

**CITY COUNCIL MEETING
TUESDAY, MAY 14, 2019**

PRESENTATIONS

ITEM 8 – WS 19-027

DISCUSSION ON THE FY 2020 PROPOSED OPERATING BUDGET, THE CITY ISSUED DEBT ANNUAL REPORT, AND CONSIDERATION OF THE PROPOSED MODIFICATIONS TO THE CITY'S "USE OF ONE-TIME REVENUE FOR ONE-TIME EXPENSES" POLICY

City of Hayward Proposed FY 2020 Operating Budget Work Session 2



MAY 14, 2019

The FY 2020 Operating Budget Process

- April 12, 2019: Proposed Budget Delivered to Council (*Completed*)
- April 27, 2019: Saturday Budget Work Session #1 (*Completed*)
- May 14, 2019: Operating Budget Work Session #2
 - Follow-Up Items from April 27 Budget Work Session
- May 21, 2019: Public Hearing on Operating Budget (*and possible adoption*)

The Ask of Council this evening...

- Offer guidance on proposed changes to General Fund One Time Revenue Use Policy
- Receive the City's Annual Debt Review
- Provide staff with direction on proposed positions identified in staff report **Table 2**

General Fund-One Time Revenue Policy

- If General Fund Reserves are **NOT** at Policy then 100% of funds will be used to replenish reserves to get within policy.

GENERAL FUND RESERVES *AT OR ABOVE 20%*

%	PROPOSED DESIGNATION
50%	95% would be allocated to fund the City's unfunded liabilities
	5% would be allocated to build General Fund Reserves
50%	70% would be programmed for capital infrastructure needs
	20% would be appropriated for emerging needs
	10% or up to \$1M would be appropriated for economic development needs

Debt Summary

	Issuance Date	Maturity Date	Interest Rate	Original Debt	Projected Outstanding Balance as of 6/30/2019	Total Projected Outstanding Debt as of 6/30/2019	Annual P&I (FY 2020)
General Fund						\$ 22,915,736	
16Refunding COP	FY2016	FY2027	2.60%-2.76%	\$ 19,813,775	\$ 14,288,939		\$ 1,969,650
02ABAG/ABAG 33 Refunding	FY2002	FY2021	3.00%-5.00%	\$ 1,309,835	\$ 160,000		\$ 86,000
15Fire Station #7/Firehouse/Clinic	FY2015	FY2025	2.84%	\$ 5,500,000	\$ 4,086,667		\$ 452,854
15Fire Station #7 Loan from Water	FY2016	FY2035	2.00%	\$ 3,421,000	\$ 3,167,508		\$ 137,741
15Streetlight Conversion #05188	FY2015	FY2024	1.00%	\$ 2,488,880	\$ 1,212,621		\$ 276,262
Measure C Fund						\$ 64,770,000	
15Library/Fire Stations/Streets	FY 2016	FY2034	3.00%-5.00%	\$ 67,535,000	\$ 64,770,000		\$ 5,424,813
Internal Service Fund - Facilities						\$ 763,364	
05Equip Lease/Solar Power Energy	FY2006	FY2030	6.00%	\$ 927,290	\$ 579,497		\$ 72,724
CEC Solar Energy Loan #7214	FY2012	FY2024	3.00%	\$ 666,330	\$ 183,867		\$ 95,414
Internal Service Fund - Fleet						\$ 1,591,082	
11Equip Lease-Fire Vehicles	FY2011	FY2021	3.24%	\$ 1,991,524	\$ 341,016		\$ 234,749
14Equip Lease-Fire Truck	FY2014	FY2024	3.05%	\$ 824,000	\$ 443,118		\$ 96,226
15TDA Fire Truck Loan	FY2015	FY2024	2.92%	\$ 1,272,000	\$ 806,948		\$ 147,594
Internal Service Fund - Technology						\$ -	
15Equip Lease/ Network Cisco Hardware	FY 2015	FY2020	N/A	\$ 1,699,356	\$ -		\$ -
Water						\$ 3,840,000	
13Water Refunding Bonds	FY2014	FY2025	2.76%	\$ 7,245,000	\$ 3,840,000		\$ 700,984
Sewer						\$ 49,689,844	
SWRCB Loan	FY2006	FY2029	0.00%	\$ 54,550,018	\$ 27,275,009		\$ 3,059,007
SWRCB Loan-Recycled Water	FY2019	FY2049	1.00%	\$ 27,058,436	\$ 21,227,086		\$ 455,847
CEC Solar Energy Loan #7505	FY2011	FY2025	3.00%	\$ 2,450,000	\$ 1,187,749		\$ 217,810
Total Governmental and Business Activity Debt						\$ 143,570,026	

FY 2020 Proposed Operating Budget – Expenditure Overview (Option 1)

Expenditures In 1,000's	FY 2018 Adopted	FY 2019 Adopted	FY 2020 Proposed	\$ Change	% Change
General Fund	\$151,562	\$162,790	\$172,149	\$9,359	5.7%
All Other Funds	\$135,938	\$152,474	\$178,863	\$26,389	17.3%
Total City Budget	\$287,500	\$315,264	\$351,013	\$35,749	11.3%

General Fund Five Year Plan-Impacts of Option 1

GENERAL FUND FORECAST (FY 2020 - Option 1) <i>in thousands</i>	FY 2020 Year 1	FY 2021 Year 2	FY 2022 Year 3	FY 2023 Year 4	FY 2024 Year 5
Revenues	\$171,269	\$175,462	\$181,789	\$188,082	\$193,492
Expenditures	172,147	180,294	189,971	196,019	202,268
<i>Net Change in Reserve - Surplus / (Shortfall)</i>	(878)	(4,832)	(8,182)	(7,938)	(8,777)
Beginning Balance	\$40,146	\$39,268	\$34,436	\$26,255	\$18,317
<i>Net Change in Reserve - Surplus / (Shortfall)</i>	(878)	(4,832)	(8,182)	(7,938)	(8,777)
Ending Balance	\$39,268	\$34,436	\$26,255	\$18,317	\$9,541
Target to maintain 20% GF Reserves in Operating Expense	\$34,429	\$36,059	\$37,994	\$39,204	\$40,454
General Fund Reserve Level as % of Total Expenses	22.8%	19.1%	13.8%	9.3%	4.7%
Amount Above or (Below) Target 20%	\$4,839	(\$1,623)	(\$11,739)	(\$20,887)	(\$30,913)
Percentage Above or (Below) Target 20%	14.1%	(0.9%)	(6.2%)	(10.7%)	(15.3%)

Council Direction on Remaining Proposed Items

Staffing

Department	Budget Request	Impact	Off-set to Impact	Options
City Manager's Office	Senior Secretary +1.0 FTE General Fund	\$ 119,807	\$ (149,105)	Option 1
	Management Analyst (Homeless Services Coordinator) +1.0 FTE General Fund	\$ 147,836		Option 2
Human Resources	Human Resources Analyst +0.5 FTE General Fund	\$ 81,457	\$ (82,000)	Option 1
Maintenance Services	Senior Secretary Partial allocation to General Fund from Internal Service Fund	\$ 34,500		Option 2

Other

Increase of General Fund Allocation Community Agency funding of \$100,000 **Option 2**

ITEM 9 – WS 19-031

**RECOMMENDED FY 2020 AND FY 2021
WATER AND SEWER
RATES AND CONNECTION FEES**



FISCAL YEARS 2020 and 2021 RECOMMENDED WATER AND SEWER RATES

Alex Ameri, Director of Public Works
May 14, 2019



Water Rate Overview

- Pay for purchase and distribution of water
 - Service Fee - fixed
 - Water Usage Charge – variable, based on consumption

Factors Affecting Water Rates

Wholesale Water Purchases

SFPUC projects no change to current wholesale water rate for FY 2020 and FY 2021

Water Consumption

Conservatively estimating future consumption to remain consistent with FY 2019

Operating, Maintenance, Replacement

Increase of \$1M in FY 2020 & \$400K in FY 2021 for infrastructure replacement

- No increase in usage charge recommended

Fixed Service Fees

- Pay for costs that do not vary with water purchases, including:
 - Billing
 - Customer service
 - Repairs
 - Debt service
- Based on meter size
- Low income discount for qualified single-family residential customers
- Recommendation:
 - \$4 bimonthly increase (\$2 per month) proposed in FY 2020 and FY 2021

Fixed Service Fees

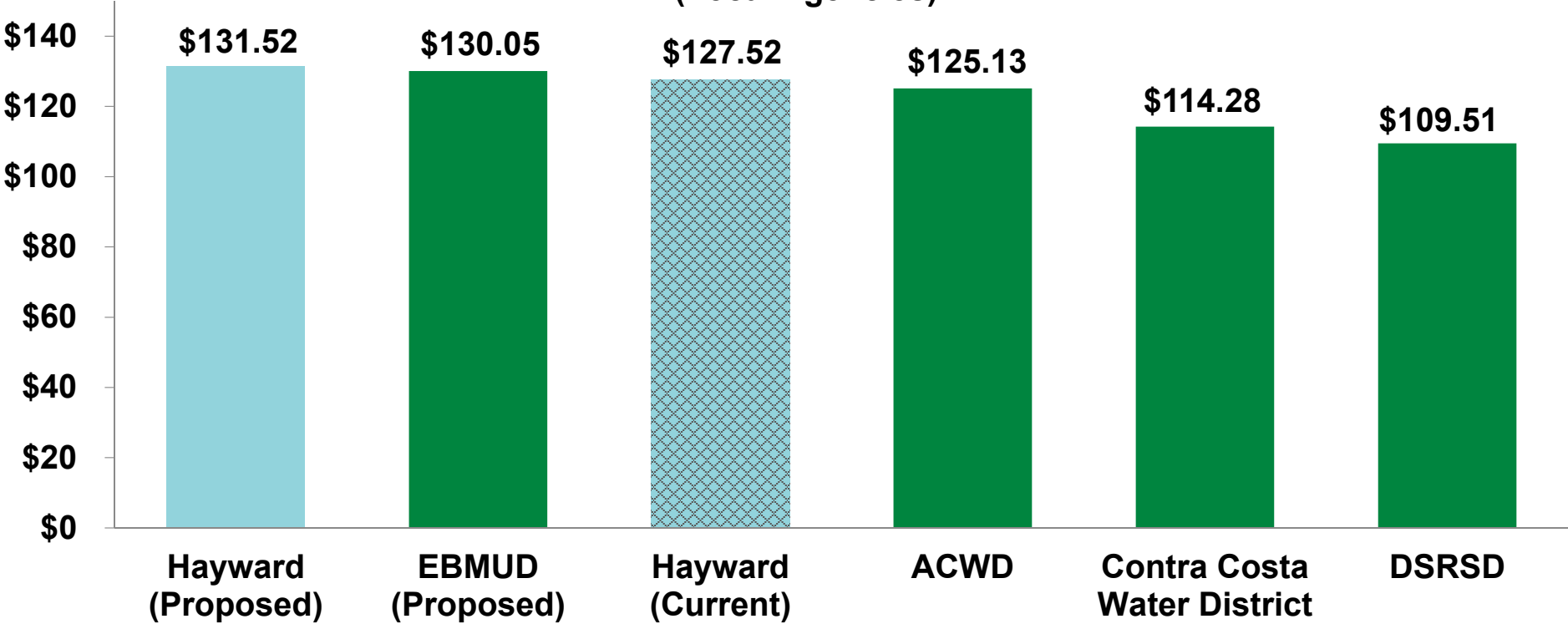
Meter Size	Current	Proposed FY 2020	Proposed FY 2021
Low Income - 5/8"	\$8.40	\$9.80	\$11.20
5/8"	\$24.00	\$28.00	\$32.00
3/4"	\$32.63	\$38.07	\$43.51
1"	\$49.43	\$57.67	\$65.91
1.5"	\$108.23	\$126.27	\$144.31
2"	\$190.50	\$222.25	\$254.00
3"	\$480.75	\$560.88	\$641.00
4"	\$952.35	\$1,111.08	\$1,269.80
6"	\$1,680.00	\$1,960.00	\$2,240.00
8"	\$2,325.75	\$2,713.38	\$3,101.00

Fixed Service Fees

Agency	Bimonthly Service Fee (5/8" Meter)
Alameda County Water District	\$56.61
East Bay Municipal Utility District	\$52.46
Contra Costa Water District	\$39.85
Dublin San Ramon Services District	\$36.45
Hayward (Proposed FY 2020)	\$28.00

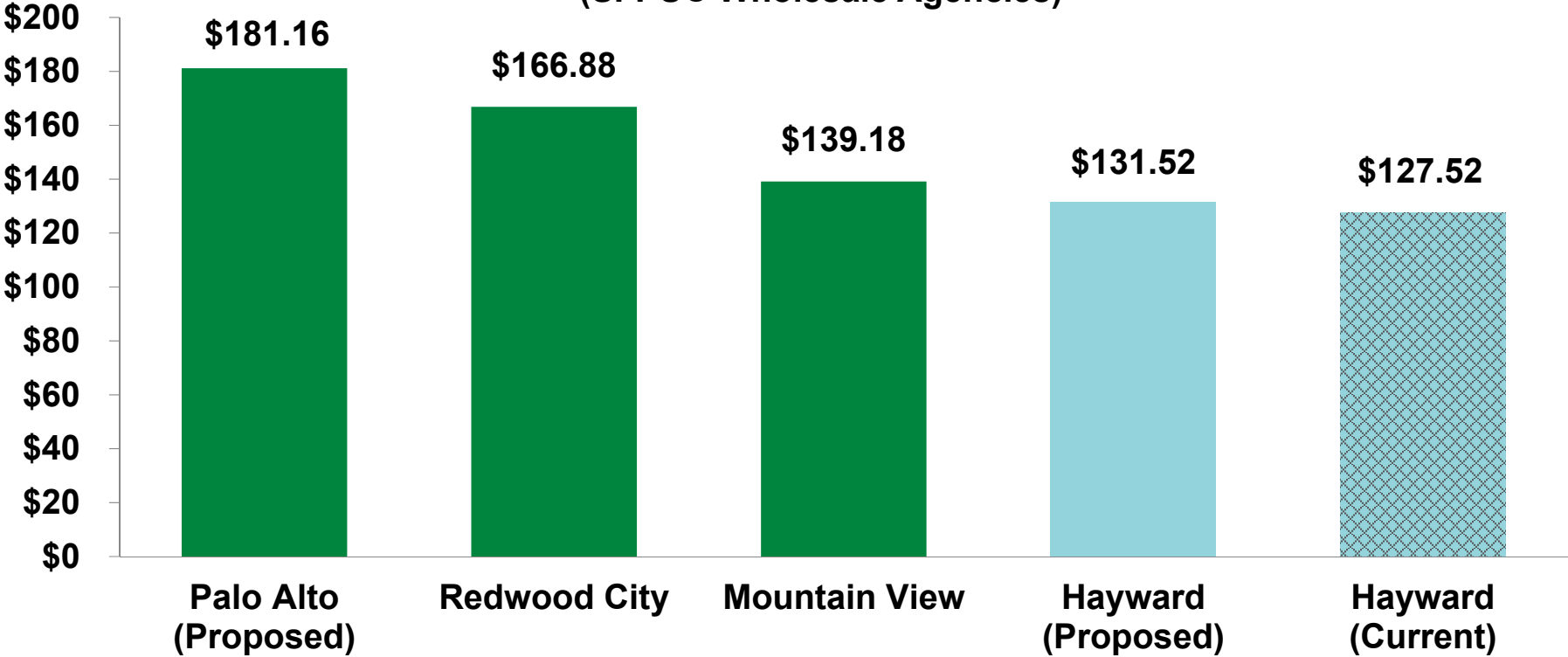
Water Bill Comparison

Single-Family Residential Bill for 16 ccf (200 gpd)
(Local Agencies)



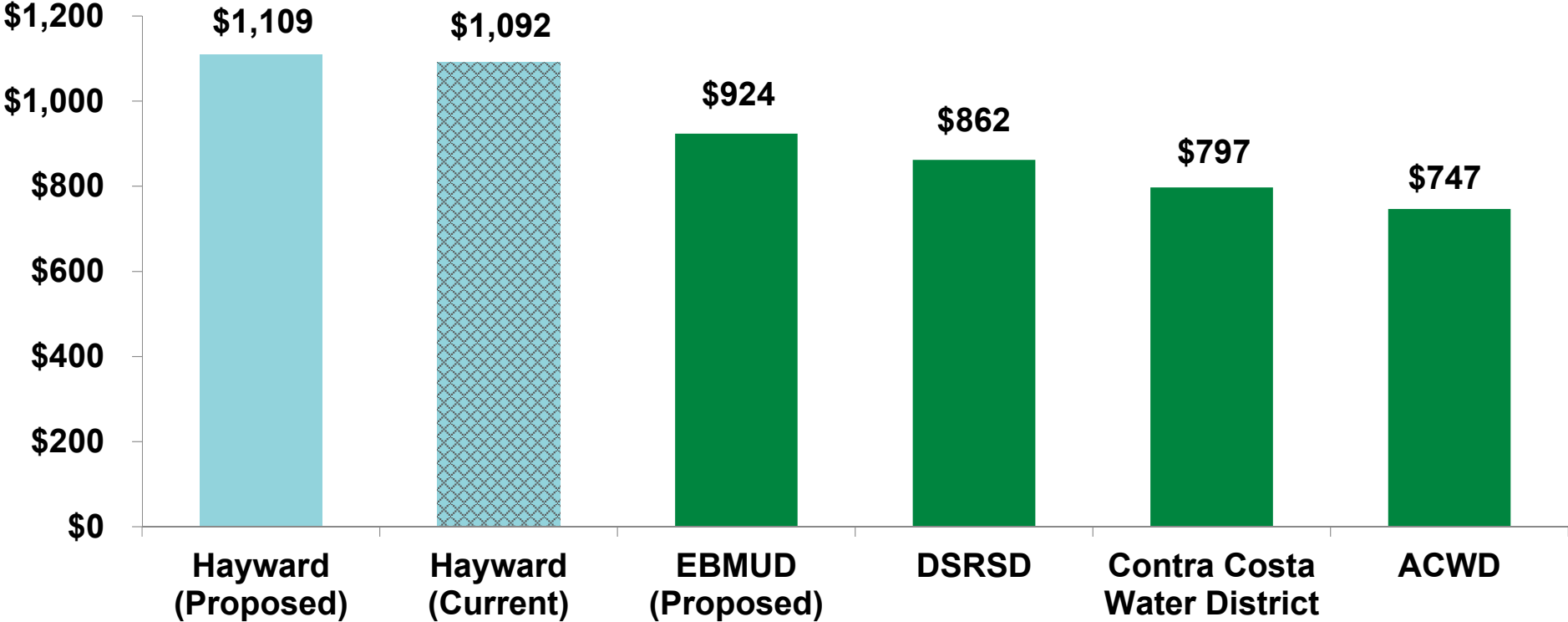
Water Bill Comparison

Single-Family Residential Bill for 16 ccf (200 gpd)
(SFPUC Wholesale Agencies)



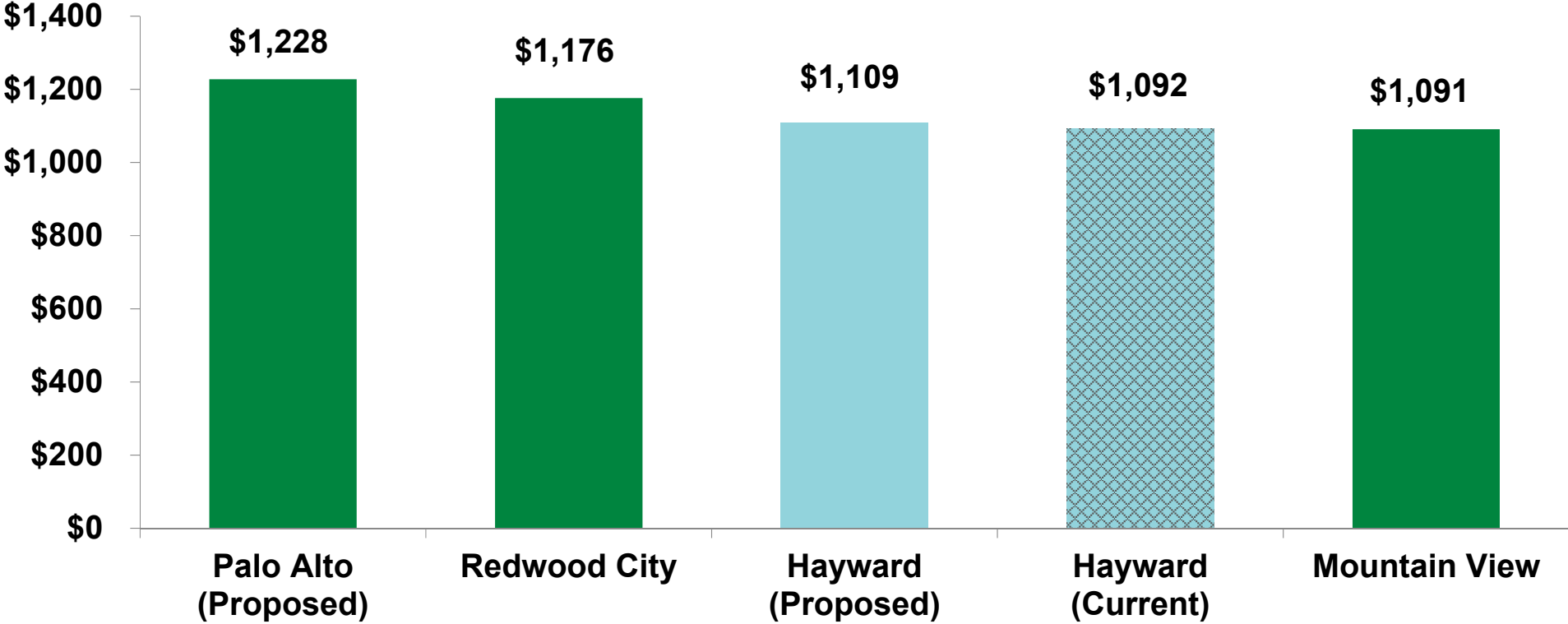
Water Bill Comparison

Commercial Bill for 150 ccf (1875 gpd)
(Local Agencies)



Water Bill Comparison

Commercial Bill for 150 ccf (1875 gpd)
(SFPUC Wholesale Agencies)



Water Cost for Everyday Activities

- 10 minutes of irrigation: 28¢
- 8 minute shower: 15¢
- 1 load of laundry: 21¢
- 1 toilet flush: 2¢



Sewer Rate Overview

- Pay for collection, treatment, and disposal of wastewater
 - Residential – three tiers (Standard, Economy, Lifeline)
 - Non-residential – based on water consumption and wastewater strength
- Factors Affecting Sewer Rates:
 - Operating, maintenance, and replacement costs
 - Changes in industrial wastewater discharge

Recommended FY 2020 and FY 2021 Sewer Rate Changes

Standard Single Family Residential Multifamily Residential Mobile Homes	Economy Single Family Lifeline Single Family	Non-Residential <i>Depends on discharge volume and waste strength</i>
4.4% Increase	4.3% Reduction	3-7% Increase

Residential Sewer Service Fees

Customer	Current	Proposed FY 2020	% Change	Proposed FY 2021	% Change
Single Family	\$32.85	\$34.30	4.4%	\$35.81	4.4%
Multifamily	\$29.24	\$30.53	4.4%	\$31.87	4.4%
Mobile Home	\$22.99	\$24.00	4.4%	\$25.06	4.4%
Economy	\$18.33	\$17.54	-4.3%	\$16.78	-4.3%
Lifeline	\$9.16	\$8.77	-4.3%	\$8.39	-4.3%

Non-Residential Sewer Service Fees

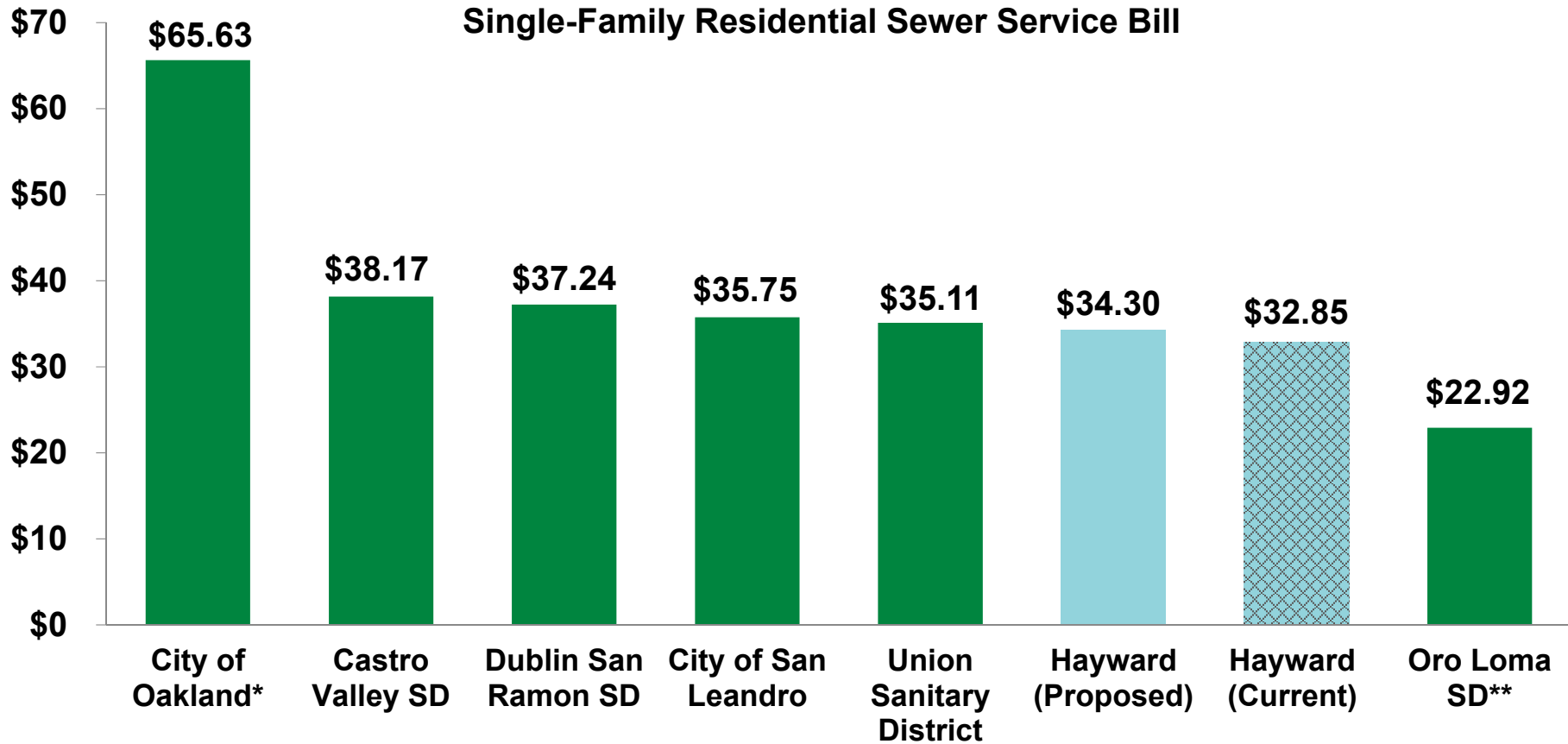
Customer	Current	Proposed FY 2020	% Change	Proposed FY 2021	% Change
Volume (per ccf)	\$2.69187	\$2.88165	7.05%	\$3.08518	7.05%
CBOD ¹ (per pound)	\$0.71758	\$0.71887	0.18%	\$0.72029	0.18%
SS ² (per pound)	\$0.83300	\$0.89564	7.52%	\$0.96338	7.52%

1. CBOD = carbonaceous biochemical oxygen demand

2. SS = suspended solids

Sewer Bill Comparison

Single-Family Residential Sewer Service Bill



* Includes updated EBMUD treatment charges (\$25.55) & City of Oakland collection charges (\$40.08)

** Receives lump sum payment from CVSD

Water and Sewer Connection Fees

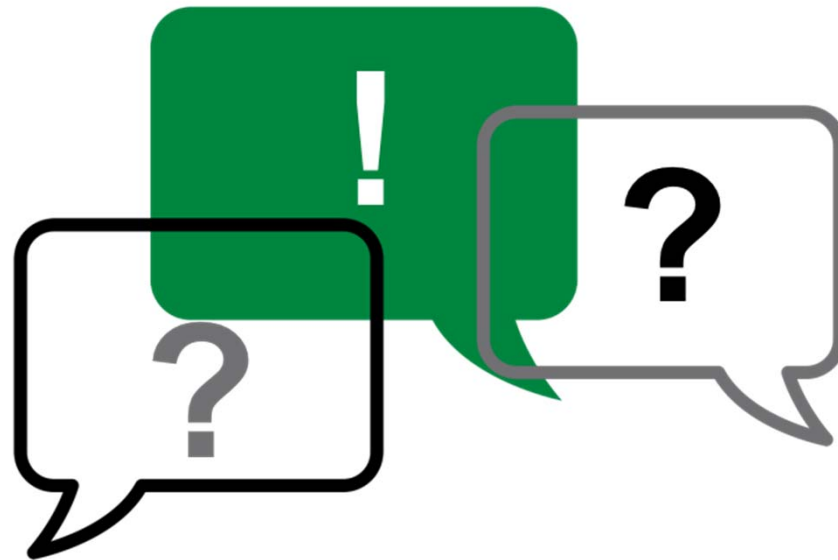
- Pay for infrastructure needed to serve new development
- No fee increases recommended



Schedule

- Work Session: May 14
- Public Noticing: May 17 – July 2
- Public Hearing and adoption of rates: July 2
- Effective dates: October 1, 2019 & October 1, 2020

Questions



ITEM 10 – WS 19-035

**RECOMMENDED FY 2020 AND FY 2021
RECYCLED WATER RATES
AND CONNECTION FEES**



FISCAL YEARS 2020 and 2021 RECOMMENDED RECYCLED WATER RATES

Alex Ameri, Director of Public Works
May 14, 2019

Recycled Water Project

Project Element	Description	Status
Distribution System	9 miles of pipelines	Completed
Storage Tank and Pump Station	1 MG storage tank, 0.5 MGD pump station	Scheduled completion June 2019
Treatment Facility	0.5 MGD package membrane treatment facility	Scheduled completion December 2019
Customer Connections	31 sites converted to recycled water	Scheduled for advertising July 2019

Recycled water deliveries scheduled to begin spring 2020

Recycled Water Rate Overview

- Pay for treatment and distribution of recycled water
 - Service Fee – fixed
 - Recycled Water Usage Charge – variable, based on consumption

Factors Affecting Recycled Water Rates

Recycled Water Consumption

Estimating initial demand at 260,000 gpd per year

Debt Service

Low-interest state loan repayment \$759K in FY 2020 & FY 2021

Transfer from Water Fund

\$600K transfer from Water Fund to reflect savings and benefits of RW use

Operating, Maintenance, Replacement

Estimating \$654K per year for infrastructure operations, maintenance and replacement

Fixed Service Fees

- Pay for costs that do not vary with recycled water purchases, including:
 - Billing
 - Customer service
 - Repairs
 - Debt service
- Based on meter size
- Same as potable water proposed meter service fees

Fixed Service Fees

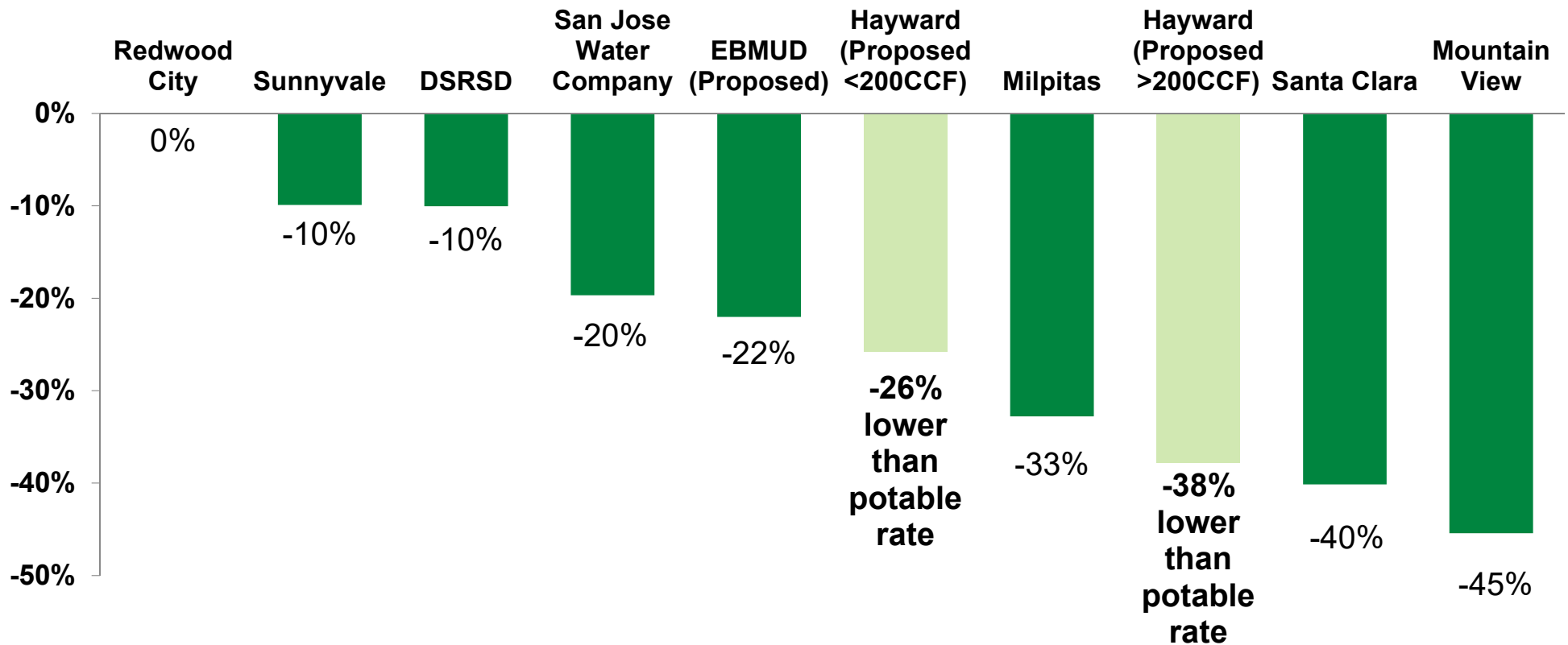
Meter Size	Proposed FY 2020	Proposed FY 2021
5/8"	\$28.00	\$32.00
3/4"	\$38.07	\$43.51
1"	\$57.67	\$65.91
1.5"	\$126.27	\$144.31
2"	\$222.25	\$254.00
3"	\$560.88	\$641.00
4"	\$1,111.08	\$1,269.80
6"	\$1,960.00	\$2,240.00
8"	\$2,713.38	\$3,101.00

Proposed Usage Rate

Proposed Recycled Water Rate (\$/CCF)	Current Non-Residential Drinking Water Rate (\$/CCF)	% Difference
\$5.16	\$6.95 (1-200 CCF)	-25.8%
	\$8.29 (200+ CCF)	-37.8%

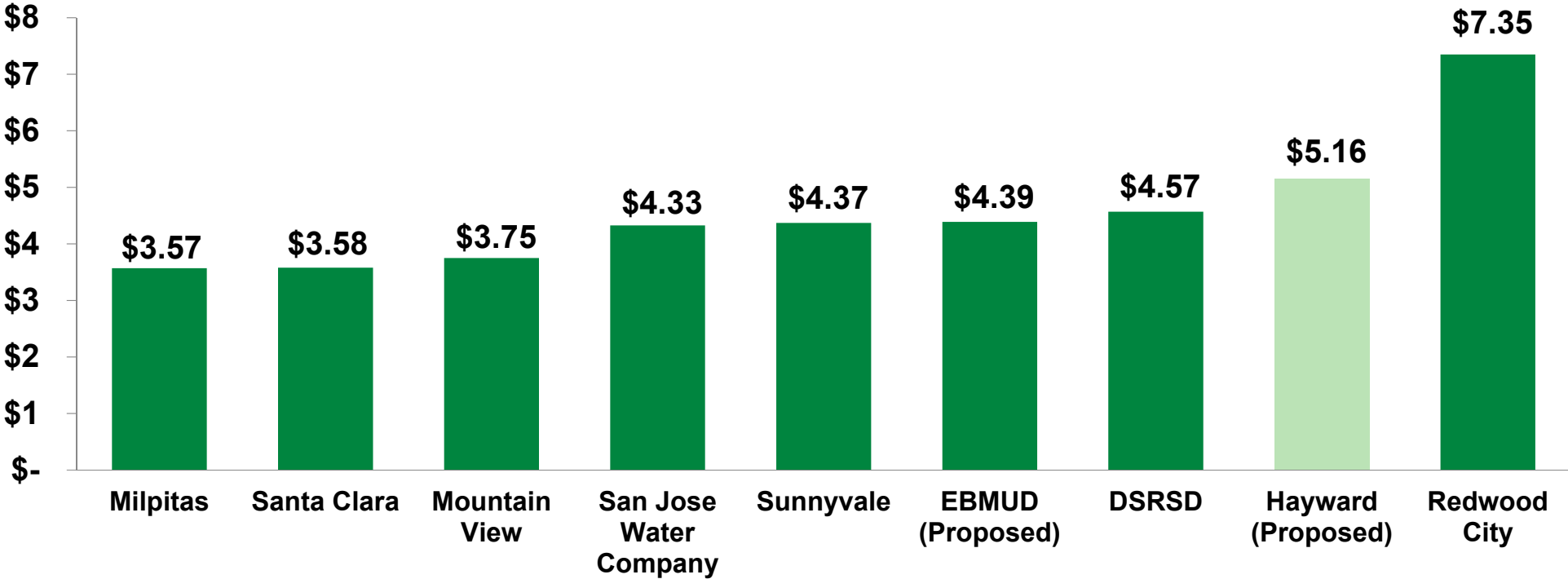
Recycled Water Usage Rate Comparison

Recycled Water Rate Compared to Non-Residential Potable Rate



Usage Rate Comparison

Recycled Water Usage Rate



Recycled Water Connection Fees

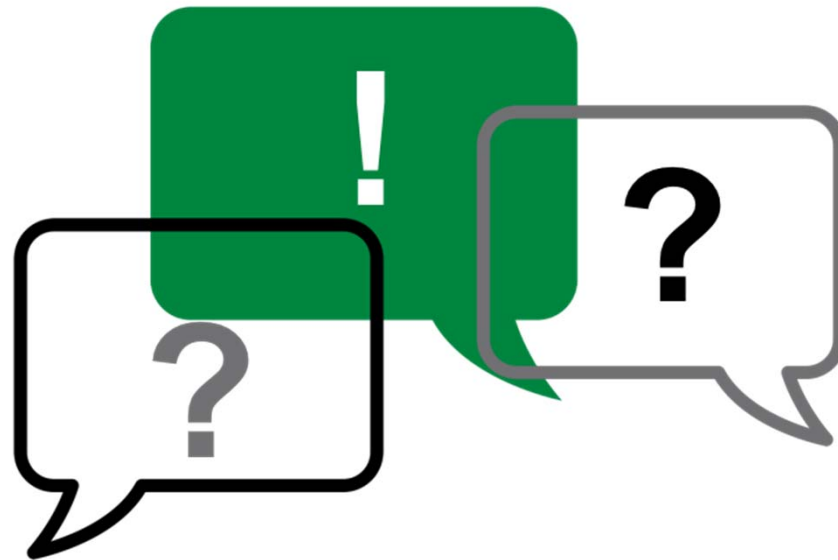
- No connection fee for existing water customers
- New recycled water customer
 - Proposed same connection fee as potable water
 - Appropriate fees will be calculated after development of Recycled Water Master Plan



Schedule

- Work Session: May 14
- Public Noticing: May 17 – July 2
- Public Hearing and adoption of rates: July 2
- Effective dates: October 1, 2019 & October 1, 2020

Questions



ITEM 11 – PH 19-044

**APPROVAL OF FY 2020 COMMUNITY AGENCY
FUNDING RECOMMENDATIONS AND FY 2020
COMMUNITY DEVELOPMENT BLOCK GRANT
ANNUAL ACTION PLAN**



FY 2019 Timeliness Update, FY 2020 Community Agency Funding Recommendations, FY 2020 CDBG Annual Action Plan

Monica Davis, Community Services Manager | May 14, 2019



Presentation Outline

PART ONE

1. FY 2019 Timeliness Update
2. FY 2020 Arts & Music Funding Recommendations

PART TWO

1. FY 2020 Social Services & CDBG Funding Recommendations
2. FY 2020 Annual Action Plan

Recommendation

That the City Council:

1. Approves Funding Allocations for FY 2020 Arts & Music Category
2. Approves Funding Allocations for FY 2020 Social Services Category, FY 2020 CDBG Category
3. Approves FY 2020 CDBG Annual Action Plan and FY 2020 Funding Allocations

Council Direction to Meet Timeliness

HUD and City staff conducted a comprehensive reconciliation of unspent and under-utilized CDBG funds and found that the City was not meeting its timeliness ratio.

June 2017

City Council approved seven projects to apportion \$1,289,000 in unspent CDBG funds

July 2017

Council approved the reprogramming of \$1,900,000 in available funds to eligible projects

May 2018

Council approved the substantial amendment to reprogram \$1,750,000 in unprogrammed CDBG funds

Dec. 2018

Ratio: 3.5

Met Timeliness Ratio

May 2019

Ratio: 1.27



Hayward Area Recreation District

\$1,096,000

Mia's Dream is an all-inclusive playground for children of all abilities to play

Soil Grading and
Facility Improvement
for Mia's Dream
Playground



Matsya Family Villas (EAH)

\$238,951

Clearance and
demolition of the site

Matsya Family Villas
will create 57
apartments for law-
income and
extremely low income
households



Depot Road Micro Apartments

\$91,400

Planning

The Depot Road Micro Apartments project will create 126 micro apartments for low-income and extremely low-income people with on-site services



Mission Senior Paradise (EAH)

\$800,000

Acquisition

Mission Senior
Paradise will create 75
units for seniors

“Biggest Comeback
in HUD History”

- Through FY 2019, the City spent **\$4.6 million in CDBG funds** to create and maintain affordable housing, prevent homelessness, provide services for low-income individuals and families, improve public facilities, and create economic development opportunities for all.



Arts and Music

FY 2020 Funding Recommendations

FY 2020 Funding Recommendations

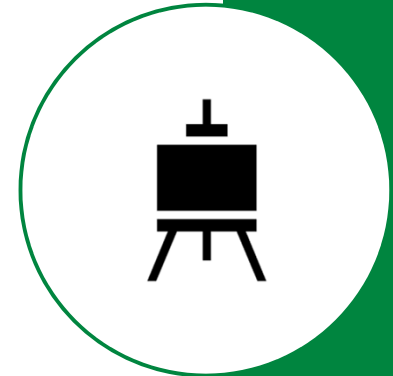
Arts & Music

Agency Name	Project	FY2020 Requested	FY2020 Recomm'd
Hayward Area Historical Society	Hayward Arts and Music Fiscal Sponsor	\$9,660	\$8,600
Hayward Arts Council	Art Galleries and Education Program	\$25,000	\$20,000
Hayward Arts Council	Hayward Band & Orchestra Festival	\$7,920	\$7,920
Hayward Municipal Band	Public Music Performances in HARD Operated Park	\$18,076	\$7,231
Pacific Chamber Symphony	Music is Fun! School Based Program	\$8,800	\$8,800
Sun Gallery	Art Gallery and Education Program	\$33,000	\$29,654
Youth Orchestra of Southern Alameda County	Scholarships for Advanced Instruction for Youth Musicians	\$3,795	\$3,795
	TOTAL ARTS & MUSIC RECOMMENDATION	\$106,251	\$86,000

Recommendation

That the City Council:

- Approves Funding Allocations for FY 2020 Arts & Music Category





Social Services – General Fund

FY 2020 Funding Recommendations

Summary of Funding Recommendations

Social Services

Agency Name	Project	FY2020 Requested	FY2020 Recomm'd
Alameda County Community Food Bank	Food Scholarships for Pantries and Shelters	40,000	35,000
East Bay Agency for Children (EBAC)	Hayward HUB Family Resource Center Coordination Project	50,000	30,000
Eden Youth and Family Center	Youth Clubhouse	49,136	20,000
Family Violence Law Center	Family Violence and Homelessness Prevention Project	60,000	45,000
HERA	Financial Counseling	15,000	12,000
Horizon Services, Inc.	School Based Risk Reduction Program for LBGTQ Youth	30,000	20,000
HUSD Adult School	Raising Leaders Workshop	44,699	35,000
HUSD Adult School	Youth Enrichment Services (YES)	25,500	10,000
International Institute of the Bay Area	Legal Services for Immigrants	20,000	15,000

Summary of Funding Recommendations

Social Services (cont.)

Agency Name	Project	FY2020 Requested	FY2020 Recomm'd
La Familia / FESCO	Les Marquis House - Shelter Services	50,000	45,000
Legal Assistance for Seniors (LAS)	Legal Services & Education to Hayward Seniors	20,000	17,000
New Haven Unified School District	Union City Family Center	30,573	-
Ruby's Place	Shelter and Childrens Program Operations	45,000	40,000
South Hayward Parish	Case Management Services	38,000	33,000
Spectrum Community Services	Meal Program for Seniors	20,250	15,000
Tiburcio Vasquez Health Center, Inc.	CAFÉ	23,880	12,137
Tri-City Health Center	HIV Program - Early Intervention Services	20,000	15,000
TOTAL SOCIAL SERVICES RECOMMENDATIONS		\$582,038	\$399,137

Priorities for Potential Additional Funding

General Fund

Agency Name	Project	Addition Funding Recommendation
Centro Legal de la Raza****	Tenants Rights / Housing Counseling	\$15,000
Alameda County Community Food Bank	Food Scholarships for Pantries and Shelters	\$4,250
East Bay Agency for Children (EBAC)	Hayward HUB Family Resource Center Coordination Project	\$8,500
Eden Youth and Family Center	Youth Clubhouse	\$8,500
Family Violence Law Center	Family Violence and Homelessness Prevention Project	\$8,500
HERA	Financial Counseling	\$2,550
Horizon Services, Inc.	School Based Risk Reduction Program for LBGTQ Youth	\$4,250
International Institute of the Bay Area	Legal Services for Immigrants	\$4,250

Priorities for Potential Additional Funding General Fund

Agency Name	Project	Addition Funding Recommendation
La Familia / FESCO	Les Marquis House - Shelter Services	\$4,250
New Haven Unified School District	Union City Family Center	\$17,000
Ruby's Place	Shelter and Childrens Program Operations	\$4,250
South Hayward Parish	Case Management Services	\$4,250
Spectrum Community Services	Meal Program for Seniors	\$4,463
Tiburcio Vasquez Health Center, Inc.	CAFÉ	\$5,738
Tri-City Health Center	HIV Program - Early Intervention Services	\$4,250
	TOTAL ADDITIONAL GF RECOMMENDATIONS	\$100,000




Community Development Block Grant Funds


FY 2020 Funding Recommendations

Agency Name	Project	FY2020 Requested	4/2 FY2020 Recomm'd	5/14 FY 2020 Recomm'd
A-1 Housing	Housing Counseling	65,000	-	
Abode Services	Homeless Services	51,822	40,000	48,108
Centro Legal de la Raza	Tenants Rights / Housing Counseling	134,128	45,000	82,836
CRIL	Housing Counseling	100,704	20,000	20,000
BOSS	Homeless Services	38,999	-	
ECHO	Tenants / Landlord Services	26,000	25,000	25,000
COH - Library Family Education Program	Education Services - Afterschool Tutoring	90,040	69,500	77,608
	TOTAL CDBG RECOMMENDATIONS	\$506,693	\$199,500	\$253,552

CDBG – Public Services FY 2020 Funding Recommendations



**FY 2020 CSC Recommendations for
\$54,051 of Additional CDBG Funding
for Public Services**

1. Centro Legal de la Raza - \$37,836 (70%)
 2. Family Education Program - \$8,108 (15%)
 3. Abode Services - \$8,108 (15%)
- 

Agency Name	Project	FY2020 Requested	FY2020 Recomm'd
4Cs of Alameda County	Microenterprise Childcare Provide Training	30,000	30,000
Downtown Streets, Inc.	Homeless / Job Training	234,999	234,999
La Familia / FESCO Marquis House	Facility Fencing, Exterior Paint and Electrical Upgrades	40,000	40,000
COH - Housing Rehab. Program	Habitat for Humanity HRP & Rebuilding Together HRP	300,000	300,000
	TOTAL CDBG RECOMMENDATIONS	\$604,999	\$604,999

**CDBG – Infrastructure & Economic Dev
FY 2020 Funding Recommendations**



FY 2020 CDBG Annual Action Plan

- The Annual Action Plan serves the following purposes:
 - Incorporates all FY 2020 CDBG Community Agency Proposed Programs for HUD approval
 - Allocates unallocated funding from FY 2020 CDBG Community Agency Funding Process
 - Allocates leftover funds from prior fiscal years
 - Certifies the City's compliance with a variety of federal regulations

Staff Recommendations for previous years and unallocated resources in Infrastructure & Economic Development



ST. ROSE HOSPITAL
FOUNDATION
INFRASTRUCTURE AND
FACILITY
IMPROVEMENTS
\$400,000



PLANNING COSTS
RELATED THE
DEVELOPMENT OF
AFFORDABLE HOUSING
\$50,000



ECONOMIC
DEVELOPMENT
MICROENTERPRISE
GRANTS
\$75,000

Recommendations

That the City Council:

- Approves Funding Allocations for
 - FY 2020 Social Services Category
 - FY 2020 CDBG Category
- Approves Authorization for FY 2020 CDBG Annual Action Plan Submission



Next Steps: Annual Action Plan

A Draft Annual Action Plan is available for public comment between
May 11, 2019 and June 10, 2019

Public comments can be sent to:

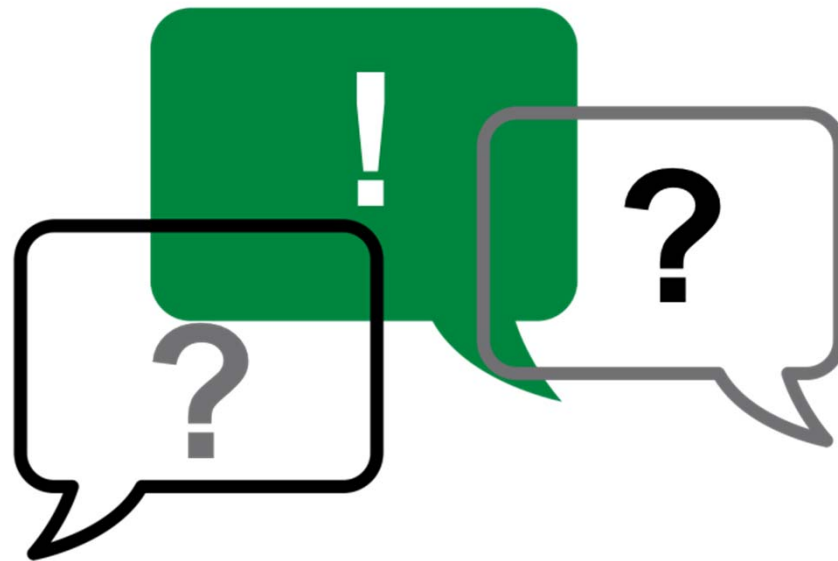
Jessica Lobedan

Jessica.Lobedan@hayward-ca.gov

777 B Street, Second Floor

Hayward 94541

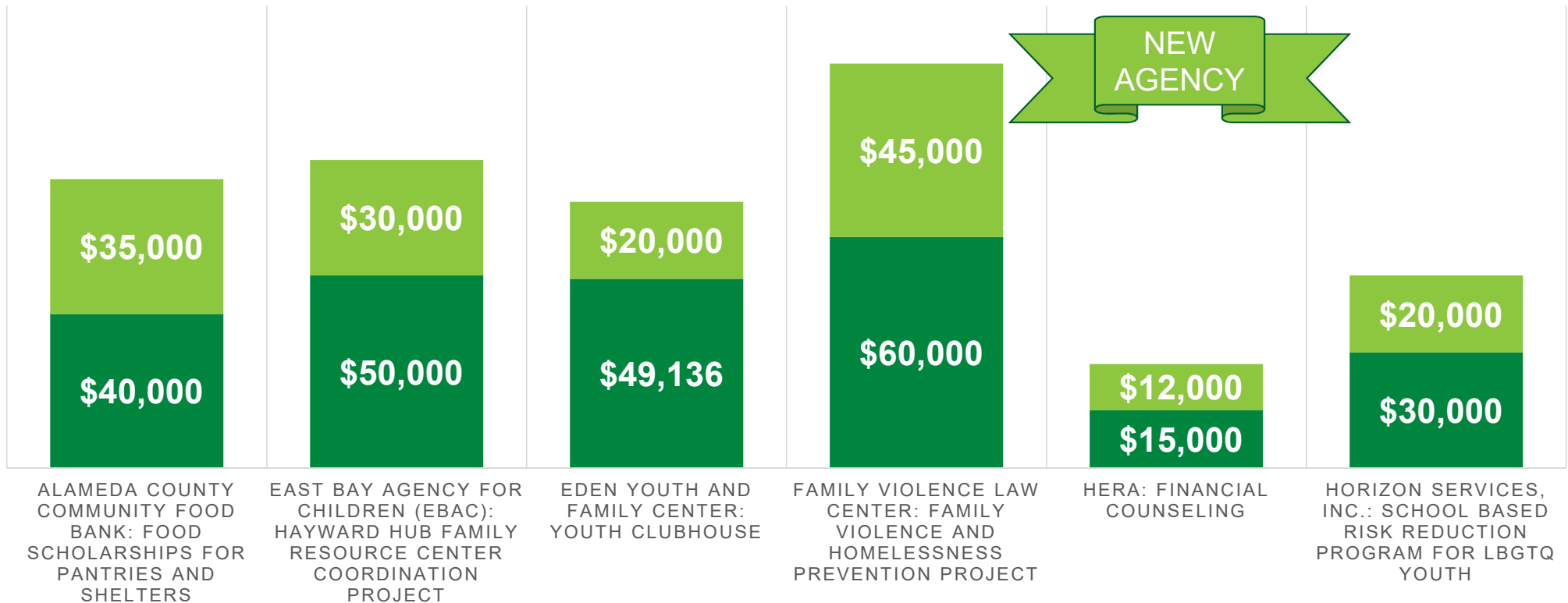
Questions



FY 2020 Funding Recommendations

Social Services

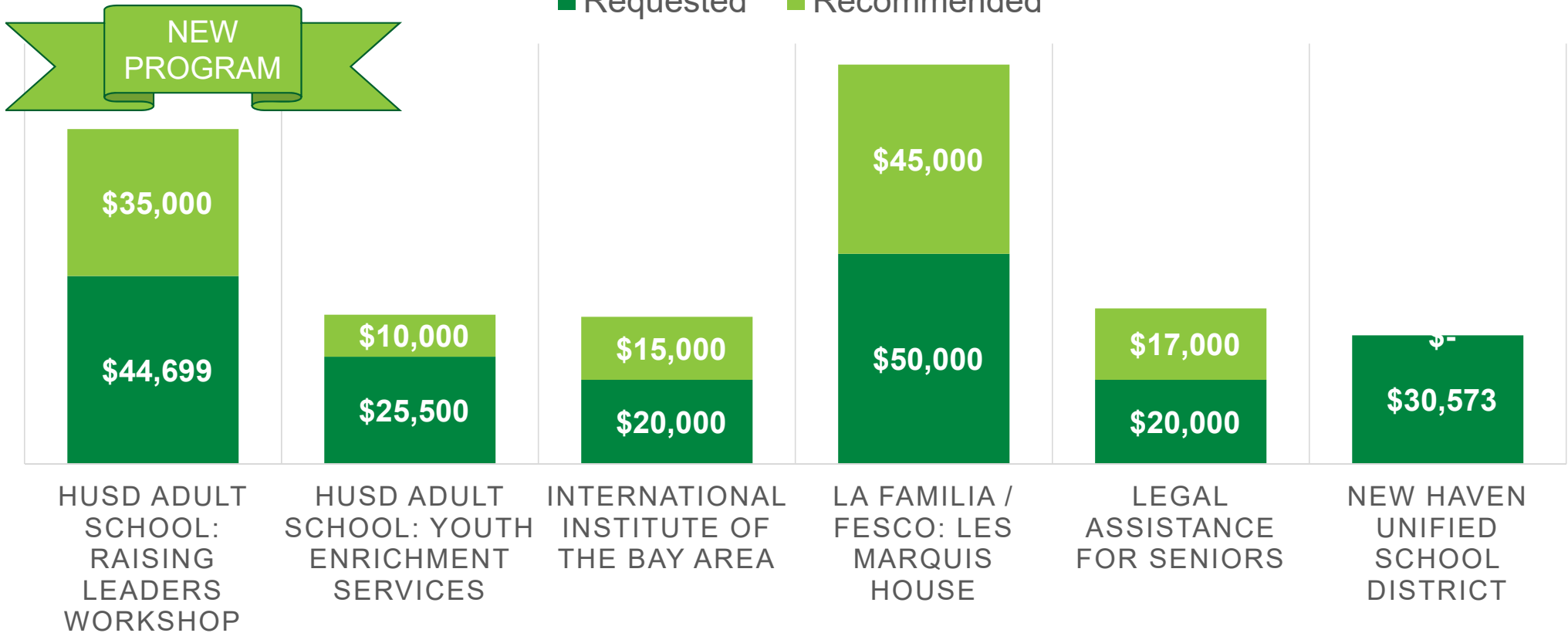
■ Requested ■ Recommended



FY 2020 Funding Recommendations (cont.)

Social Services

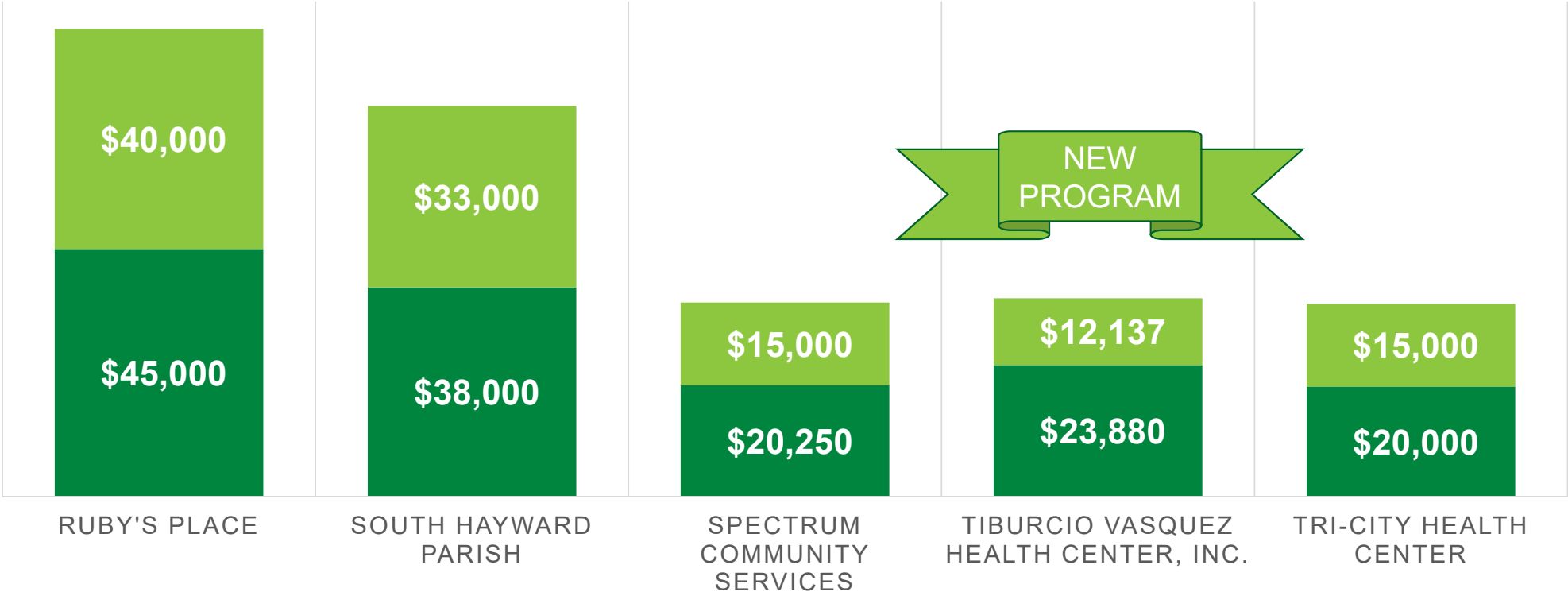
■ Requested ■ Recommended



FY 2020 Funding Recommendations (cont.)

Social Services

■ Requested ■ Recommended



ITEM 12 – PH 19-045

**APPLICATION TO AMEND CHAPTER 10, ARTICLE 1
(ZONING ORDINANCE) AND ARTICLE 2 (OFF-STREET
PARKING REGULATIONS) RELATED TO THE
CREATION OF NEW INDUSTRIAL DISTRICT
REGULATIONS WITHIN THE HAYWARD MUNICIPAL
CODE AND THE ADOPTION OF INDUSTRIAL
DISTRICT DESIGN GUIDELINES**



CITY OF HAYWARD

INDUSTRIAL DISTRICT REGULATIONS UPDATE



CITY COUNCIL PUBLIC HEARING



MAY 14, 2019

AGENDA

- 1** Project Overview
- 2** Summary of Draft Regulations & Recommended Revisions
- 3** CEQA
- 4** Recommendation

1. Project Overview

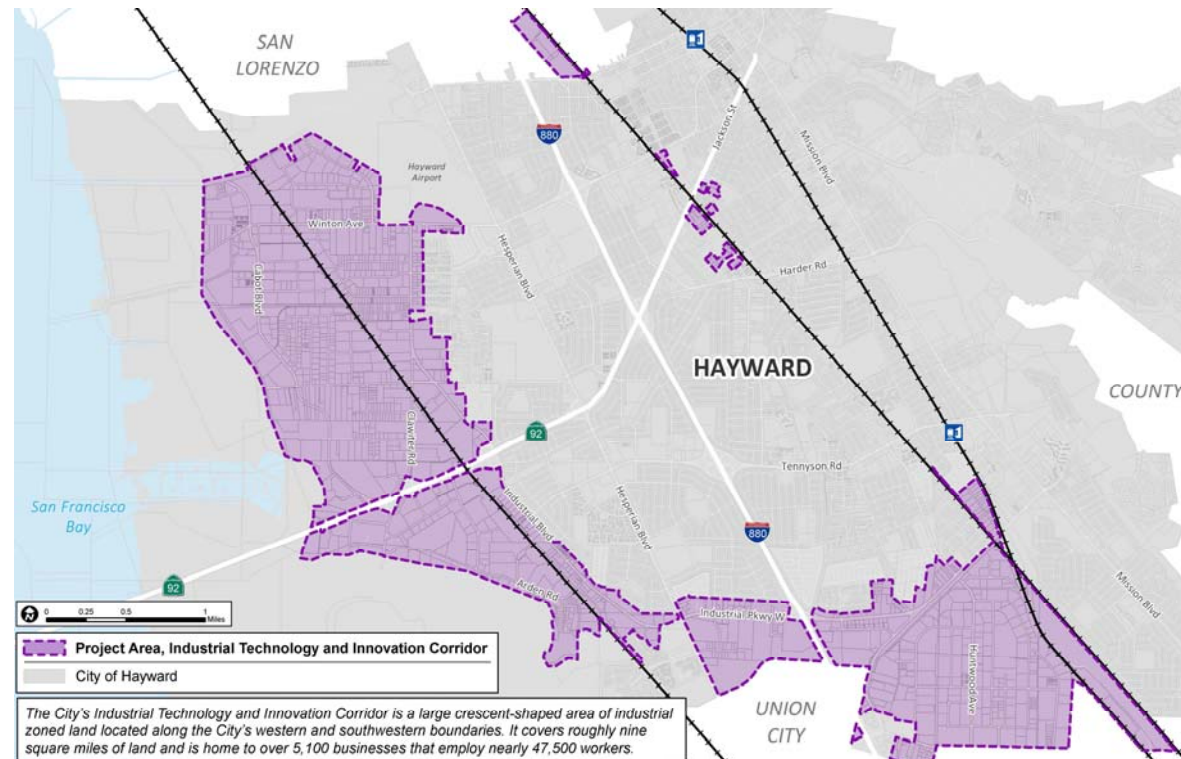
Purpose and Objectives

Update the Industrial District Regulations

- Implement General Plan policies
- Encourage advanced technology industries
- Attract well-designed, high amenity development
- Address compatibility between uses
- Discourage low-employment intensity, high-impact uses
- Be easy to use and understand

“Enhance the Industrial Technology and Innovation Corridor to expand the economic and employment base of Hayward and achieve a healthy balance between a manufacturing-based economy and an information- and technology-based economy”

-General Plan Land Use Goal 6



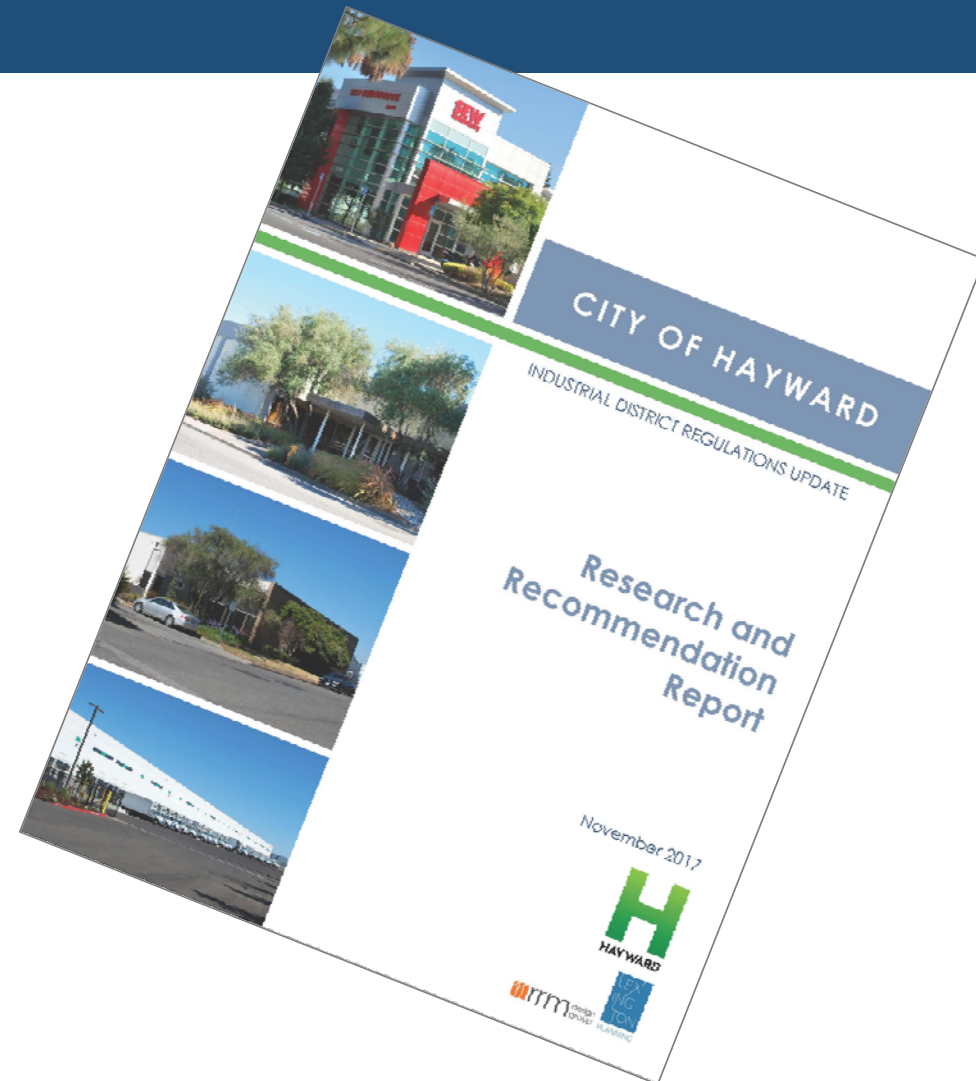
Public & Stakeholder Outreach

- July & August 2017 – Stakeholder Outreach
- December 12, 2017 – Council Economic Development Committee
- January 25, 2018 – Chamber of Commerce
- January 25, 2018 – Community Meeting
- October 11, 2018 – Planning Commission
- October 11, 2018 – Hayward Area Chamber of Commerce
- December 7, 2018 – Chamber of Commerce Committee
- December 18, 2018 – City Council
- April 26, 2019 – Planning Commission



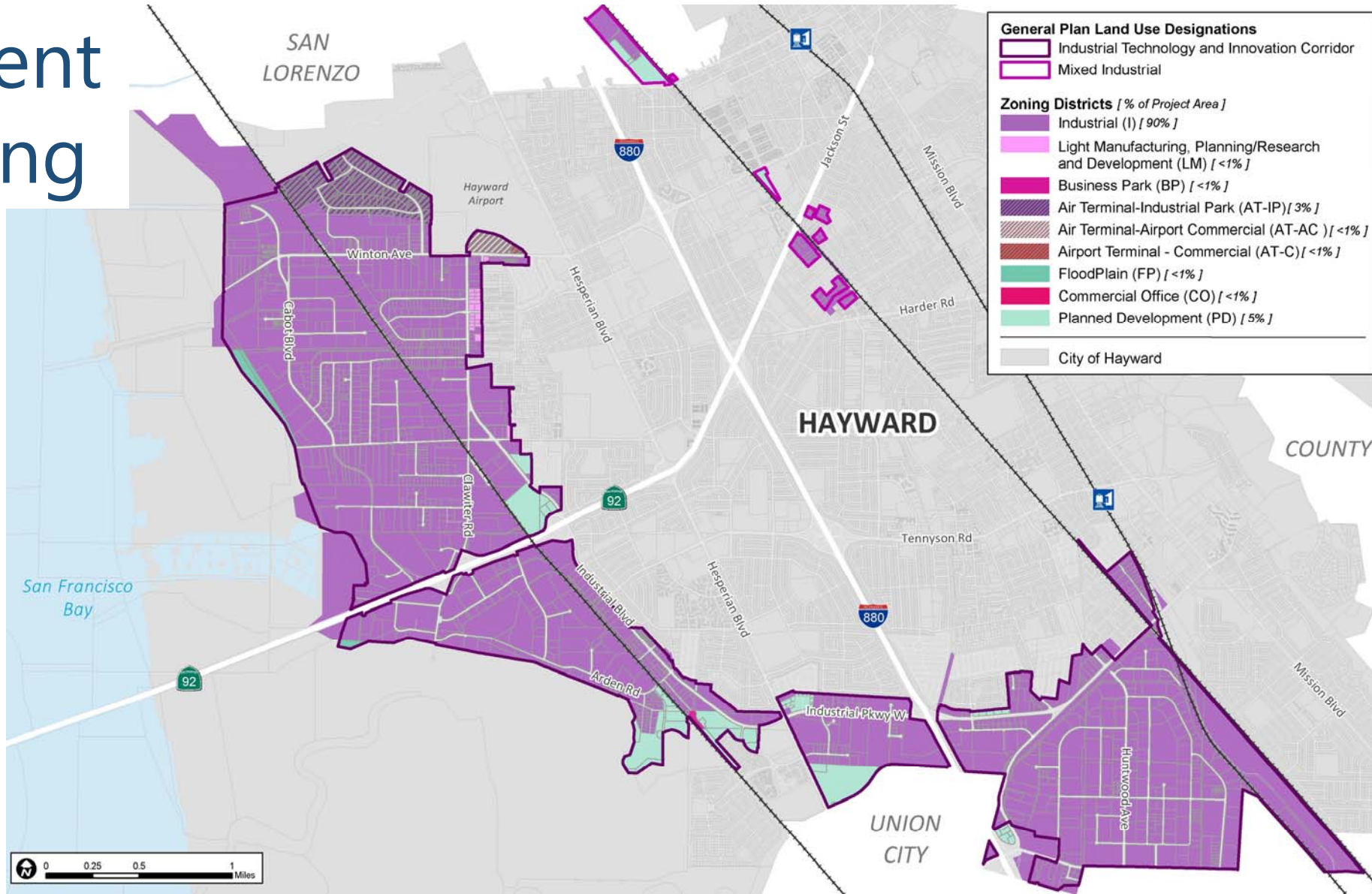
Project Overview

- ✓ **Project Initiation**
- ✓ **Research and assessment**
 - ✓ *Stakeholder interviews*
 - ✓ *Online survey*
- ✓ **Research and Recommendations Report**
- ✓ **Evaluation of issues and options**
 - ✓ *Community workshop*
 - ✓ *Key group meetings*
- ✓ **Draft Regulations Released for Public Review**
- ✓ **Work Sessions with Planning Commission, City Council & Stakeholder Groups**
- Public Hearings and Adoption**



2. Summary of Draft Regulations & Revisions

Current Zoning



Proposed Zoning Map

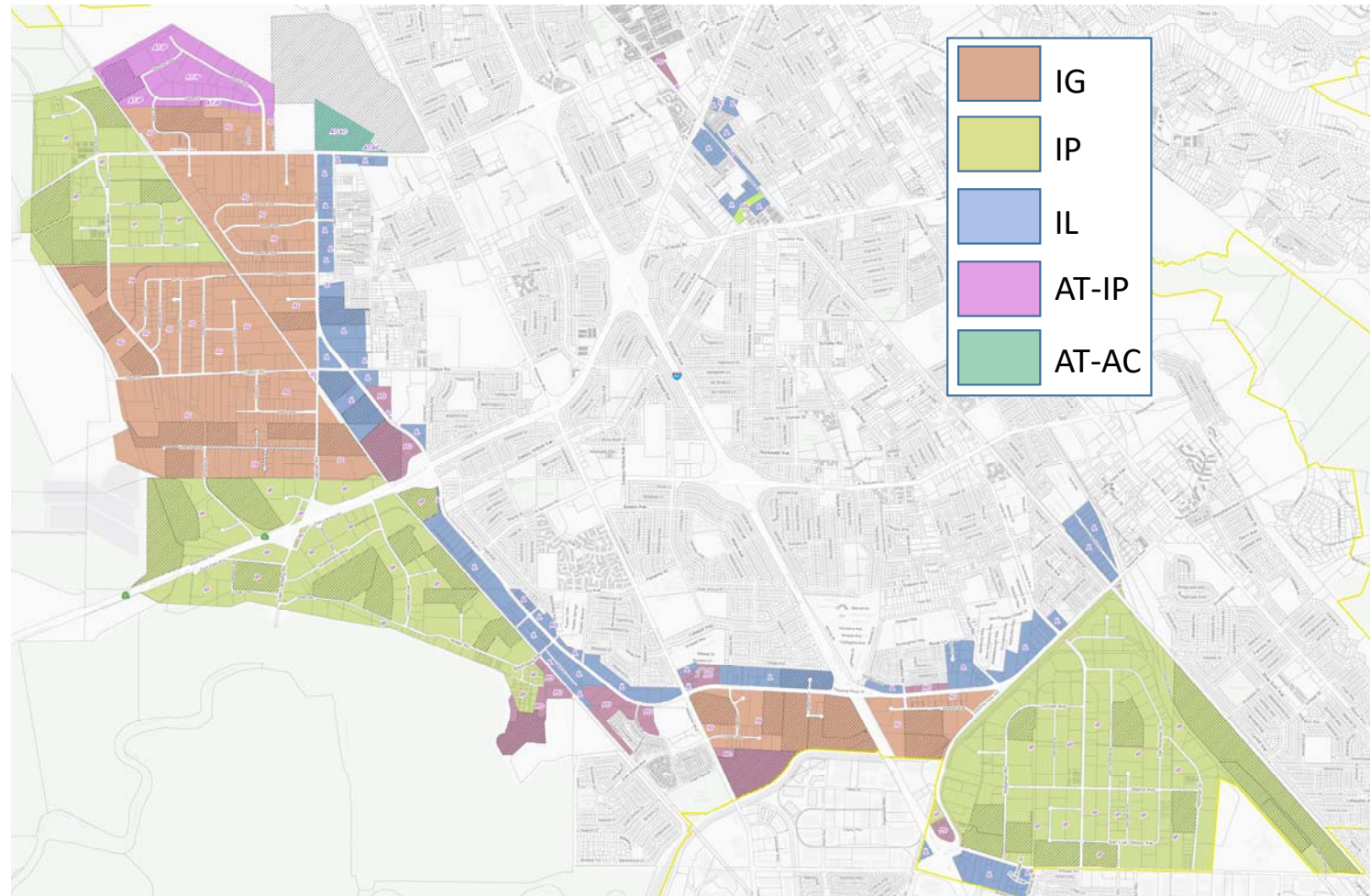
Proposed subdistricts have purpose statements reflecting character and intent

IG: Allow widest variety of industrial uses

IP: Create or maintain an industrial park or campus-like atmosphere

IL: Most restrictive on heavy industrial uses, most permissive on non-industrial uses. Address compatibility

AT-IP, AT-AC: Minor modifications to use regulations and development standards



Revisions to Draft Industrial Regulations

Zoning Map

- Gillig Site – split between IP District along Route 92 & IG District, and
- Shasta Site – split between IL District abutting residential & IP District along Route 92.

Industrial District Zoning Regulations - Uses

- Updated to include various automobile uses & industrial equipment sales;
- Differentiate between micro-brewery which allows retail sales and brewery;
- Differentiate between contractor services and storage yard;
- Allow daycare and educational uses under certain limitations, and
- Allow homeless shelters on City-owned property.

Revisions to Draft Industrial Regulations

Industrial District Zoning Regulations – Standards

- Allow **Bonus Floor Area Ratio (FAR)** for office and research and development uses in IP District, subject to finding that collective FAR across Industrial District will not exceed 0.8;
- Provide tiered allowances for **Outdoor Storage** by sub-district;
- Added provisions for **Bicycle Parking** & locations; and
- Allow various site requirements such as minimum landscaping, employee amenities, and stormwater retention to count toward **Open Space** requirement provided it is designed appropriately.

Revisions Following Planning Commission

Industrial District Zoning Regulations – Standards

- Require all projects that request Bonus FAR to undergo Major Site Plan Review approval;
- Allow deciding authority to reduce on-site landscaping for large-scale projects upon the finding that the reduction in open space would be off-set by employee or public amenities that enhance the quality of the open space provided; and
- Allow General Manufacturing in IP District to support advanced manufacturing start-ups.

Design Guidelines



Revisions to Design Guidelines

Design Guidelines were updated to include:

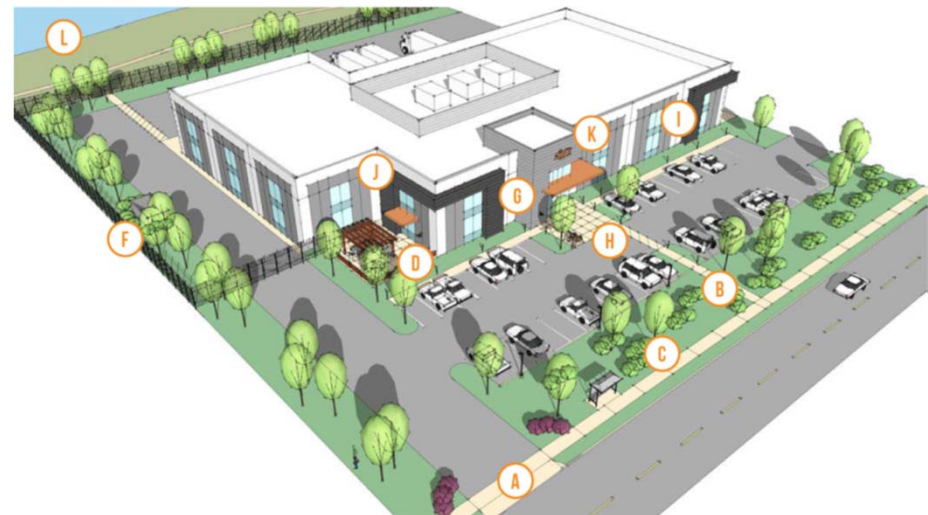
- Additional standards for shoreline fronting elevations and to minimize outdoor storage and truck bays along shoreline, and
- Minimum building plane off-sets occurring at regular intervals to ensure building articulation.
- Add an Appendix showing large-scale office designs for projects seeking FAR bonus.

SITE ELEMENTS

- A** Site Planning
- B** Pedestrian Connections
- C** Landscaping, Walls, and Fencing
- D** Employee Amenities and Open Space
- E** Lighting
- F** Utilitarian

BUILDING DESIGN

- G** Massing and Articulation
- H** Entries
- I** Windows and Doors
- J** Colors and Materials
- K** Signage
- L** Shoreline Development



Other Associated Updates

Revisions to Associated Updates

HMC Section 10-1.3500 - Definitions

- Updated for internal consistency with new regulations and other sections of the Municipal Code

HMC Section 10-2735(m) - Food Vendor Permit

- Allow multiple food truck vendors per site with approved Food Vendors Permit

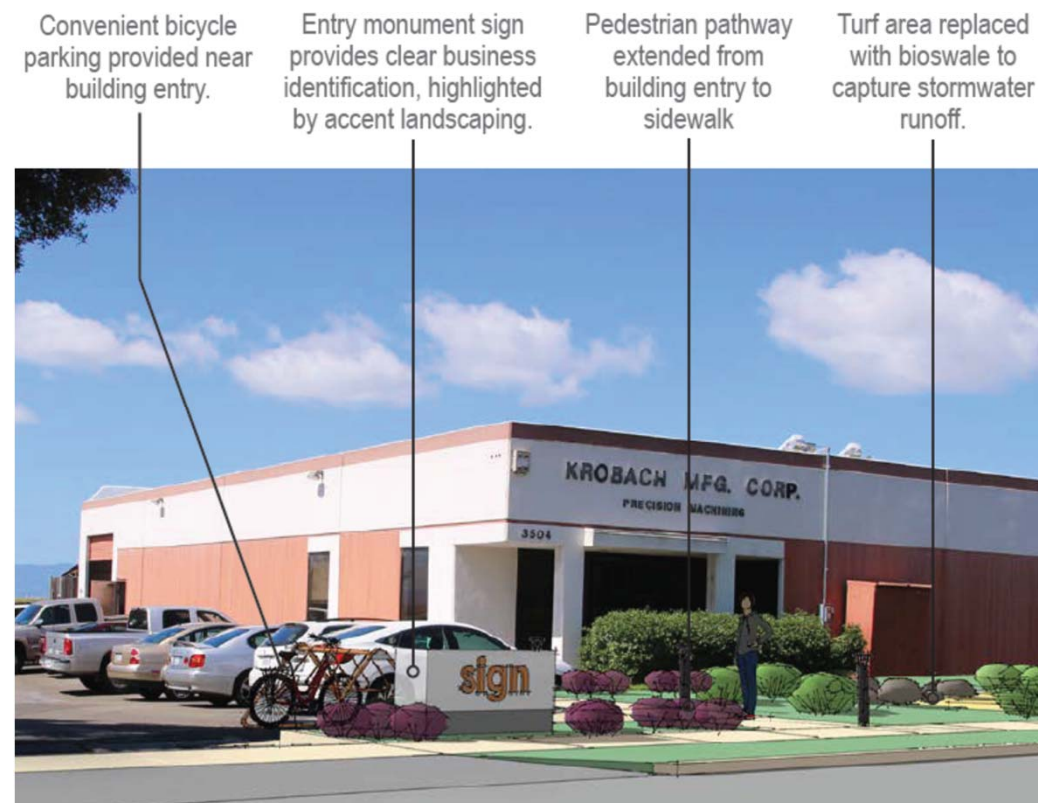
HMC Section 10-1.3075 – Major Site Plan Review

- Removed specific references to Industrial District development to allow City to use this section for other zoning districts and large scale developments.

No Updates to Small Recycling Collection Facilities, Air Terminal District & Parking Regulations Sections.

Nonconforming Provisions

- **Nonconforming Uses:** May remain and continue to operate until vacated for 6 months or longer.
- **Additions and Alterations:** Additions and alterations to nonconforming structures shall be conforming and may not increase the nonconformity.
- **Building Permit:** When a Building Permit is required, buildings that do not meet building entrance requirements must provide treatments to enhance visual interest from the street.
- **Discretionary Permit:** Any portion of a site or building modified in conjunction with a discretionary permit must be brought into conformance with Supplemental and Performance standards.



3. CEQA

Tiering off the General Plan Program EIR

- July 1, 2014, City Council adopted Resolution No. 14-108 approving the Hayward 2040 General Plan Update and Program Environmental Impact Report.
- Proposed amendments are consistent with General Plan Goals and Policies & specifically called for in General Plan Implementation Program.
- Bonus FAR for certain uses within IP sub-district subject to finding that the collective FAR across all sub-districts does not exceed 0.8 FAR.
- No new or unanticipated levels of development not identified in the General Plan Program EIR would occur as a result of the proposed Zoning Map or Text Amendments.
- No further environmental review is necessary.

4. Recommendation

Recommendation

That the City Council Adopt the Ordinance and Accompanying Resolution Approving Zoning Map and Text Amendments, Related Design Guidelines and Environmental Analysis for the Industrial District Regulations Update.

QUESTIONS & COMMENTS