



CITY OF HAYWARD

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Cover Memo

File #: WS 19-052, **Version:** 1

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

