

**HAYWARD
GEOLOGIC HAZARD ABATEMENT DISTRICT**

TO: Hayward GHAD Board of Directors

FROM: GHAD Manager

BOARD MEETING DATE: May 24, 2022

**SUBJECT: Resolution Approving the Geologic Hazard Abatement District (GHAD)
Budget for the 2022/23 Fiscal Year.**

RECOMMENDATION(S):

Staff recommends that the Hayward GHAD Board of Directors adopt Resolution 22-04 approving the GHAD budget for the 2022/23 fiscal year.

SUMMARY:

The Hayward GHAD Board of Directors accepted monitoring, maintenance, and/or ownership of selected parcels within The Reserve (formerly La Vista) development within the Hayward GHAD with the approval of Resolution 20-01 on February 25, 2020. The proposed budget allows funding of GHAD responsibilities for the 2022/23 fiscal year from July 1 to June 30. The proposed budget for the 2022/23 fiscal year is \$145,570.

BACKGROUND AND DISCUSSION:

Hayward City Council adopted Resolution 16-030 approving the formation of the Hayward GHAD and the Plan of Control for The Reserve (La Vista) development within the Hayward GHAD on March 1, 2016.

The Hayward GHAD Board of Directors accepted monitoring, maintenance, and/or ownership of selected parcels within The Reserve (La Vista) development within the Hayward GHAD with the approval of Resolution 20-01 on February 25, 2020. The adopted Plan of Control summarizes the GHAD's responsibilities and the approved Engineer's Report established a budget and assessment limit for residential properties within The Reserve development.

The following are improvements owned and/or maintained by the GHAD and activities funded through the proposed budget.

- General maintenance of the surface drainage improvements
- General maintenance of storm drain inlets and outlets in open space, subdrain outlets, and risers
- Maintenance of concrete-lined drainage ditches
- Maintenance of existing property line/boundary fencing
- Inspection and maintenance of surface water quality treatment, water quality pond, and detention basins
- Retaining wall east of Alquire Parkway at the northwest corner of the Moita property

- Maintenance roads associated with the water quality pond and the detention basins
- Maintenance roads/trails over public water mains on the GHAD-owned parcels
- Debris benches and walls
- Subdrains
- Storm drain inlets, outfalls and pipelines within the GHAD-owned parcels
- Maintenance including trails (other than City-owned public trails) within the GHAD-owned parcels
- Slopes including Hayward Concentrated Fault Zone
- Vegetation control for fire suppression

The Hideaway (formerly Ersted) development will be eligible for transfer of Plan of Control responsibilities in December of 2023; therefore, the GHAD does not have any ownership or maintenance responsibilities within the Hideaway development for fiscal year 2022/23. With the recent annexation of the Hayward SoMi development into the Hayward GHAD, the Hayward SoMi development will be eligible for transfer of Plan of Control responsibilities in approximately summer of 2025.

The Hayward GHAD has been levying and collecting assessments since fiscal year (FY) 2017/18. For the 2022/23 FY, all 179 residential units with The Reserve development, all 59 residential units within the Hideaway development, and 37 of 189 residential units (21 condominiums and 16 townhomes) within the Hayward SoMi development, for a total of 275 units are subject to the levy of a GHAD assessment. Parcels are subject to the levy starting the first fiscal year following issuance of a building permit.

As the GHAD has exceeded its target reserve rate of accumulation forecast estimate in the approved 2016 Engineer's Report for The Reserve Development, we have recommended suspension of the levy for residences within The Reserve development for FY 2022/23. We provided this recommendation based on the following conditions.

- Unencumbered reserve funds collected from within The Reserve Development exceed the target reserve amount estimated in the approved Engineer's Report
- Reserve funds collected from within The Reserve Development exceed the dollar amount estimated for a large-scale repair
- Plan of Control responsibilities have been transferred from the developer to the GHAD

We are recommending the FY 2022/23 levies for the Hideaway and SoMi Hayward developments still be imposed at the assessment limit. The total assessment revenue for the Hayward GHAD for FY 2022/23 is estimated at \$82,000.

As provided in the approved Engineers' Reports, the assessment limits in each of the three developments (The Reserve, Hideaway, and Hayward SoMi) will continue to be adjusted for inflation annually. The proposed levy suspension for FY 2022/23 for The Reserve Development does not preclude the GHAD Board in the future from increasing or decreasing the levy of the assessment up to the inflation adjusted assessment limit. This determination is made by the GHAD Board each year in approving the annual budget for the GHAD. As long as the GHAD Board levies future assessments in accordance with the Engineer's Report, a vote of property owners is not required; a vote is only required if the assessment limit is increased beyond that allowed in the Engineer's Report.

The proposed program budget for fiscal year 2022/23 is \$145,570. The budget expenses break down into the following amounts:

Major Repair	\$0
Preventive Maintenance and Operations	\$104,000
Special Projects	\$0
Administration	\$ 23,400
Additional - Outside Professional Services.....	<u>\$ 18,170</u>
Total Expenses	<u>\$ 145,570</u>

FISCAL IMPACT:

The Hayward GHAD is proposing a budget of \$145,570 for anticipated management and maintenance fees for the 2022/23 fiscal year. At the beginning of the 2022/23 fiscal year, the cumulative reserve is estimated at approximately \$1,102,693 and approximately \$1,074,123 at the end of the 2022/23 fiscal year.

The Hayward GHAD operates as a separate entity from the City of Hayward; therefore, there is no fiscal impact to the City of Hayward.

NEXT STEPS:

None.

Prepared by: The GHAD Manager, Eric Harrell

Recommended by: GHAD Manager, Eric Harrell

ATTACHMENTS:

A. Resolution No. 22-04