

**HAYWARD
GEOLOGIC HAZARD ABATEMENT DISTRICT**

TO: Hayward GHAD Board of Directors

FROM: GHAD Manager

BOARD MEETING DATE: May 19, 2026

**SUBJECT: Resolution Approving the Geologic Hazard Abatement District (GHAD)
Budget for Fiscal Year 2026/27**

RECOMMENDATION(S):

Staff recommends that the Hayward GHAD Board of Directors adopt Resolution 26-03 approving the GHAD budget for the 2026/27 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, and Resolution 23-04 on November 14, 2023. Additionally, the Board of Directors accepted monitoring, maintenance, and/or ownership of all parcels within the Hideaway (formerly Ersted) development on November 19, 2024, with the approval of Resolution 24-02. The proposed budget allows funding of GHAD responsibilities for the 2026/27 fiscal year from July 1 to June 30. The proposed budget for the 2026/27 fiscal year is \$198,488.

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, and Resolution 23-04 on November 14, 2023. Additionally, the Board of Directors accepted monitoring, maintenance, and/or ownership of all parcels within the Hideaway (formerly Ersted) development on November 19, 2024, with the approval of Resolution 24-02. The adopted Plans of Control for each development summarize the GHAD's responsibilities, and the approved Engineer's Reports established a budget and assessment limit for residential properties for each 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 Hayward SoMi development transferred Plan of Control responsibilities to the Hayward GHAD during the FY 2025/26; therefore, we have included funding for the Hayward SoMi development in the FY 2026/27 budget.

The Hayward GHAD has been levying and collecting assessments since FY 2017/18. For the 2026/27 FY, all 179 residential units within The Reserve development, all 59 residential units within the Hideaway development, and all 189 residential units within the Hayward SoMi development, for a total of 427 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.

In FY 2022/23, the GHAD was ahead of its target rate of reserve accumulation forecast estimate in the approved 2016 Engineer's Report for The Reserve Development; therefore, GHAD Staff recommended and the Board approved suspension of the levy for residences within The Reserve development for FY 2023/24 only. 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

While the GHAD is still ahead of its target rate of reserve accumulation, the projected reserve balance is still below the target reserve forecast in each development's Engineer's Report. For FY 2026/27, we recommend an assessment levy of \$1,463.55 to fund annual maintenance and operations and reserve accumulation towards the target reserve balance. For the Hideaway and Hayward SoMi developments, we still recommend that the FY 2026/27 levy be imposed at the assessment limit as the listed conditions above have not been met yet for these developments. The total assessment revenue for the Hayward GHAD for FY 2026/27 is estimated at \$452,463.

As provided in the approved Engineers' Reports, the assessment limits for each of the three developments (The Reserve, Hideaway, and Hayward SoMi) will continue to be adjusted for inflation annually. The assessment limits are adjusted annually on December 30 to reflect the percentage change in the San Francisco-Oakland-Hayward Consumer Price Index (CPI) for All

Urban Consumers. Any proposed levy suspension or annual levy below the allowed assessment limit in the future for any of the developments within the GHAD 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 when 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 2026/27 is \$198,488. The budget expenses break down into the following amounts:

Administration- GHAD Manager	\$ 36,690
Administration - Outside Professional Services	\$ 28,299
Preventive Maintenance and Operations	\$127,499
Special Projects	\$6,000
Major Repair	<u>\$0</u>
Total Expenses	\$ 198,488

FISCAL IMPACT:

The Hayward GHAD is proposing a budget of \$198,488 for anticipated management, maintenance, and operations fees for the 2026/27 fiscal year. At the beginning of the 2026/27 fiscal year, the cumulative reserve is estimated at approximately \$1,663,000, and approximately \$1,972,000 at the end of the 2026/27 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: GHAD Manager, Haley Ralston

Recommended by: GHAD Manager, Haley Ralston

ATTACHMENTS:

- A. Resolution No. 26-03 Approving the Budget for Fiscal Year 2026/27 for the Hayward Geologic Hazard Abatement District