Schedule for the City of Hayward Code Enforcement Division.

SEC. 10-29.170 - ADDITIONAL VACANT PROPERTY FEES

In addition to all other fees imposed in accordance with the Vacant Property Ordinance, other applicable fees in accordance with the Master Fee Schedule may be imposed related to the cost associated with police and fire services: including but not limited to personnel, equipment and mutual aid response costs and emergency board-up cost.

SEC. 10-29.180 - PROCEDURE NOT EXCLUSIVE; VIOLATION AN INFRACTION

- a. The procedures for abatement set forth herein shall not be exclusive and shall not limit or restrict the City from enforcing other City ordinances and regulations or abating public nuisances in any other manner provided by law. Nothing in this Article shall be deemed to prevent the City Council from ordering the commencement of a civil proceeding to abate a public nuisance pursuant to applicable law or from pursuing any other remedy available under applicable law.
- b. Violation of the provisions of this Article constitutes an infraction, as set forth in Chapter 1, Article 3 of the Hayward Municipal Code.
- c. The right to Judicial Review shall be governed pursuant to section 1-7.13 Administrative Citation Right to Judicial Review.

SEC. 10-29.190 – APPEALS – ADMINISTRATIVE HEARING

- a. Any owner may request an Administrative Hearing upon issuance of A Notice of Violation or administrative penalty fee. The purpose of an Administrative Hearing is to allow the owner to dispute the factual findings of the violation(s). If a hearing is requested, at the time fixed for the Administrative Hearing, the Hearing Officer shall hear and consider all relevant evidence, objections, or protests offered on behalf of the owner to show why the Notice of Violation or penalty fee should not apply. The Hearing Officer may also consider rebuttal evidence offered by the City.
- b. The Hearing Officer shall have the ability to render decisions related to issued penalties and fines based on substantial evidence presented during the administrative hearing.
- c. The hearing may be continued from time to time. If, at the conclusion of the hearing, based upon the record, the Hearing Officer determines that the evidence establishes that it is more likely than not that the condition exists, and concludes that it should be abated, he or she shall issue a written decision setting forth his/her findings and shall cause the same to be served upon the persons attending the hearing. The right to Judicial Review shall be governed pursuant to

section 1-7.13 Administrative Citation - Right to Judicial Review and is subject to the (CHAPTER 4 PUBLIC WELFARE, MORALS AND CONDUCT (SEC. 4-11.30)).

Section 2. Severance. Should any part of this ordinance be declared by a final decision of a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of the City, such decision shall not affect the validity of the remainder of this 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. This ordinance shall become effective (30) days from the date of adoption by the City Council. adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward,  
held the \_\_\_\_ day of \_\_\_\_, 2019, by Council Member \_\_\_\_\_.

ADOPTED at a regular meeting of the City Council of the City of Hayward, held  
the \_\_\_\_ day of \_\_\_\_, 2019, 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

HAYWARD CITY COUNCIL

RESOLUTION NO. 19-\_\_\_\_\_

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

RESOLUTION AMENDING THE CITY OF HAYWARD 2020 FISCAL YEAR  
MASTER FEE SCHEDULE FOR VACANT PROPERTY MONITORING AND  
REGISTRATION FEE ASSOCIATED WITH THE ADDITION OF ARTICLE 29 TO  
CHAPTER 10 OF THE HAYWARD MUNICIPAL CODE

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

1. Meeting operating expenses, including employee wage rates and fringe benefits;
2. Purchasing or leasing supplies, equipment, or materials;
3. Meeting financial reserve needs and requirements;
4. Obtaining funds necessary for capital projects necessary to maintain service within existing service areas; or,
5. Obtaining funds necessary to maintain intra-city transfers as are authorized by City Charter; and

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

WHEREAS, in November 2010, California voters approved Proposition 26, which amended Article XIII C of the State constitution regarding the adoption of fees and taxes. Proposition 26 seeks to assure that taxes, which must be approved by the voters, are not disguised as fees, which can be approved by legislative bodies, such as a city council. The proposed amendment to the Master Fee Schedule (MFS) would allow for annual inspections to ensure safe and legal operation of commercial cannabis businesses in the City of Hayward, consistent with the appropriate findings and conditions established as part of the required land use entitlement process.

WHEREAS, the City of Hayward Vacant Property Ordinance is intended to create a framework for regulating vacant properties within Hayward, register and monitor vacant properties identified as a public nuisance, and eliminate the public safety concerns of unsafe and hazardous vacant properties. The Ordinance requires property owners of vacant

properties to be regulated by the City to assure compliance with all applicable State, Federal and local Vacant Property related regulations.

WHEREAS, notice of the hearing was published in the manner required by law and the hearing was duly held by the City Council on October 15, 2019.

WHEREAS, the proposed complete schedule of fees, for example, is attached as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED, the City Council hereby amends the fiscal Year 2020 Master Fee Schedule to include fees and penalties associated with the Vacant Building Ordinance. as reflected in the attached Exhibit "A"

BE IT FURTHER RESOLVED that the fees adopted by this resolution shall become effective on the date that the companion Ordinance (Ordinance No. 19 - \_\_) becomes effective.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2019

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:

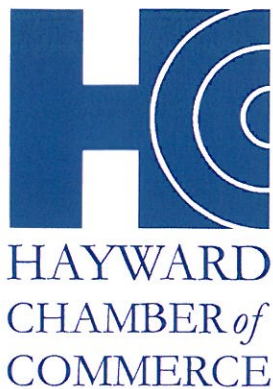
\_\_\_\_\_  
City Attorney of the City of Hayward

## EXHIBIT A

**Fees and Penalties:**

1. Annual Vacant Property Registration and Monitoring Fee: \$2,550 (minimum of one inspection per year).
2. Program fees:
  - a. Initial Inspection, no violation found: No Charge
  - b. Initial Inspection, violation found: \$1,500
  - c. 2<sup>nd</sup> Re-Inspection, no violation found: \$500 re-inspection fee
  - d. 2<sup>nd</sup> Re-Inspection, violations found: \$3,000
  - e. 3<sup>rd</sup> and subsequent re-inspection, no violations: \$500 re-inspection fee
  - f. 3<sup>rd</sup> and subsequent violations found: \$,5000
3. Any required inspections after the initial inspection greater than three hours will be assessed an hourly code enforcement inspection fee: \$200 hr.
4. Request for Administrative Hearing Fee: \$946
5. Special Assessment/Lien Fee: \$1,811





## ATTACHMENT IV

July 12, 2019

Laura Simpson  
Development Services Director  
City of Hayward  
777 B St.  
Hayward, California 94541

Ms. Simpson,

Thank you for the presentation on the proposed vacant and abandoned buildings ordinance you gave along with senior code enforcement manager Phil Nichols to the Hayward Chamber of Commerce Governmental Relations Council at its meeting on July 12.

Conferring with the Hayward Chamber of Commerce on issues of economic development such as this demonstrates a much-appreciated effort to connect with the business leadership of this city on a proposed ordinance affecting the office, industrial, retail and multi-family sectors.

The GRC appreciated the opportunity to give feedback on components of the ordinance, including monitoring, registration and inspection, maintenance, security and boarding, exemptions, fees and fines, staffing and public outreach. You will recall that GRC members were not only complimentary of the approach, but suggested that it be expanded to include vacant lots, as well.

The GRC later voted unanimously to endorse the proposed ordinance you presented for review.

If you have the need for a follow-up with the organization, feel free to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Kim Huggett', with a long horizontal flourish extending to the right.

Kim Huggett  
President & CEO



# CITY OF HAYWARD

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

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**File #:** RPT 19-355

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**DATE:** October 15, 2019

**TO:** Mayor and City Council

**FROM:** Council Member Wahab and Council Member Salinas

**SUBJECT**

Education as a City Priority to Encourage Transparency, Collaboration, & Success for Students & Families & Become an Education City. Consider an Item for Discussion on a Future City Council Agenda Regarding a Joint and Full Board Meeting between the Hayward School Board and City Council on a Regular Basis.

**RECOMMENDATION**

That the City Council discusses whether staff time and City resources should be devoted to researching an item regarding a joint and full Board meeting between the Hayward School Board and City Council on a regular basis.

**SUMMARY**

Council Member Wahab and Council Member Salinas request that the Council consider an item for discussion on a future City Council agenda regarding a joint and full Board meeting between the Hayward School Board and City Council on a regular basis.

**ATTACHMENTS**

Attachment I Council Referral Memorandum



**DATE:** Oct. 15, 2019

**TO:** Mayor and City Council

**FROM:** Council Members Aisha Wahab & Mark Salinas

**SUBJECT:** Education As a City Priority to Encourage Transparency, Collaboration, & Success for Students & Families & **Become an Education City**

**Referral:** **Consider an Item for Discussion on a Future City Council Agenda Regarding a Joint and Full Board Meeting between the Hayward School Board and City Council on a Regular Basis.**

**BACKGROUND:** The City of Hayward has three colleges within its city limits and the average age of a Hayward resident is 34 years old. Hayward's median family income being roughly \$65,096+ while neighboring city's median family income is roughly six figures. Education is a key factor to bridging the wealth divide that is continually growing in the City of Hayward. Families are struggling with financial decisions around housing, transportation, and education for their children.

The City Council of Hayward and the Hayward School Board must hold regular joint meetings to ensure we are united in our efforts to tackle many of the problems that face both bodies together.

The cities of Fremont, San Leandro, Union City, and many neighboring cities have joint meetings between the school board and city council, all board members and council members are a part of these meetings. Neighboring cities have seen success in their education system and more success for their students when education became a priority for the City. This led to the cities being a home destination for families, headquarters for businesses, better public transportation, and much more.

**Direction:**

This referral, if approved by City Council, would allow discussion for Council and School Board (possibly other education bodies) around the areas of (but not limited to):

- Regular meetings at a time where community members can join
- Enrollment
- Safety (school crossing guards, etc.)
- Transportation (BART, bus routes, AC Transit/HUSD student transportation, greener options for local residents)
- Youth Programs (after school tutoring, facility usage, partnerships & joint-use options)
- Housing (student housing, affordability, etc. )
- Dual enrollment in high school & community college
- Easier college transfer
- Financial Assistance
- Career Readiness
- Mental Health Coordination

- Much more

Under this proposal, there is great potential for the City, school board, and potentially the colleges to work together to outline goals and responsibilities to give students the widest choice of options and a pathway to college that is specifically targeted towards Hayward students and families and a better future.

**Timeline:** First meeting should be held in 3 months.

**Stakeholders:** Education institutions in the City, Real Estate Organizations, Transportation Organizations, Public Safety, Families, and more.

*Prepared by:*

*Aisha Wahab*

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Aisha Wahab, City Council Member

**Mark Salinas**

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Mark Salinas, City Council Member

*Supported By:*

**Dr. Luis Reynoso**

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Dr. Luis Reynoso, School Board Member