



CITY OF HAYWARD

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Cover Memo

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DATE: April 14, 2022

TO: Planning Commission

FROM: Director of Public Works

SUBJECT

Proposed Traffic Impact Fee and Nexus Study

RECOMMENDATION

That the Planning Commission review and provide feedback on the proposed Traffic Impact Fee (TIF) recommendations for certain land use types in the City of Hayward.

SUMMARY

In July 2015, the City hired TJKM to prepare a Multimodal Improvement Plan and Nexus Study (Nexus Study) (Attachment II) that identifies locations of future traffic deficiencies as a result of future development, develop mitigations to address these deficiencies, calculate the total cost of capital improvements required to implement the mitigations, and provide a calculated maximum allowable traffic fee that would be legally defensible based on projected cumulative traffic impact from different development types.

In October 2021, the City hired Community Attributes, Inc., (CAI) to review the Nexus Study and assist with developing recommendations for the appropriate fee amounts, based on current economic conditions and development feasibility to maintain a competitive fee structure when compared to surrounding jurisdictions and to avoid disincentivizing new development. Consistent with the findings and analysis from CAI on certain land use types, staff recommends the following, which is detailed in the Discussion section and listed below:

1. Reduce the impact fees for single-family residential developments by 70% and general industrial and distribution/e-commerce by 30% below the maximum allowable TIF;
2. Waive the TIF for multi-family, retail, and office developments;
3. Include an automatic annual construction inflation index adjustment; and
4. Reevaluate the TIF program after three years to assess market conditions.

Staff is requesting feedback from the Planning Commission on the TIF proposed for certain land uses and will forward that feedback to Council for their consideration at a future meeting.

ATTACHMENTS

Attachment I Staff Report

Attachment II Hayward TIF Final Report and Nexus Study